PRICE

Questions

a) How have you decided your pricing?
b) Except for the launch period, when the product may be offered at a discounted price to make consumers try it, will its price be higher or lower than average, or than benchmark competitors' products? Why?
c) Making educated guesses on the number of consumers who will buy it, quantities and price, does this pricing allow satisfactory results in terms of sales?
d) And in comparison with estimated fixed and variable costs? Does this pricing generate a satisfactory profit?
e) Which are the variables that can influence your price and your costs? International markets for raw materials? Utilities (energy, water ...)? Climate and product availability?
f) So how uncertain is a forecast on prices and costs?
g) Does your clients' willingness to pay and bargaining power allow a complete transfer of cost increases on prices?
h) And what about the effect of your bargaining power towards suppliers, in case of an increase in raw material quotations?