



## Web Report on Session – “Pay per unit vs. subscribing pricing for experiential products under competition”

<b>Title</b>	Expert Session on Pay per unit vs. subscribing pricing for experiential products under competition
<b>Date</b>	December 11, 2017
<b>Resource Person / Facilitator</b>	Dr. Varun Gupta, Assistant Professor, Operations and SCM, Penn State Erie, Black School of Business
<b>Summary</b>	<p>Dr. Varun Gupta, guest speaker, presented unique research approaches and techniques by presenting his work “Pay per unit vs. subscribing pricing for experiential products under competition” with respect to online music/movie streaming options. The speaker started the session by explaining the terms of Production costs as they vary according to the level of output and seasonal fluctuations that affect output. Many companies use a per unit production cost to set prices and gauge the performance of the factory or production facility. The per unit production cost is essentially a breakdown of all the fixed and variable costs that are encountered in the process of producing a single product. He further discussed Pricing Strategies where marketers develop an overall pricing strategy that is consistent with the organization’s mission and values. This pricing strategy typically becomes part of the company's overall long-term strategic plan. The strategy is designed to provide broad guidance to price-setters and ensures that the pricing strategy is consistent with other elements of the marketing plan. Afterwards he explained about <b>SaaS: Software as a service</b>, It is a software licensing and delivery model in which software is licensed on a subscription basis and is centrally hosted. It is sometimes referred to as "on-demand software".</p> <p>Further, he shared more research experiences with another work in progress on “A WTP Choice Model: Empirical Validation, Competitive and Centralized Pricing”. WTP is incorporating sequential decision making, where the products with positive utility of purchase are considered in the</p>

	order of customer preference. The session was very informative and fruitful; overall a good learning experience for faculty members.
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