**LEARNING GUIDE**

**Directions:** Answer each of the following questions. Use a separate sheet of paper to record your
responses.

**Objective A**

 1. Give two reasons why pricing is important.

 2. Describe how an exchange price is determined.

 3. How does pricing affect both buyers and sellers?

 4. Describe the three characteristics of effective pricing.

 5. Give five alternative names for prices.

 6. Describe who establishes prices in smaller businesses and how they do so.

 7. Describe who establishes prices in larger companies and how they do so.

**Objective B**

 8. Describe the five ways that pricing affects product decisions.

 9. Describe the three ways that pricing affects promotion decisions.

 10. Describe the two ways that pricing affects place decisions.

 11. Describe three types of pricing objectives.