

Talking about Prices

Getting good value for money is not only sought after by customers, but also by the businesses buying the goods for further sale. Getting goods at a competitive RRP in order to sell them at a more competitive market price is always a key element of good retail business management. The price war between larger competitors in such industries as fast food, coffee and entertainment sometimes lead to goods being so low-priced that they are sold at a loss. While selling goods at a half-price or a percentage of that shown on the price tag means maintaining customer popularity for larger industries, smaller local businesses suffer under the pressure of following suit and competing to be the loss leader, although unable to pay the original cost price of the goods charged by the manufacturers and inevitably leading to them closing. In such instances price control and price freeze initiatives are favored by the smaller retailers, although price-conscious customers might not have the impression that they are getting the best value for money as would be the case in the larger stores of the competition. Getting value for money as a customer can frequently lead to a loss of money overall for the retailer if under heavy pressure from competitors. A more aligned price agreement on the other hand helps to protect the market, but also offers customers a marginally better price reduction at a lower percentage which doesn't leave the retailer at a complete loss, and encourages the customer to return for more 'bargains' in the future.

Word	Explanation	Translation
low-priced	cheap, inexpensive	preisgünstig; billig
loss leader	retail merchandise that is advertised and sold at a price representing a loss of profit for the retailer, but is used to draw customers into the store in the hope that they will make additional purchases	Lockartikel; Lockvogelangebot
RRP	recommended retail price or RRP - price the manufacturer recommends that the retailer sell it for. This helps to standardize prices among locations. While some stores always sell at below the suggested retail price, others do so only when the items are on sale or clearance.	unverbindliche Preisempfehlung
price war	a situation in which two or more companies each try to increase their own share of the market by lowering prices	Preiskrieg; Preisschlacht
price tag	a piece of paper with a price on which is fixed to a product, or the amount that something costs	Preisschild
price-conscious	aware of how much things cost and avoiding buying expensive things	preisbewusst
cost price	the price that it cost to make an item, without a profit being added	Selbstkostenpreis
half-price	costing half the usual price	zum halben Preis
market price	a price which is likely to be paid for something	Marktpreis
price control	restriction on maximum prices that is established and maintained by the government	Preiskontrolle; Preisüberwachung
price freeze	fixing of prices at a particular level	Preisstopp