

**INTER AMERICAN UNIVERSITY OF PUERTO RICO
METROPOLITAN CAMPUS
BUSINESS FACULTY
MASTER IN BUSINESS ADMINISTRATION
MARKETING PROGRAM**

SYLLABUS

I. GENERAL INFORMATION

Course Title	:	INTERNATIONAL PRICING
Code and Number	:	BADM 6480
Credits	:	3
Academic Term	:	
Instructor	:	
Office Location and Hours	:	
Office Telephone	:	
E-mail	:	

II. DESCRIPTION

Analysis of factors that determine the design of the price strategies for international markets. Development of price strategies taking into account the particularities of the markets, the competitive scenario and the type of product from a managerial perspective.

III. OBJECTIVES

It is expected that upon completing the course, the student should be able to:

1. Recognize the importance of an international pricing strategy in a globalized world.
2. Evaluate the factors that determine prices at the international level.
3. Differentiate between domestic and international pricing strategies.
4. Recognize the factors that affect the determination of prices in international markets.
5. Contrast between quantitative and qualitative methods of international pricing.
6. Develop international pricing strategies taking into consideration the particularities of each market.

IV. CONTENT

A. Prices

1. Pricing as an area of study
 - a. Definition
 - b. Importance of pricing
 - c. Difference between pricing and pricing strategy.
 - d. Pricing in international markets
2. Cost management
 - a. Production costs
 1. Fixed costs
 2. Variable
 3. Total
 4. Economies of scale
 5. Inventory management and warehousing
 6. Break-even point
 7. Cost plus pricing
 8. Cost to the customer
 - b. Marketing and product adaptation costs
 - c. Place of production
 - d. Free trade zones
3. Demand
 - a. Supply-demand relationship
 - b. Elasticity
 - c. Elasticity indices
 - d. Cross elasticity
4. Price objectives from an international perspective
 - a. Image and prestige
 - b. Market share
 - c. Profits
 - d. survival
 - e. sales
5. Earnings
 - a. Volume and profit margin
 - b. Mark up
 - c. Profit expectations for intermediaries.

B. International environment for the company's operations

1. Tariffs
2. Export and import duties
3. Government controls
4. Government subsidies

C. Conditions for price escalation

1. Inflation, hyperinflation, deflation
2. Cost of physical distribution of products
3. Margin and costs of intermediaries
4. Exchange rate fluctuations

D. Other factors that determine the price at international level

1. Parallel markets (gray market)
2. Transfer pricing
3. Countertrades (compensatory markets)
 - a. Barter
 - b. Counterpurchase
 - c. Buy back
 - d. Compensation deal
 - e. Offset
4. Dumping
 - a. Social dumping
5. Country of origin brand effect
6. Effect of internet sales
 - a. Price transparency
7. Managed prices or cartels
8. Competition and competitive scenarios in each market
9. Price-value relationship and customer appreciation.

E. International pricing strategies

- a. Price to market
- b. Pass through
- c. Single price
- d. Skimming price
- e. Penetration price
- f. Competitive price
- g. Low price

- h. For new products
- i. Differential and psychological pricing
- j. Product line pricing
- k. Discount pricing strategies
- l. Competitive advantages for pricing
- m. Comparison between western and eastern models
- n. Globalized vs. individualized pricing
- o. Segmentation to achieve price discrimination

V. LEARNING ACTIVITIES

- 1. Conferences
- 2. Class discussion
- 3. Presentation of readings by students
- 4. Discussion of cases
- 5. Pre-test and post-test conferences
- 6. Presentations

VI. EVALUATION

This is a list of suggested types of evaluation for the course:

Activities	Puntuation	%
1. Test	100	33
2. Case analysis	100	33
3. Essay (Research)	100	34
	Total	100%

VII. SPECIAL NOTES

A. Auxiliary services or special needs

All students who require auxiliary services or special assistance must request them at the beginning of the course or as soon as they become aware that they need them, through the corresponding registry, in the Office of the Coordinator of services for students with disabilities, Dr. María de los Ángeles Cabello. She is located in the Counseling and Counseling Program, office 111, on the first floor of the John Will Harris building, extension 2306

B. Honesty, fraud, and plagiarism

Dishonesty, fraud, plagiarism and any other inappropriate behavior in relation to academic work constitutes major infractions sanctioned by the General Student Regulations. The major infractions, as stated in the General Student Regulations, may have as a consequence, suspension

from the University for a definite period greater than one year or the permanent expulsion from the University, among other sanctions.

C. Use of electronic devices

Cellular telephones and any other electronic device that could interrupt the teaching and learning processes or alter the environment leading to academic excellence will be deactivated. Any urgent situation will be dealt with, as appropriate. The handling of electronic devices that allow students to access, store or send data during evaluations or examinations is prohibited

D. Compliance with the Provisions of Title IX

The Federal Higher Education Act, as amended, prohibits discrimination because of sex in any academic, educational, extracurricular, and athletic activity or in any other program or function, sponsored or controlled by a higher education institution, whether or not it is conducted within or outside the property of the institution, if the institution receives federal funds.

In harmony with the current federal regulation, in our academic unit an Assistant Coordinator of Title IX has been designated to offer assistance and orientation in relation to any alleged incident constituting discrimination because of sex or gender, sexual harassment or sexual aggression. The Assistant Coordinator Sr. George Rivera can be reached by phone at extension 2262 o 2147, or by e-mail griverar@metro.inter.edu.

The Normative Document titled **Norms and Procedures to Deal with Alleged Violations of the Provisions of Title IX** is the document that contains the institutional rules to direct any complaint that appears to be this type of allegation. This document is available in the Web site of Inter American University of Puerto Rico (www.inter.edu).

VIII. EDUCATIONAL RESOURCES

Textbooks

Nagle, Hogan & Zale: *Strategic and Tactics of Pricing*, Pearson, Fifth Edition, (2014). ISBN-10: 1292023236

IX. BIBLIOGRAPHY (or REFERENCES)

www.jp.gobierno.pr – economics information of Puerto Rico

www.gobierno.pr/censo - census information of Puerto Rico

www.census.gov – census information of EEUU

www.stat-usa.gov – economics and statistical information

www.eurostat.com – census and economics information of Europe

www.wto.org – World Trade Organization

www.imf.org – International Monetary Fund
www.salesandmarketing.com - Sales and Marketing journal
www.adacritic.com - Advertising Critic from Creativity Magazine
www.marketingpower.com - American Marketing Association
www.adage.com - Advertising Age
www.adweek.com - Advertising Week
www.dictionary.com – business dictionary
www.acnialsen.com – marketing research reports
www.mercadeoglobal.com – global marketing
www.elpais.com – Spain newspaper
www.mercadeo.com – marketing magazine
www.nytimes.com - New York Time
www.bostonherald.com - Boston Herald
www.miamiherald.com - Miami Herald
www.bloomberg.com – economics news
www.cnn.com – general news

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