

### Activity 4.7

Complete the sentences about the pricing strategies.

<b>Cost-plus pricing</b>  <b>Formula</b> $\text{Total cost} \div \text{Output} + \text{Mark-up} = \text{Selling price}$	<b>Competitive pricing</b> 
<b>Premium pricing</b> 	<b>Promotional pricing</b> 

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**)