**PRICING**

Quality and price are often considered the same by customers. Higher-priced items are usually perceived as high-quality products. Customers who feel lower prices reflect low quality will not buy more of that product.

Large companies usually have departments responsible for the pricing function. The owners of small boutiques, local clothing stores, and hair salons would most likely be in charge of setting prices for their goods and services.

Companies that use high-quality materials in the production of their goods have to pay higher prices for the materials. They will pass these increased costs on to their customers.

When a similar product is offered by other businesses, a business needs to be aware of the prices of those businesses. If not, the business will probably lose customers because it is not competitive. Businesses must be willing to adjust their prices, depending on the circumstances faced by the business. Changes in the economy, demand, and other factors can affect pricing.

There are a variety of ways that businesses can ship or transport their products to their final destination. The cost of each type of transportation varies; therefore, businesses choose the method that fits within their price range. Businesses build the transportation costs into the price of their products. Inflation is a rapid rise in prices, usually occurring when demand exceeds supply. Regulations are an established set of rules. Orientation is job preparation or induction training for new employees

**PROMOTION**

The images that are created by promotions affect customers' attitudes toward a company and/or its products. Loyalties to products or businesses are often the direct result of promotional activities. New customers and immediate sales are short-range benefits of promotion. Promotional activities generally increase rather than reduce a company's expenses.

The method of communicating the promotional message must be appropriate to the product being promoted. The right method for one product might be wrong for another. The message should also be appropriate to the market, but it would not be selected by the market. If a method of communication is effective, it would not need to be different each time.

Promotion should make the salesperson's job easier by persuading the customer to buy before the customer comes to the business. Promotion cannot deliver or guarantee goods and services. Promotion usually focuses on new products rather than old items.

Consumers know that the advertiser must present the product in the best possible light, while product weaknesses are not mentioned. Advertising does not necessarily raise the price of a product. Most advertising is not meant to be misleading since misleading ads are illegal. Directing advertising toward a mass audience would not cause customers to doubt the information presented.

Communicate the benefits of products to buyers. Sellers need to point out the benefits of products because people buy benefits, not features. Promotion contributes to the marketing effort, but it does not enable marketers to expand distribution, bring new products to market, or bypass middlemen.

**SELLING**

Selling efforts that meet clients' needs help to ensure customer satisfaction and repeat business that contribute to business success. The target market is composed of individuals who are most likely to buy your products. Relative price is the ratio between two prices. The national debt is the total indebtedness of the entire country. Selling does not contribute to any of these areas.

These are products sold for personal use, rather than for use by a business. Products sold for resale are usually sold to intermediaries to sell to their customers. Products sold for promotional purposes are display or advertising items used by businesses. Products sold for industrial purposes are purchased by business and industry to use in making other products or in the operation of the business.

Salespeople who know their products can translate features into benefits for customers and help them select products that will best meet their needs. Ethical standards are unwritten rules of good conduct. All salespeople should have high ethical standards so that customers will trust them. Showing a new use for a product would demonstrate creativity, the ability to generate unique ideas, approaches, and solutions. Probing is an investigation of what customers think, feel, or know.

A retailer's selling a sewing machine to a professional seamstress is an example of a product's being sold to an organization for use in producing other goods. The seamstress will use the sewing machines to produce goods that she will sell. A retailer's selling office furniture to an advertising firm is an example of a product's being sold for use in general business operations. A teenager's mowing his neighbor's lawn for $20 is an example of a product's being sold directly to the user for ultimate consumption. A distributor's selling comic books to a comic store is an example of a product's being sold to an organization for resale.

A Mary Kay cosmetics party is an example of a product's being sold without the use of an intermediary. A company representative sells the products directly to consumers at the party. A tanning salon, a construction-supply distributor, and a car-rental agency are all intermediaries who resell goods or services to consumers.