



МІНІСТЕРСТВО ОСВІТИ І НАУКИ УКРАЇНИ

КИЇВСЬКИЙ НАЦІОНАЛЬНИЙ УНІВЕРСИТЕТ ІМЕНІ ТАРАСА ШЕВЧЕНКА

Економічний факультет

Кафедра підприємництва

СПІЛКА ПІДПРИЄМЦІВ МАЛИХ, СЕРЕДНІХ І ПРИВАТИЗОВАНИХ ПІДПРИЄМСТВ УКРАЇНИ

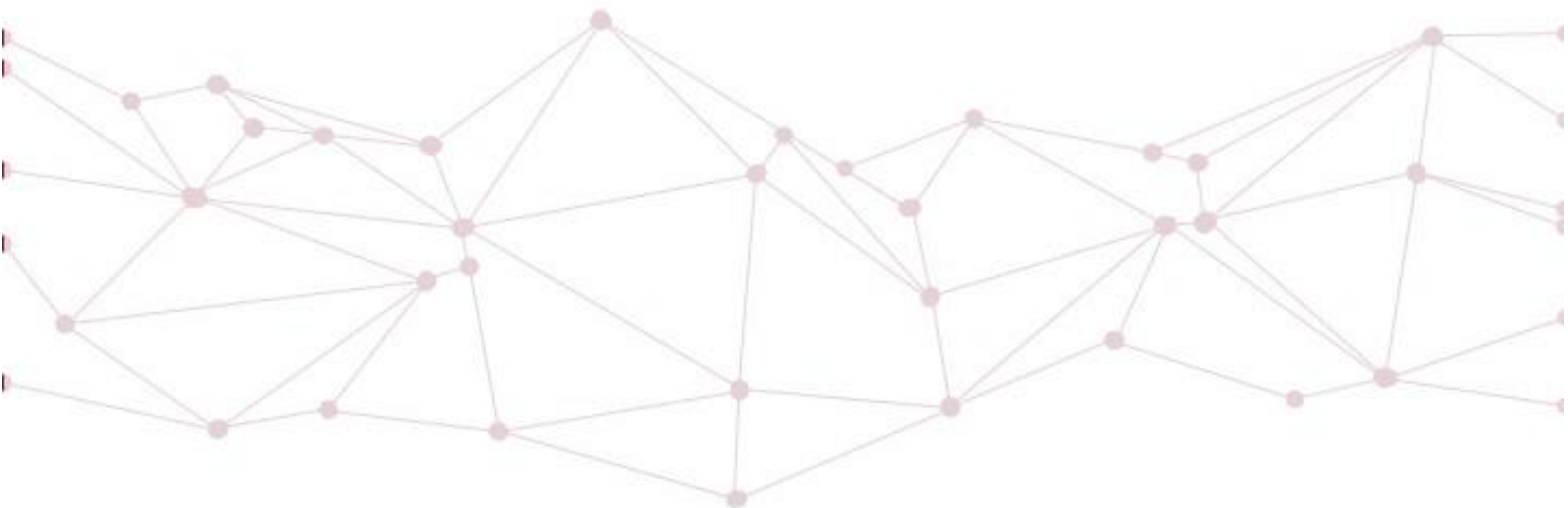
ІНСТИТУТ ДОКТОРА ЯНА-УРБАНА САНДАЛА (Норвегія)

УКРАЇНСЬКИЙ НАУКОВО-ТЕХНОЛОГІЧНИЙ ЦЕНТР (УНТЦ, ЕС)

МАТЕРІАЛИ

**II Міжнародної науково-практичної конференції
«Мале та середнє підприємництво: проблеми і
перспективи розвитку в Україні»**

15-16 листопада 2018



Київ - 2018

Рекомендовано до друку та для розміщення
на веб-сайті економічного факультету
кафедрою підприємництва
Київського національного університету імені Тараса Шевченка
(Протокол № 5 від «20» листопада 2018 року)

Рецензенти:

В.В.Микитенко, доктор економічних наук, професор, г.н.с. відділу стратегічного потенціалу сталого розвитку ДУ «Інститут економіки природокористування та сталого розвитку НАН України»;

Д.О.Баюра, доктор економічних наук, професор, професор кафедри економіки підприємства Київського національного університету імені Тараса Шевченка.

Мале та середнє підприємництво: проблеми і перспективи розвитку в Україні: зб. матер. наук.-практ. конференції, 15-16 листопада 2018 р. / Київський національний університет імені Тараса Шевченка. – Київ, 2018. – 234 с.

Редакційна колегія: А.І. Ігнатюк, д.е.н., проф.; В.Д. Базилевич, д.е.н., проф., чл.-кор. НАН України; І.І. Мазур, д.е.н., проф.; А.О. Вітренко, д.е.н., доц.; Н.В. Бутенко, д.е.н., проф.; О.В. Євтушевська к.е.н., доц.; Л.Л. Кот, к.е.н., доц.; О.В. Богуславський, к.е.н., доц; В.Л. Гура, к.е.н., доц.; М.М. Бердар, к.е.н., доц.

