

Value based pricing means setting the price of a product or service based on the buyers' perceptions of benefits and values that the product gives. Which contributes to improving the quality of the product or service provided and distinguishing it from competitors based on information and statistics and thus the possibility of applying the pricing strategy on the basis of value Third, flexibility: Because the world is evolving so rapidly, companies have to be more flexible in dealing with customer needs that are constantly changing. Examples of successful companies that manufacture and sell products on the basis of value (Apple – Adidas), where these companies sell products at high prices compared to the cost allocated to manufacture, their pricing strategies were built based on the information they obtained about the target segments and consumers' opinion of the value of their products. It is very important to understand the potential customer before doing value pricing, so we can know what they are looking for and how much they are willing to pay for it. First, data analysis allows companies to segment customers by age, location, shopping habits and product usage, and thus finding out which segments are most profitable for the company. Finally, innovation and changing industries, where innovative and unique products are among the easiest products that can be priced on the basis of value, as companies create products that suit changes in the needs and desires of consumers. Second, to promote continuous product development in order to maintain competitiveness in a market that has become entirely customer-based, as it has become necessary to develop products according to customers' opinions and feedback. It is essentially attaching a price to a product or service based on what consumers think the product is worth (Kotler and Armstrong, 2012). Companies usually implement this strategy for niche market segments where consumers focus more on values and are not too price-based mentality. When value-based pricing is used, companies are trying to reach a state of optimization where they are maximizing their revenue, while charging customers an amount that they are also willing to pay. As this enables the company to focus on these categories and design prices based on value that desire buyers and with their ability to pay these prices.