

# The impact of "3C" factors on making pricing decision to achieve company's objectives: A study of the opinions of a sample of industrial companies' managers and specialized academics/Erbil

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**Abstract**—(3C) factors are cost, customer and competition that have an effect on company's objective through making pricing decision. The goal of this research is to highlight the estimation of the different causes that has an influence on pricing decision and how well a company can handle these factors effectively to achieve goals of the company. The main research problem is represented; "Does the "3C" factors have an impact on making pricing decision to achieve of company's objectives?" The researchers used the analytical approach methods (SPSS and Easy Fit) to analyze the questionnaire form through distributing (148) questionnaires to industrial companies (managers, Vic managers and division managers) and academics (economic & administrative collage) in Erbil city. Following the analysis, the researchers came to the conclusion that the (3C) explain 69.1% (coefficient of determination) of the changes in making pricing decisions and explains 60.4% of the changes in making pricing decisions in order to achieve the study's objectives and test its hypotheses. (Coefficient of determination) of the changes in company's objective, (that mean (3C) have a significant effect on making pricing decision to achieve company's objectives. The most important result of the research is the "3C" factors have great influences on making pricing decision to achieve goals of company"

**Keywords**—(3C), Making pricing decision, company's objectives.

**First axis (part): The general framework of the study:**

## 1-1 INTRODUCTION

There are some factors that characterize and represent the current age such as fast changes in the modern manufacturing environment, the emergence of developing technologies, the decrease of the role of the human element, shortage of talent and resources, the appearance of global trade companies, and

the power of competition in the presence of open markets for products and services. (Mohammed, 2020). Every business today faces the challenge of maximizing shareholder returns while remaining competitive and relevant in a volatile and unstable market. Managers face a slew of responsibilities as a result of the profit maximization motive and the need to stay in the market. One of these massive tasks is deciding on a price. The major target of any pricing decision is to achieve the company's objectives. The objectives of a company may differ based on the nature of the business. So every pricing decision need to take into account many factors in order to reach the company's goals, either directly or indirectly (Monroe, 2003), especially when markets are totally in a competitive state. Company's objectives can be achieved through various methods. Companies can concentrate on some ways like: cost decrease, increase in market share, preserving customers and bringing new customers, setting of high price, etc. for upgrading profit level as target of any business company. a company's business stage strategy might be cost leadership or product differentiation aimed at achieving the company's set objectives based on the strategic management school of thought. The cost leadership strategy achieves success by lowering costs rather than competing, whereas the product differentiation strategy focuses on producing high-quality products. It has been argued in economic theory that regardless of the type of business level strategy adopted by a company, the consumer for the similar product varies (Olawale & Joel, 2017). Every business entity, without care of their business line or objectives, must take cost minimization and profit maximization into consideration. There will always

be a need to reduce costs and expand products. Every single business is established and supposed to offer competitive price regardless they are small or large private or public private (Ayozie, 2008). According to Hilton (2005), the most important and difficult decision a manager from a company make is to set price for company's products and services, because of many reasons that need to be considered, Customers, cost, competition, political, environmental, legal, and image-related issues are some of the factors that impact pricing decisions. The researchers will be selecting the first three factors as an independent variable in order to reach the hypothesis and research objectives.

**Methodological framework:** This thesis is about a description of the study methodology for identifying and treating the problem in order to meet the study's objective. By defining the research problem, its significance, aims, hypotheses, and limitations, as well as the model. Based on the foregoing, the study methodology can be presented, as the following;

**Research problems:** Making a decision entails selecting a process from among the alternatives, knowing all of the information regarding the different alternatives available, and selecting the one with the lowest cost or highest profit. Pricing is a decision that should be made with great care because of the nature of the decision and its impact on the company's total goals and objectives, which are primarily upgrade profit, market expansion, customer maintenance, and customer attraction, all of which are influenced by a variety of factors such as competition, customers, and costs. So according to above, the research problem could be presented, via the following: The main research problem is represented; "Does the "3C" factors have an impact on making pricing decision to achieve the company's objectives?"

The following main questions can help to clarify the research problem:

1. Does the customer factor have an impact on making pricing decisions to achieve company's objectives?
2. Does the competition factor have an impact on making pricing decisions to achieve company's objectives?
3. Does the cost factor have an impact on making pricing decisions to achieve company's objective?

