



NATIONAL OPEN UNIVERSITY OF NIGERIA
Plot 91, Cadastral Zone, Nnamdi Azikiwe Express Way, Jabi - Abuja
FACULTY OF MANAGEMENT SCIENCES
2025_2 EXAMINATIONS

COURSE CODE: MKT829

COURSE TITLE: Pricing Policies

CREDIT UNIT: 3

INSTRUCTION:

1. Indicate your Matriculation Number clearly
2. Attempt question one (1) and any other three (3) questions; four questions in all
3. Question one (1) is compulsory and carries 25 marks, while the other questions carry 15 marks each.
4. Present all your points in a coherent and orderly Manner

TIME ALLOWED: 2½ Hours

- 1a. Define pricing policy and explain its significance in business decision-making. (6 marks)
- 1b. Identify and describe three demographic factors that influence pricing policy. (4 marks)
- 1c. Discuss the psychological factors that marketing managers should consider when making pricing decisions. (8 marks)
- 1d. Explain the concept of price elasticity and how it impacts pricing decisions. (7 marks)
- 2a. Define competition as a factor influencing pricing policy.
- 2b. Explain how government regulations impact pricing decisions.
- 2c. Discuss the legal issues related to pricing and how they affect pricing decisions. (15 marks)
- 3a. Define price skimming and explain its primary objective.
- 3b. List and explain two benefits of using a price skimming strategy.
- 3c. Compare and contrast price skimming with penetration pricing as strategies for new product pricing. (15 marks)
- 4a. Define product line pricing and explain its main objective.
- 4b. Describe the concept of captive pricing and provide an example.
- 4c. Compare and contrast premium pricing and bait pricing strategies, discussing their intended effects on consumer behavior and profitability. (15 marks)
5. Discuss the various factors influencing product adoption while entering foreign markets 15 marks