The price is right!

It is too bad that marketing people often are not involved in the pricing process within a company. Because as you probably know, price is one of the four “Ps” (product, placement, price, promotion) involved in marketing. Often, especially if you are in a public relations/advertising agency, you had absolutely no input on price. None. And yet, you are being asked to promote a product/service that may not be priced correctly.

What is the correct price? The one the public will pay for that product or service.

For instance, say you see a great ad campaign for a product. You go look for it, but it is priced too high. You don’t buy it. Of course, perhaps you are not the target audience. Perhaps the target is people with higher household incomes than you. That is possible.

However, I often see pricing that is more reflexive of a small committee of people who decide the price than of market research or a target audience strategy.

Prices can be too high and they can be too low. If something is too cheap, you may doubt its value.

In any case, if as a marketing communications person you can participate in talks about price, do so. If you can get market research to back up price decisions, do so. The right price can sell a product more readily than any campaign, press release or social media blitz.

Your thoughts?