

Category based pricing

1. Category review

- a) List all items
- b) Calculate equivalent price

Item	Retail price	Retail per unit	Characteristics/point of differentiaiton

- c) Consider differences

2. Determine the 'right price' for your product

- a) Consider retail prices and characteristics of other products compared to your product then determine the 'right price' for your product

Item	Retail price	Retail per unit	Characteristics/point of differentiaiton
Your product			

3. Consider category margins

Your selling price = Retail x (1- Gross margin)

4. Determine distribution model

Direct store delivery (DSD) vs. warehouse

5. Set your price