

# COSTING AND PRICING PRINCIPLES

US 263455 / NQF Level 4 / 6 Credits

***“The moment you make a mistake in pricing, you're eating into your reputation or your profits.” - Katharine Paine***

Pricing products and services is critical for all businesses, particularly for new ventures and small businesses who may not have the resources to sustain the consequences of a mistake. Whilst not the most exciting part of the marketing mix, it is uniquely crucial and can make or break a business. Of concern is that the attention given to costing and pricing is often way less than is necessary.

## **WHO SHOULD ATTEND**

- Entrepreneurs
- Business owners and managers
- Sales and marketing staff
- Buyers

## **HOW YOU WILL BENEFIT**

- Understand the flow of the trading cycle and the concepts of costing and pricing
- Learn how to identify and use factors that impact pricing decisions
- Understand the relationship between
  - Cost
  - Pricing
  - Revenue
  - Profit
 and how crucial they all are to the financial viability of any business

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Module 1 Criteria of a price setting policy for a new venture	Module 2 Internal and external factors that impact upon pricing decisions	Module 3 The relationship between costs, revenue and profits
<ul style="list-style-type: none"> <li>• Explain and illustrate the flow of the trading cycle</li> <li>• Differentiate the concepts of costing and pricing</li> <li>• The difference between fixed costs, variable costs and total costs in context</li> </ul>	<ul style="list-style-type: none"> <li>• Internal factors impacting upon pricing decisions and their relation to profitability</li> <li>• External factors impacting upon pricing decisions in relation to profitability</li> <li>• Calculating variations in pricing decisions in terms of the impact on the break-even point</li> </ul>	<ul style="list-style-type: none"> <li>• Costing methods in relation to your own business</li> <li>• Calculating and analysing profit and mark-up</li> <li>• Distinctions between types of profit in relation to one's own business</li> <li>• How competitive pricing informs effective costing and forecasting</li> </ul>

Two-day course 08:30 - 16:00

Tel: (031) 267 1229

[sales@kznbtc.co.za](mailto:sales@kznbtc.co.za) / [www.kznbusinesstraining.co.za](http://www.kznbusinesstraining.co.za)