

3-1 What is pricing? Different pricing methods place varying degree of emphasis on selection, estimation, and evaluation of costs, comparative analysis, and market situation. A pricing strategy takes into account segments, ability to pay, market conditions, competitor actions, trade margins and input costs, amongst others. Simply, pricing method is used to set the price of producer's offerings relevant to both the producer and the customer. It is targeted at the defined customers and against competitors. See also pricing strategy.