**Research objectives:** This research aims to highlight the revelation of the various causes that effecting pricing decisions and how well a company can deal with these factors correctly to obtain the company's objectives. The research focuses on the pricing policy decision and the role of the company's objectives in the pricing decision process. "Pricing will be examined from the perspective of research sample, who will examine how a relationship between price and the various factors that affect it can be established." It evaluates

the role of the price of similar products on the achievement of the company's objectives in Erbil / Iraq.

**Research importance:** It deals with the importance of the research that pricing decisions is one of the most effective and essential traditional technique in managerial accounting in light of the increasing competition, technical and administrative development, whether at the local or international level in how effect each of cost, customer and competition factor in making pricing decisions of products and services in industrial companies in order to achieve their objectives of expanding the market base, maintaining existing customers, attracting new customers and maximizing profitability in light of the marginal manufacturing environment and changing markets.

**Research hypothesis:** The following hypothesis can be developed based on the research problem and objectives: "The general hypothesis of the research is that the "3C" factors have great influences on making pricing decision to achieve goals of company". The hypothesis can be divided into the following:

1: Hypothesis of impact:

First main hypothesis: There is impact of the three factors on making pricing decision

The following three sub-hypotheses are derived from the first main hypothesis:

- There is impact of the cost factor on making pricing decision
- There is impact of the customer factor on making pricing decision
- There is impact of the competition factor on making pricing decision

Second main hypothesis: There is impact of the making pricing decision on company's objective

2: Hypotheses of impact difference:

First main hypothesis: There is difference in the independent variable (three factors together) impact on the making pricing decision according to profession

The following three sub-hypotheses are derived from the first main hypothesis:

- There is difference in the cost factor impact on the making pricing decision according to career position.
- There is difference in the customer factor impact on the making pricing decision according to career position.
- There is difference in the competition factor impact on the making pricing decision according to career position.

Second main hypothesis: There is difference in impact of the making pricing decision on the company's objective according to career position

Research limits: The researcher chose the opinions of the managers and vice managers in a group of industrial

companies in the Erbil governorate, and a sample was studied to reach the goal and prove the hypothesis.

**Research Methodology:** To complete this research, the researcher uses the scientific method, which consists of a set of methods, to attain the research's aims and hypotheses, are:

The inductive approach is to determine the study problem and test hypotheses. The deductive method is to determine the study axes and hypotheses development. The historical approach is to review previous studies, review books, scientific references and periodicals related to the research subject, and the descriptive analytical approach uses the sample on industrial companies operating in the local environment and the use of statistical methods (SPSS and Easy Fit) to analyze the questionnaire form.

**Conceptual framework of the research:** The independent, mediating, and dependent variables can be shown as follows based on the research problem:

1. Independent variables: "3C" factors: These are those factors that have an effect on making pricing decision to achieve company's objective, and it consists of (1<sup>st</sup> C, cost, 2<sup>nd</sup> C, competition and 3<sup>rd</sup> C, customers).
2. Mediating variable: making pricing decision: It is an intermediate variable that leads to the achievement of the company's goal due to the "3C" factors.
3. The dependent variable: company objective: These are those objectives or goals that are affected by "3 C" factors, and they consist of "profitability goal, expanding market basic, maintaining customers and attracting new customers.

The study was divided into four parts in an effort to attain the overall objective of the study, which is as follows: The first part dealt with the methodological framework of the study and some of the literature review. The second part presented the theoretical framework of the study. The third part was devoted to the aspect Applied by analyzing the questionnaire list in a sample of industrial companies in Erbil governorate using the statistical method used to show the effect of "3C" factors on making pricing decisions in order to reach the achievement of the company's goals. The fourth part deals with the most important conclusions and recommendations reached by the researcher from Theoretical and practical side.

**1-2 Previous studies and what distinguishes them from the current study:** According to Yaskal & Melnyk (2013) to deals with the methodological and theoretical interpretation of the economic core of the two types of "competition" and competitiveness, and revealed the results of the study in theory, illustrating the local scientific achievement where, they provide a broad analysis of the conceptual form of the fundamental theoretical issues of competitiveness with analysis of method and synthesis as well as A source to improve competitiveness between companies. In terms of according to Schiefer (2013) aims to analyze how competitor

