Learn how to strategically manage pricing to defend or increase your profitability, even in highly competitive markets.

WHO SHOULD ATTEND?
This program is valuable for mid- to senior-level executives who analyze, recommend, or approve pricing decisions. It is especially valuable for marketing, finance, and sales executives who are introducing new products, facing significant price competition, or failing to achieve prices that reflect the value they deliver. Titles include: CEO, president, COO, CFO, director of business development, director of marketing and sales, director of pricing, director of revenue management, director of purchasing, senior product manager, and pricing manager.

PROGRAM BENEFITS
By attending this program, you will:
• Explore the real financial implications of pricing decisions and when it makes sense to compete on price and when it doesn't.
• Learn how to change customers’ price perceptions to capture more value and determine which alternatives to price competition are appropriate for your business.
• Use pricing to strategically guide a business to long-term profitability, rather than reacting to solve short-term challenges.

IDEAS COMPETE, PEOPLE COLLABORATE
Consistently ranked among the top programs in the world, Executive Education at Chicago Booth is where intellectual rigor, engaging teaching, and cutting-edge research meet. We create and learn in an intense, exhilarating climate of discussion and debate.

CONNECT WITH WORLD-CLASS FACULTY
The University of Chicago Booth School of Business has one of the most highly-regarded faculty of any business school in the world. Since Sweden’s central bank, Sveriges Riksbank, established the Nobel Prize in Economic Sciences in 1968, nine Chicago Booth faculty members have won the award.
PRICING: STRATEGY AND TACTICS (PST)

PROGRAM OUTLINE

Strategic versus Tactical Pricing: Asking the Right Questions
• Why pricing “to cover costs” undermines profit
• Fundamentals of value-based pricing
• Creating value—the use of EVC
• Communicating value and value maps
• Why pricing “to achieve sales goals” wastes profit
• Why pricing for competitive advantage undermines value

Costing and Financial Analysis
• Determining the relevant costs for pricing
• Incremental costing versus fully allocated costing
• The importance of contribution margin
• Calculating break-even sales changes
• Analyzing the profitability of price changes

Managing Price Competition
• Mastering the pricing “game” and planning for profitable competition
• Using information strategically
• Managing resources for competitive advantage
• Understanding the legal issues in pricing

Pricing Psychology
• Understanding how customer information processing strategies affect price perceptions and judgments
• Determining effective pricing communication tactics
• Managing customer risk to maximize value

Strategic Pricing Tools and Application
• Determining the product/service economic value
• Creating tiered offerings to drive margin and growth
• Using price analytics to identify opportunities for policy and process change

Setting Profit-Maximizing Prices
• The role of value
• Segmented pricing
• Accounting for price sensitivity factors
• Using price to achieve strategic objectives
• Managing price over the life cycle

Organizational Transformation
• Building a pricing capability
• Road map for transitioning to strategic pricing
• Planning for organizational change

“Spending a week on pricing—which is key to driving sales and profitability—can allow for the much-needed reflection to identify opportunities. This course equipped me with the concepts, frameworks, and real industry examples that allowed me to drive some quick wins that resulted in sustainable incremental profits for us.”
—ARPANA BRAHMHBHATT, DIRECTOR OF AFTERMARKET SALES, CUMMINS INC.

FOR MORE INFORMATION, CONTACT:
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