Activity 4.7

Complete the sentences about the pricing strategies.

Cost-plus pricing Formula Total cost ÷ Output + Mark-up = Selling price	**Competitive pricing**
Premium pricing	**Promotional pricing** 

1. ________________________________is a method used to help businesses make a guaranteed profit on each product. (**A mark-up** is the percentage of profit a business wants to make).

2. ____is a method used by businesses when they want to increase sales or enter a new market. (**Discounts, offers**)

3. _______________________________________is a method used by businesses selling luxury products (**Gucci, Prada, Chanel**)

4. ____ is a method used by businesses that are in competition. (**McDonald's, Hardee's, KFC**)