intelligence affects strategic purchasing decisions on the allocation of supplier resources and leads to a competitive advantage, and the results show that the relationship between buyer and supplier slightly affected by competitor intelligence; The assumption that competitor information bring about a better allocation of resources and eventually positively affects a company's competitive advantage is widely accepted by partakers in competitive markets. But According to Coller & Collini (2014) focuses on analyzing the value of accuracy in the context of full cost pricing procedure. Despite economic theory, argues that price determination in profit maximization should be independent of how a firm allocates fixed overhead costs to products; fixed cost allocation has been shown to be commonly used in practice. Vulnerabilities of systems in companies in the long run A lower level of accuracy may increase company profits, in addition to the role that accuracy plays, depends largely on the characteristics of the decision context in which the cost data is operating (i.e., the full cost pricing decision) and on the existence of differences in the characteristics of Products Market. Ndyamukama and Machibya (2015) conducted research to discover the relationship between pricing strategies and customer retention. This resulted from a long-term observation of customers who used to switch from Airtel (T) Ltd to other mobile industry competitors, and the most important finding of this study was that there is a great relationship between customer retention and pricing strategies, and thus in attempt to maintain as many customers as possible. Customers demanded that Airtel devise better pricing strategies in order to attract as many customers as possible. Whereas, according to Kim et al. (2018) focused on verifying and evaluating the factors (capacity, varying expenses, level of influence in determining selling price, cost of information and market share) that affect cost-based pricing method for feed, mills in Vietnam, the study results indicated that cost-based pricing method of enterprises is greatly affected by the cost information; The least influential factors are selling price and market share. Wilson & Christella (2019) mention to analyze the effect of website design, trustworthiness, time saved, product diversity, and delivery efficiency towards customer content. In the Indonesian e-commerce industry. According to the findings of this study all these factors, reliability, time saved, product variation, and delivery well-functioning all have a positive and great effect on customer satisfaction, but product variation has the strongest influence among the other variables. This study, however, discovered that there is no positive and important relationship between customer content and website design. According to Cantet al. (2016) the primary goal of this study was to inquire into the causes (Consumer, Cost, Demand curve, Competitors, and so on) considered by small business enterprises (SME's) when upgrading their pricing strategies. The study discovered that SME's totally recognize that

competitor knowledge affect price setting as well as macro environmental factors such as fuel prices and inflation. As for The study (Amaral & Guerreiro, 2019) focus to identify the factors that explain price determination, as the additional cost formula is not only the pricing method but more importantly the core of pricing. Factors (two barriers to deploying value-based pricing, forced similarity, and full-cost use), but negatively correlated with five (firm size, competitors' ability to copy, standard similarity, and experience). According to Fareed et al (2016), the study investigates the effect of key determinants of ability sector profitability in Pakistan such as firm size, firm age, firm development, productivity, competition, and cost discussed in the broader multidisciplinary literature. The study's findings show that firm productivity, firm size, and competition are among the most powerful factors determining profitability in Pakistan's power and energy sectors. Finally, Toni et al. (2017) conducted a study focused on proposing and testing a theoretical model that shows the effects of pricing policy on company profitability, and the majority of the results show that the value-based value has a positive effect on the profitability of the companies studied. Low price levels have a negative impact on pricing strategy and high price levels, indicating that pricing policies affect organizational profitability; thus, a more strategic view of the pricing process may be one aspect that managers cannot overlook.

Following the presentation of some previous studies belonging to the topic of the research, the researchers found out that there is a poor relationship between the previous studies and the title of the research. Previous research examined the impact of cost on pricing decisions for a company's products and services, while others examined customers' attitudes toward products and services in terms of price, quality, and delivery speed. The remaining studies concentrated on the impact of competition and competitors on product and service pricing. However, the current study is an extension of previous research on the effect of (3C) factors on pricing decisions to achieve corporate goals. This research is noteworthy. The current study aimed to demonstrate the impact of each factor (cost, customer, and competition) on pricing decisions in order to meet the company's goals separately, which was not addressed in previous studies. This study differs from previous studies through attempting to show the extent to which each factor (cost, customer and competition) alone and together influences on making pricing decisions to achieve the company's goals (which is the strategy of expanding the market base, maintaining existing customers, acquiring new customers and maximizing profitability) together, which was not addressed by previous studies. To the best of our knowledge, this is the first study at the Iraqi and Kurdistan Region levels.

