

**Why Should Product and Pricing Decisions Precede Pull and Push Spending
Decisions in B to C New Product Marketing?**

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Date: 29.01.2019, Venue: P11 @ 2.30PM

Abstract

I show in this normative model that product and price decisions should precede pull (advertising) and push (distribution) budget decisions for new consumer packaged goods and durable products and services. My results show a significant asymmetry: product and price decisions can be made without knowledge of promotion and distribution budgets, but to decide promotion and distribution budgets, we need to know product and price. Furthermore, product and price need to be determined simultaneously; and promotion and distribution budgets need to be determined simultaneously. Market size affects promotion and distribution budgets, but not product and price. Strategic decisions regarding the product-market to serve (including high end/mid-market/low end) and the channel of distribution are assumed to have been made already.

Speaker Profile

<https://www.gsb.stanford.edu/faculty-research/faculty/v-srinivasan>