



PRICING STRATEGY OF CINE-CITY

PRESENTED TO: BOARD OF DIRECTORS

Presented by:

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INTRODUCTION OF CINE-CITY



- ❖ Most advanced, lavish and grand theatre
- ❖ New entrant to the market
- ❖ Seven companies in the same business
- ❖ None comparable to its grandeur currently





PRICING OBJECTIVES

- ❖ Revenue Maximization
- ❖ Turnout (capacity utilization)
- ❖ Audience Diversity

MISSION: To give a dream experience to our customers at prices affordable to various groups maximising our revenue and attract diverse audience



INDUSTRY DYNAMICS



- ❖ Nature of industry: **Products & Services**
- ❖ Internal and external competition: **HIGH**
- ❖ Entry barriers: **HIGH**
- ❖ Pricing strategies: **VARYING (Highest-highs and Lowest-lows)**
- ❖ Other distribution channels, use of technology and illegal streaming: **Threats**





COMPONENTS OF PRICING STRATEGY

- ❖ House Scaling
- ❖ Subscriptions
- ❖ Differentiation
- ❖ Discounts
- ❖ Rewarding Loyalty

SOLD OUT

Standard price at premium to existing competitors combined with above hybrid strategies.



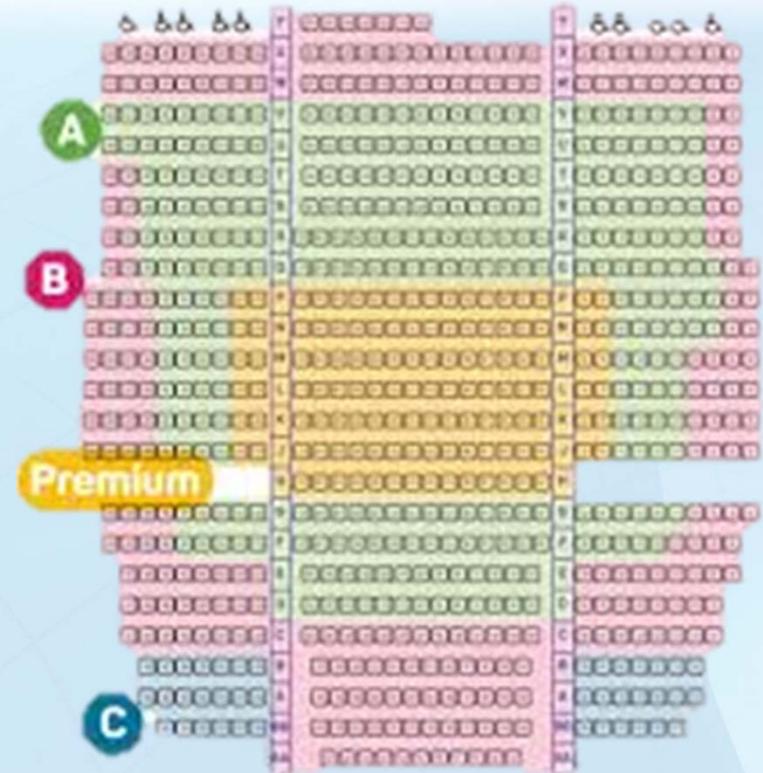
HOUSE SCALING



BEST SEATS WILL COST MORE

Price varied for:

- ❖ Seat location
- ❖ Comfort
- ❖ Exclusivity



Additional benefits for 'premium' tickets





SUBSCRIPTIONS

ANNUAL SUBSCRIPTIONS: ENJOY DISCOUNTED TICKETS

- ❖ Tickets discounted
- ❖ Guaranteed seats
- ❖ Tickets swapping
- ❖ Free parking





PRICE DIFFERENTIATION

DIFFERENT PRICES FOR:

- ❖ Type of movie (e.g., blockbuster, sequel etc.)
- ❖ Time of show (matinee, night, week day / end)
- ❖ Time of purchase (before / after release)



DISCOUNTS & LOYALTY



DISCOUNTED PRICES:

- ❖ Age based (children/senior citizens on specific shows)
- ❖ Group reservations (for minimum 5 tickets)

REWARDING CUSTOMER LOYALTY:

- ❖ Credit points on spending for free benefits

5 Points	1 free popcorn
10 Points	1 free drink
20 Points	1 free ticket





PRICING TICKETS (in \$)

Category	Cine-City	Industry average	Premium %
High	150	88	70
Medium	90	55	64
Low	35	22	59
Average	92	55	67





SWOT ANALYSIS OF PRICING STRATEGY

S (Strengths)	W (Weaknesses)
<ul style="list-style-type: none">❖ Variable pricing❖ Premium experience❖ Focus on customer needs	<ul style="list-style-type: none">❖ Unavailability of consumer data❖ Complicated pricing structure
O (Opportunities)	T (Threats)
<ul style="list-style-type: none">❖ Advanced IT analysis systems❖ Pricing structure review	<ul style="list-style-type: none">❖ Distributors' refusal to transact❖ Other distribution channels❖ Low priced market players





WAY FORWARD

- ❖ Consumer data collection
- ❖ Behavioural analysis
- ❖ Predictive modelling
- ❖ Comprehensive review of pricing



THANK YOU



QUESTIONS PLEASE

