

## FORMATION PRICING STRATEGIES FOR EXISTENT PRODUCTS

Strategies of pricing are ways of achievement of aims of pricing, that determine the certain price decisions of company [1]. Establishment of price on existent products is a difficult and labour intensive process, the success of its implementation depends on the profitability of each company as well as all areas of economic activity, the level of satisfaction of social needs, social and economic development in general. The reasonably set level of price assists the increase of consumer demand in the field of innovative developments and accelerates development of economy of innovative direction .

In general sense under a pricing policy understand common guidance activity, that is related to determination of price, discounts, terms of payment for commodities or services with the aim of satisfaction consumers needs and providing the profitability of activity [3].

Going near pricing is determined: by the specific of activity of enterprise that carries out pricing and select by him strategy (in accordance with price politics); by descriptions of market an enterprise works on that (terms of demand and supply, level of competition, presence of barriers on an entrance to the market); by the level of products, by the stages of its life cycle; by the factors inside the firm (by the level of charges at a production and service, by the expected level of profit, image of enterprise); by legislative factors, politics of power, economic position in a country and others like that.

Every enterprise develops strategy independently, in fact universal decision for their forming, that assuredly would bring in a return it does not exist to the future. In every market and administrative situation an enterprise must elect the variant of price strategy, that would take into account balance of quality descriptions of innovative products, all born charges, terms of competition surroundings, actions of enterprise and reaction of consumers on these actions, their purchasing power.

At pricing on already existent commodities an enterprise can choose four strategies:

1) setting of sliding falling price (a price goes down consistently, its changes depending on the value of service and suggestion of commodity, accompanied by development of new models of commodities on an enterprise).

2) strategies of repressing price (achievement of advantage above competitors after charges (when a price is set below costs of competitors) or for qualities (when a price is set higher costs of competitors, in order that a commodity was estimated as prestige, unique).

3) strategy of price differentiation envisages establishment of different standard of prices for the different groups of consumers during their classification on different criteria.

4) strategy of cost of the political smoothing envisage establishment of different standard of prices on commodity groups within the limits of one commodity assortment with possibility of coverage of losses during realization of one commodity due to a profit after other (all within the limits of one commodity assortment) [2].

Depending on position of enterprise at the market an enterprise can choose passive price strategy, swimming out after a "leader in prices" or bulk of producers at the market, or to try to realize active price strategy that takes into account first of all its own interests [4].

Their realization must be coordinated with price politics that is determined by guidance of enterprise for the achievement of aims of organization.

### Literature:

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