



THE TIMES 100

BUSINESS CASE STUDIES

Teacher guide

Price – JD

Where does the lesson fit?

This session would fit in a marketing module following a general introduction to the marketing mix when the different elements are being explored in more detail.



Suggested resources & activities related to price and JD

- Full JD case study
- Price PowerPoint
- Promotion lesson resources
- JD crossword
- JD word search

Suggested timings for the session

5 mins	Starter e.g. JD word search
5 mins	Use the Price PowerPoint to discuss the topic
5 mins	Read the case study
15 mins	Questions
20 mins	Task . pricing strategies
10 mins	What have you learned?

Answers to questions

1. Price is only one element of the marketing mix. What are the other three?

The other three elements of the marketing mix are:

- Product
- Place
- Promotion

2. Describe why price is a key part of a business marketing strategy.

Price is an important part of the marketing strategy because it directly generates income, allows debts to be paid, re-investment to occur in the business infrastructure and profits to be made. The price should be perceived as value for money in relation to the quality of goods and services.



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3. Explain why bulk buying allows JD to remain competitive.

Bulk buying allows JD to benefit from discounted prices from suppliers. This can benefit the company in two ways:

- Larger profit margins from reduced costs, or
- Passing the discount on to the consumers in the form of lower prices can lead to greater sales and competitive advantage.

4. Analyse the three pricing strategies that JD uses.

The three main strategies (but not the only ones) used by JD are:

- Market penetration . useful when introducing a new product or brand to the range. Prices start low and can be raised later.
- Competitive pricing . ensuring prices are similar or lower than competitors charge for the same or similar products
- Strategic pricing . used to position a brand or product e.g. to make it look exclusive.

What have you learned?

Expected learning is likely to include:

- The four elements of the marketing mix
- The factors that affect price
- How bulk buying can affect price
- How price can be used to gain competitive advantage
- The pricing strategies and when they could be used