

Pricing Strategy in Marketing: Balancing Value and Profitability

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Abstract : Pricing strategy is a vital component in achieving the balance between customer value and business profitability. The aim of this study is to provide insights into the factors, techniques, and approaches involved in pricing decisions. The study utilizes a descriptive approach to discuss various aspects of pricing strategy in marketing, drawing on concepts from market research, consumer psychology, competitive analysis, and adaptability. This approach presents a comprehensive view of pricing decisions. The result of this exploration is a framework that highlights key factors influencing pricing decisions. The study examines how factors such as market positioning, product differentiation, and brand image shape pricing strategies. Additionally, it emphasizes the role of consumer psychology in understanding price elasticity, perceived value, and price-quality associations that influence consumer behavior. Various pricing techniques, including charm pricing, prestige pricing, and bundle pricing, are mentioned as methods to enhance sales by influencing consumer perceptions. The study also underscores the importance of adaptability in responding to market dynamics through regular price monitoring, dynamic pricing, and promotional strategies. It recognizes the role of digital platforms in enabling personalized pricing and dynamic pricing models. In conclusion, the study emphasizes that effective pricing strategies strike a balance between customer value and business profitability, ultimately driving sales, enhancing brand perception, and fostering lasting customer relationships.

Keywords : business, customer benefits, marketing, pricing

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