

A GUIDE TO EXPORT COSTING

Category	Detailed items	Costs	Timing
Market and promotion	<ul style="list-style-type: none"> • agents and distributors fees • advertising • travel • communications • trade fairs and exhibitions 		
Production	<ul style="list-style-type: none"> • unit cost of manufacture 		
Preparation	<ul style="list-style-type: none"> • production modification • labelling • packaging • packing 		
Documentation	<ul style="list-style-type: none"> • marking • inspection • certification • preparation of documents • cargo insurance 		
Transportation	<ul style="list-style-type: none"> • freight forwarder's fees • lading and related charges • carriage 		
Customs	<ul style="list-style-type: none"> • warehousing and storage • customs and other duties at port of entry • customs brokerage fees 		
Financing	<ul style="list-style-type: none"> • costs of financing documents • interest charges • exchange rate fluctuations • export credit insurance 		

A SUMMARY OF PRICING STRATEGY

Strategy	Description
Static pricing	<ul style="list-style-type: none"> • charging the same price to all customers
Flexible pricing	<ul style="list-style-type: none"> • adjusting prices for different classes of customers
Penetration pricing	<ul style="list-style-type: none"> • charging low prices to secure acceptance and market share
Skimming	<ul style="list-style-type: none"> • charging premium prices to selected customers to maximize profits despite low volumes
Market maintenance	<ul style="list-style-type: none"> • absorbing cost increase and holding prices firm to maintain market share