

**SKILLS FRAMEWORK FOR SEA TRANSPORT
TECHNICAL SKILLS AND COMPETENCIES (TSC) REFERENCE DOCUMENT**

TSC Category	Business Finance					
TSC	Pricing Strategy					
TSC Description	Analyse product, organisational and market factors, trends, pricing scenarios and valuation models to develop effective pricing strategies for products and solutions					
TSC Proficiency Description	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
			STP-SNM-3038-1.1-1	STP-SNM-4038-1.1-1	STP-SNM-5038-1.1-1	
			Analyse market environment and trends to identify and assess impact of internal and external factors on product and solutions pricing and the effectiveness of pricing policies against competitors	Recommend optimal pricing levels for different products, solutions and customer segments and adapt pricing plans based on analysis of both internal and external factors	Determine appropriate pricing strategies for different products, solutions and customer segments, and establish mechanisms to allow for pricing agility with changing needs	
Knowledge			<ul style="list-style-type: none"> • Organisation's pricing strategies and framework • Basics of pricing principles and price modelling • Breakeven analysis • Approach for conducting due diligence and identifying internal and external factors that affect pricing • Different customer segments • Product and solutions being offered by organisation and market • Indicators of optimal pricing • Market analysis and price effectiveness monitoring techniques • Price modelling techniques 	<ul style="list-style-type: none"> • Organisation's business model and consumption model • Different forms of pricing policies and strategies, and their pros and cons • Benchmarks of pricing within market and industry • Impact of laws and regulations on pricing strategies • Relationship between internal and external factors and price of products and solutions • Mechanisms and systems that enable pricing agility • Impact analysis of pricing adjustments • Methods to measure effectiveness of pricing strategies and monitor feasibility 	<ul style="list-style-type: none"> • Organisation's business model and guidelines on pricing and profitability margins • Wider developments and trends impacting pricing • Industry best practices in pricing strategies and agile pricing strategies • Impact of varied customer segments on pricing plans • Methods to maximise agility and flexibility of pricing • Short-term and long-term impact of adopting different pricing strategies • Organisational implications of various pricing strategies and adjustments • Valuation models and parameters supporting them 	

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<p>Abilities</p>			<ul style="list-style-type: none"> • Monitor statistics on sales contribution margins, consumer demand, product performance • Keep up to date with pricing trends and best practices • Track pricing levels and tactics employed by competitors • Identify internal and external factors which may impact pricing strategy as part of due diligence • Conduct price modelling to determine feasibility of pricing strategies • Analyse information collated to assess impact of internal and external factors on pricing • Implement pricing strategy as outlined by pricing guidelines • Track effectiveness of pricing policies • Identify different customer segments that may necessitate different pricing plans 	<ul style="list-style-type: none"> • Recommend optimal pricing levels for products or services based on analysis of both internal and external factors • Evaluate pricing scenarios from identified price points • Implement mechanisms to enable pricing agility and adaptability to competitor or consumer patterns • Adapt pricing plans taking into consideration customer buying patterns, competitor offerings and product performance • Develop monitoring processes and systems to assess effectiveness,, profitability and feasibility of pricing policies • Evaluate the effectiveness of agreed pricing policies in line with key success indicators • Analyse past sales performance to support development of an appropriate pricing strategy • Articulate impact of changes to existing pricing strategies 	<ul style="list-style-type: none"> • Determine appropriate pricing strategies for products and solutions • Establish processes to adapt pricing strategies in a quick and agile manner • Determine need for and endorse pricing adjustments in view of market circumstances and industry pricing trends • Direct different pricing strategies and plans for different customer segments • Establish key business success measures for evaluating effectiveness of pricing strategies • Evaluate the effectiveness of agreed pricing policies in line with key success indicators including feasibility and financial profitability 	
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