

AMEM25 PRICING STRATEGY IN PRACTICE

UNIT-1 RETAIL MARKET DYNAMICS

- 1.1 Welcome to the course! We'll kick off the week with an overview of the project, which centers around Philips introduction of an eco-friendly light bulb.
- 1.2 Once you've read the case, Thomas and Ron will guide you as you apply the cost lens to analyze the economics of the LED light bulb Philips has introduced to the market.
- 1.3 After you've analyzed the economics of the case, Ron and Thomas will debrief to make sure you are on the right track.
- 1.4 You will also hear from BCG pricing experts, who will share their lessons and tips gleaned from years of helping clients in multiple industries optimize their prices and improve the bottom line.

UNIT-2 CUSTOMER VALUE AND CONJOINT ANALYSIS

- 2.1 This week, we will dig deeper into customer value using conjoint analysis to determine the price sensitivity of consumers and businesses.
- 2.2 Thomas and Ron will show you how to graph the conjoint data to easily compare these two markets and you'll do additional analysis of the conjoint data to learn more about what consumer's value.
- 2.3 Using your analysis, you'll hone your pricing recommendation.

UNIT-3 PRICE RECOMMENDATION

- 3.1 This week, you will pull everything together to make a pricing recommendation for Philips.
- 3.2 You will recommend which markets they should serve (B2B, B2C, or both) and how they should price their LED bulbs.
- 3.3 You'll learn how to lay out your thought process and rationale in a tightly edited slide deck that presents your recommendations in a compelling way.

UNIT-4 CURVEBALL

- 4.1 This week, you will respond to new developments in the LED light bulb market: a new competitor and new regulations.
- 4.2 Just like in real life, you'll need to adjust your strategy when the competitive landscape changes and new regulations emerge and reconsider the retail marketplace and reevaluate the B2B market.
- 4.3 You'll also head out into your own "real world" and do some detective work about the LED bulb market in your area and relate those findings to the case. We'll finish the course with BCG pricing experts sharing their insights into what makes pricing such a rewarding field.

Reference Books:

1. Jean Manuel Izaret, Senior Partner and Managing Director, Leader of BCG's Global Pricing Practice, BCG
2. Ronald T. Wilcox, NewMarket Corporation Professor of Business Administration & Senior Associate Dean for Degree Programs, University of Virginia.