Збірник містить матеріали II Міжнародної науково-практичної конференції «Мале та середнє підприємництво: проблеми і перспективи розвитку в Україні», що відбулася 15-16 листопада 2018 року на базі кафедри підприємництва Київського національного університету імені Тараса Шевченка.

Основними напрямками роботи науково-практичної конференції були: світові тенденції розвитку малого та середнього підприємництва, економічна безпека малого та середнього підприємництва, стратегічні пріоритети конкурентного розвитку підприємництва, сучасні виклики соціального підприємництва в Україні та світі.

Видання розраховано на представників наукової спільноти, викладачів, фахівців у галузі підприємництва, торгівлі та біржової діяльності, працівників органів державного управління, студентів закладів вищої освіти.

Тези розміщуються в авторській редакції.

За точність викладеного матеріалу відповідальність покладена на авторів.

Omarov Elvin Shahin ogli

PhD student in Simon Kuznets

National University of Economics

Affiliated honorary research fellow,

Fil. Dr. Jan-U. Sandal Institute, Norway

GOVERNANCE OF THE PRICE PERCEPTION AS AN INSTRUMENT MANAGING CONSUMER BEHAVIOUR

The paper investigates factors influencing the perception of the price by the customer. Moreover, in the present paper main psychological aspects of managing the price perception process from the side of seller are described.

Without a doubt, decisions regarding the price formation are complex and difficult. Many marketers and entrepreneurs do not pay enough attention to their pricing strategies. In holistic marketing, while making these decisions, many factors should be considered. Decisions on price should be coordinated with the marketing environment of the firm, its target markets and brand positioning.

The price is not just a figure on the label. It can exist in many forms and performs many functions. Flat fee, fee for training, fines, tariffs, interest on the loan and commission – all these concepts are related to the price that consumer pays for goods and services. Price can have several components. Some companies accept payments for their own products and services in several forms. For many centuries, the process of bargaining between buyer and seller have been setting the final price. Establishing a single price for all buyers is relatively modern idea, arising from the development of large-scale retail trade in the end of 19th century [7].

Price formation can be done by different parties. In small companies, prices are usually set by the director, in large enterprises by heads of departments and managers of product lines. Still, even in the large enterprises, top management sets common goals and pricing rules. In those industries where pricing policy is a key factor for enterprise performance (aerospace, railway, oil industries), companies usually create

price departments. Such department can be subordinated to the marketing department, financial department or directly to the top management of the company.

Decisions about purchases are made basing on how consumers perceive prices and what they consider as the current actual price, and not on the basis of the amount of digits written on the price label. Consumers may have a lower limit of the price, below which product is perceived as unsuitable or having unacceptably low quality, as well as the upper limit, above which price becomes exorbitant, and the product is considered to be as not rewarding the money that is asked for it [7].

The fact that consumers respond differently on the same price information is a main focus of behavioural pricing research. Behavioural pricing research can be regarded as an extension of the traditionally economic pricing theory, which is based on the assumption of a rational thinking buyer. Due to consumers' general limitations of price knowledge and cognitive capacity to compare all offered price information, behavioural pricing research reflects how consumers actually perceive, evaluate, and respond to price information [1].

At the same time, the law of demand assumes that buyers always buy more number of products by lower prices and smaller quantities by higher prices, while observing the condition of equality of other variables. This statement would have an equality only if the purchase from the point of view of the consumer and the sale from the producer's point of view were not affected by other factors. In real market situation, there are such factors that are influencing customer choice, as buyer's income, preferences and tastes, the consumer's expectations regarding prices and their own budget in the future, prices of competitors, seasonality, advertising efforts and much more.

After the work done on creating or changing the specifications or design of the product, the enterprise must decide on the pricing of its goods. Definition of the final level by the company is one of the most crucial moments in the field of pricing, and here aspects related to the psychological perception of the price should be considered. The role of psychological perception is important by the fact that buyers often tie the

price with such an indicator of the product as its quality, and may prefer a more expensive product as the best and most prestigious.

Certainly, the calculation of the base price can be made, relying on the demand, the price of competitors or the cost of production, but with the final fixing of the price, psychological aspects must be taken into account. Within the framework of the study, several types of psychological pricing are considered [2; 3; 5; 6]:

1) Psychology of the price barrier. This aspect assumes that at the moment when the consumer strives to acquire a particular product, a certain price range is formed in his or her mind in the amount of the budget that he or she has. Depending on this price range, the consumer will already make a purchasing decision. Differences in prices within the same range have little influence on the decision to purchase the product. That is, within the established range, there is no sensitivity to prices. Products, price of which goes beyond the upper limit of the allowable, meets a lot of resistance, in other words, demand shows sensitivity to prices.

