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# BOOK REVIEW

## "PRICING. THE NEW FRONTIER"

**TITLE: Pricing. The New Frontier**

**AUTHORS: Gabor Reketye, Jonathan Liu**

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The book *Pricing. The New Frontier*, authored by Gabor Reketye, Hungarian marketing expert, Professor Emeritus at University of Pecs, Hungary and Honorary Professor at University of Szeged, Hungary and Johnathan Liu, a professor of global management at Regent's University, London, Great Britain was published by Transnational Press London, Great Britain in late 2018.

This book provides a comprehensive overview of historical and recent issues around pricing, and at the same time it is one of the rare ones that deals specifically with pricing as one of the core elements of both microeconomics and marketing. What makes this book unique is that it takes an interesting approach to issues and challenges of pricing from the perspective of different stakeholders.

The book is composed of three interrelated parts: Pricing basics, Strategies and tactics of pricing and Intermediary pricing. The first part stresses the importance of pricing in the global environment characterized by globalization processes, global crisis and power shifts in the global economy, giving a number of illustrative examples. It gives an

overview of major economic phenomena – demand curve, demand elasticities, different market structures and explains its relation to pricing. Delving into a deeper analysis of the demand side of pricing, it explains customers' price perception and evaluation of perceived prices. Furthermore, it provides an analysis of relations between prices, cost and profit from a company viewpoint and explains reasoning behind pricing decisions. The first part ends with an overview and analysis of different methods of price setting, again illustrated with interesting examples.

The second part of the book aims at identifying critical issues of pricing strategies and tactics in various business situations – in case of new products or product lines, in relation to product life cycle phase, at different levels of distribution and in the creation of price - quality ratio. It also looks at the strategic decisions regarding pricing: price setting, price discrimination, price adaptation and pricing dynamics.

The last part of the book, Intermediary pricing, deals with issues of manufacturer's price control across distribution channels, pricing policies, strategies and tactics applied by different intermediaries and relations between manufacturers and intermediaries in the development of efficient pricing strategies and tactics. Two separate chapters appear in this part of the book: one is devoted to pricing in the international market, focusing on differences in domestic and international pricing factors and elements that influence international pricing. The other chapter covers the area of price negotiations, emphasizing their importance and analyzing the process of price negotiations.

The book provides a reference list of almost 200 sources ranging from classic (Kotler, Stiglitz, Dolan and others) to the most recent (21st century) studies on pricing and related areas. Furthermore, the index at the end of the book enables easy navigation through the text.

Such an organization of the book has enabled the authors to provide deep analysis and understanding of complex issues of pricing at different levels (economy and company) and from the perspective

of different stakeholders - manufacturers, customers and intermediaries as well as in different scopes (domestic and international market). The whole text is interwoven with numerous recent examples from business practice. As such, this book makes a value-integrated read that could be recommended both as a student textbook, i.e. for academic purposes, and a managerial toolkit for better implementation of classic and new, systematically presented insights into pricing theory and managerial practices.