

PRICE TAG DECONSTRUCTION: A NOVEL TAKE ON EFFORT HEURISTICS



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Abstract

In recent times the relationship between consumers and producers has changed. There exists a certain distrust between customers and corporations. Advertisement is no longer able to connect and convince people like it used to. The consumers have developed a Marketing reflex and in order to reach them companies have had to develop new techniques and skip the traditional strategies. (Olivier & Bernard, 2008) One of the modern concept of marketing products is Price Tag Deconstruction (PTD). PTD is based on the premise that there is a distrust among the customers and the companies regarding the prices of their products and services. By revealing the true breakdown of Cost and pricing, companies stand to benefit in a way where they develop a higher level of connection with its customers. This report has mainly focused on the feasibility of Price Tag Deconstruction concept in the Pakistani market. Other findings of this report are the upper bounds on the price to profitability ratio and cost to Profitability ratio. A marketing plan using the concept of PTD has been developed for a local clothing brand and its implementation has also been discussed in depth in the report as well.

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