2) Psychological aspects of the perception of numbers. In the literature there are such concepts as uneven or unrounded prices that inspire the consumer a great desire to buy, by creating an optical illusion of cheap goods or a profitable purchase. This psychological method implies that, for example, an uneven price of 89 UAH will cause a greater desire to buy a product than the price of 90 UAH. The same method can occur in combination with price barriers. For example, the price transition from 199 to 200 UAH will be perceived as price in another price gap.

3) Psychology of regular or traditional prices. Each consumer has its own specific group of products, which he or she buys constantly. Such goods can be gum, cigarettes, lollipops and others. By regularly purchasing certain products, consumer gets used to a certain price. Thus, if the price is below the established normal level, then it does not cause trust, because it is associated with low quality. However, at the present time, the value of traditional prices has significantly decreased due to the rate of inflation that generates frequent price fluctuations, as well as welfare effects on the sensitivity to small expenses.

4) Psychology of price comparison. Psychology of price comparison is based on the fact that some goods are bought rarely, therefore consumer can not recognize a lower price. Thus, signal of price discount plays more significant role, as consumer does not have precise information regarding the price of the product before the discount.

5) Psychology of price perception for sets of products. The method of such pricing lies in the fact that prices are set on sets of goods that attract consumers allegedly for their profitability. Sometimes such an idea of buying a “big package” does not allow the consumer to think that the product “now 3 items in a package for 50 UAH” is more expensive than the usual price, which is 15 UAH per unit of goods. The negative point of this pricing is that it does not lead to an increase in demand, and the buyer only goes into the category of stockpiling.

6) Psychology of preparation and analysis of prices. In some cases, the consumer manages to prepare himself or herself for the transition through the price barrier by price analysis. Such analysis are made by decomposing the price of the main and additional components or products. The initial decision of the consumer about the purchase will be based on the price of the main product, and the auxiliary components will be offered to be paid separately, for example, warranty or delivery of the product.

7) Psychology of prestigious prices. Sometimes a higher price is associated with a higher status, which makes the product significantly attractive, having a positive impact on the consumer's evaluation of the value of the product. Even if the growth of perceived value exceeds the price increase, demand may increase. Another explanation may be that the consumer is unable to assess the qualitative characteristics of the product. In this case, the price serves as its only guide, and the price is considered as an indicator of quality.

These and other psychological features of price perception are important in setting the price for new products. If the price decision is made on goods that are already operating on the market, then seller should take into account the reaction of customers to price changes. Increase or decrease of price can be perceived by

consumers in different ways, and not necessarily a reduction of price will cause an increase in demand, and an increase will cause decline of the demand [4]. Buyers can perceive a decline in the price level as the presence in the product of shortcomings, flaws, its moral aging. In this case, instead of the expected increase in sales, its decline may occur. Price increase, on the contrary, can be regarded that this product has high demand and it is necessary to buy it, while it is not very expensive, which will lead to a sharp increase in sales.

On practice, there are no such formulas for calculating the optimal movements of entrepreneurs in terms of pricing technologies, taking into account the buyer's psychology. As a result, huge number of variables are revealed, which includes behaviour of the customers when they see the price. This behaviour is affected by the type of goods, budget, external environment and much more. Thus, the only true step is to maintain the statistics of changes in sales volume, taking into account the various psychological factors that a company can apply while setting a price on the product.

References

1. Лепейко Т. І., Котлик А. В., Кінас І. О. Маркетинговий менеджмент: навч. посіб. Харків: Вид. ХНЕУ, 2012. - 104 с.
2. Campbell M. C. Perceptions of Price Unfairness: Antecedents and Consequences. *Journal of Marketing Research*, 1999. - № 39. - P. 187–199.
3. Diller H. Price Fairness. *Journal of Product and Brand Management*, 2008. –№ 17. – P. 353–355.
4. Doyle P., Stern P. *Marketing Management and Strategy*. *Financial Times*, 2006. – № 14. – P. 210–230.
5. Jack E. P., Powers T. L. Shopping behaviour and satisfaction outcomes. *Journal of Marketing Management*, 2013. – № 29. – P. 1609–1630.
6. Manning K. C., Spott D. E. Price Endings, Left-Digit Effects, and Choice. *Journal of Consumer Research*, 2009. – № 36. – P. 328–335.
7. Sandal J. U. Innovation Management Based on Judgmental Decision. *Economic Development and Heritage of Simon Kuznets: materials of international scientific-practical conference*, Kharkiv, 2018. – P. 350 – 351.

Наукове видання

**МАЛЕ ТА СЕРЕДНЄ ПІДПРИЄМНИЦТВО:
ПРОБЛЕМИ І ПЕРСПЕКТИВИ РОЗВИТКУ В УКРАЇНІ**

Матеріали

II Міжнародної науково-практичної конференції

15-16 листопада 2018 р.

Відповідальний за випуск: Кот Л.Л.

Формування та комп'ютерна верстка: Богуславський О.В.

Кафедра підприємництва
Економічний факультет
Київський національний університет імені Тараса Шевченка
м. Київ, вул. Васильківська 90-а