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## **INTERNATIONAL PRICING AS ONE OF THE MOST IMPORTANT TOOLS OF THE INTERNATIONAL MARKETING**

Due to the economic integration of Ukraine into the international business, development and elaboration of international marketing tools have become essential for effective operation of Ukrainian economic agents on the international market. The pricing policy is one of these tools. The process of pricing in the company that is trying to enter or is already operating on the foreign market, is one of most difficult in its activity. Justified price decisions which consider specific features of foreign markets are the basis of pricing policy of the enterprise.

International pricing policy combines individual decisions on the correlation of prices for the goods within the range of production into integrated system. It also combines such factors as use of a discount system and prices ratio with the prices of competitors, the method of pricing a new products etc.

Formation of pricing policy begins with definition and comprehensive study of the target segment on the foreign market, the level of perception of the product (trade mark) and critical analysis of all the elements of marketing mix. Such analysis creates a kind of methodological basis for the selection and justification of pricing strategy. Pricing strategies can be unified for all markets where the enterprise operates (standardized), or adapted.

Standardized strategy enables unification and the effective monitoring of pricing and, consequently, requires less costs. Adapted strategy allows the enterprise get better positions on different markets by taking into account local rules, features, effective use of different methods of prices calculation. Pricing strategy should be regularly reviewed. This review should be based on actual results and if necessary corrected. It also should correspond the common international strategy, which enterprise currently is sticking to.

The next step is choosing the method of pricing – practical calculation procedures which ensure the implementation of the chosen pricing strategy. It helps to justify the basis price of the goods, i.e. fixed price level. In international practice, it is desirable to use such group of pricing methods as cost-based, based

on demand, based on the product's utility, based on competition. The last step – is the immediate set of the final price.

In the international trade activities transfer prices play an important role. The emergence of that prices is connected with the development of industrial cooperation. That means, that the price of goods is being sent from the production department of the exporting company to another department, such as foreign service or foreign trade branch. The company is interested in use of the low transfer prices in countries where taxes are lower than on the domestic market. This approach usually meets resistance from the tax services on the domestic market. Moreover, the customs service in the exporting country may refuse to accept the low transfer prices as a basis for calculating of customs duties, which will not only be non-beneficial in itself, but also reduce protection quality of the local producers.

Thus, we can state that the process of international pricing policies of the enterprise is very complex, multifaceted and primarily provides the essential control and consideration of all factors which can influence this process.

Specific of pricing decision-making in the system of international marketing appears in existence of certain peculiarities of entering the foreign markets. As a result, the risks for the enterprise are higher than on the domestic market