## **Second axis: The theoretical side of the study:**

**2-1: Concept of "3C" and its important:** In this section, the researchers will focus on the three factors of cost, customer and competition in some detail:

**2-1-1: A brief overview of 1<sup>st</sup> factor (Cost):** Cost is a term that is frequently used in all types of industrial, non-industrial, commercial, service, and retail establishments. The process encompasses management functions such as planning, control, decision making, and coordination, as well as the provision of cost data that is useful and appropriate for making managerial decisions such as pricing decisions. The cost of a good or service is a monetary measure of the resources sacrificed to achieve that goal. The cost of an object is a monetary measure of the amount of resources used to create it (Mohammed, 2021). Cost is defined by Datar and Rajan as a resource that is sacrificed or foregone in order to achieve a specific goal. A cost is typically defined as the monetary amount required to obtain goods or services for example, the cost of labor or advertising (Datar & Rajan, 2018), and CIMA London defines as "the amount of expenditure (actual or national) incurred on, or attributable to a specified things or activity" (Institute of Co. Secreraties, 2013). It is great to distinguish among assets, costs, expenses and losses, First the assets will be cost when exchanged for other assets, affected financial statement through the inventory and other assets on balance sheet. Second, the cost will be expenses when exchanged for revenue, impacts financial statement through cost of goods sold or some other expenses on the income statement. Final the cost will be losses when exchanged nothing in return, impacts financial statement through Separate non-operating item on income statement (Rajan & Cholasseri, 2019). A cost objective is an activity that necessitates separate cost measurements. As an example, suppose a manufacturer has three product lines, and management needs costing information for each of the three product lines separately. In this case, each individual product line is a cost objective, cost objectives are also known as cost centers (Hefer, 2013). According to Ignou (2020), the following are the main cost characteristics: 1) if the term "cost is not completely identified with its nature and type, it is insufficient. 2) Costs depict not always exact similar content 3cost is unstable concept, there will never be a cost is correct, exact, or precise; it does not stay the same thing; 4) anybody can calculate cost in their own way 5) costs differ with passage of time, volume, firm, approach, or purpose. Cost analysis and cost classification entail categorizing costs into various logical groups based on some suitable basis. Cost analysis and classification are required for cost control and managerial decision making; therefore, there are various methods of cost classification, with the method chosen based on the purpose for which it is required. According to Lanen et al. ( 2021): (1) according to

nature (material, labor and expenses), (2) according to functions to which they relate (manufacturing cost, marketing cost, administration cost, distribution cost and research & developing cost), (3) according to their identifiability with jobs, products, or services (direct cost and indirect cost), (4) in accordance with their variability with changes in output (variable cost, fixed cost and semi-variable cost), (5) according to their product or period (product cost and period cost), (5) according to their controllability (controllable cost and non-controllable cost), and (6) according to their relevance to decision making (opportunity, differential, avoidable & unavoidable and sunk), relationship with accounting period (capital and revenue).

### **2-1-2: A brief overview of 2<sup>nd</sup> factor (Customer):**

Customers are an important factor among (3C), and they are not too stupid to buy a product without first researching it. Actually, consumers are price sensitive because they want to maximize the value of their money and time at a competitive price. Customers are very intelligent and aware when they decide what they get in exchange for the money they pay for a product or service. (Al-Mamun & Rahman, 2014). The customer factor identifies and describes the market and customer in which the economic unit will compete. As well as the method by which value is created for customers, because of affecting on activity result of economic unit through price of their products and services, the revenue component of financial objectives is derived from the customer factor; revenue will not be generated if the appropriate products and services are not provided to the target customers. Once the definition of customers and markets, core objectives and measures are developed. The core objectives and measures are those that all economic units share. Increase market share, increase customer retention, increase customer acquisition, increase customer satisfaction, and increase customer profitability are the five main core objectives (Hansen & Mowen, 2006). A customer is defined as a person or economic unit who purchases goods and services. He is the most valuable asset in any economic unit (Rahman & Safeena, 2016). Customers are very important to a company; they add value to a company; they spend money on company's products. They suggest, inform friends, and they provide information, so they must be satisfied through a set of measures, which are as follows (Datar & Rajan, 2018): "Data from market research on customer choice and satisfaction with certain product features, market share, percentage of customer content, number of defective units sent to customers as a percentage of total units shipped, number of customer criticism, percentage of products that delivered to customers but failed, average products delivery delays, and on-time delivery rate", as a result of increased customer maintenance, honesty, and positive word-of-mouth advertising, higher customer satisfaction should result in lower external failure costs, lower quality costs, and

higher future revenues. Lower customer satisfaction indicates higher external failure and quality costs in the future.

### **2-1-3: A brief overview of 3<sup>rd</sup> factor (Competition):**

Competition is a powerful tool and an essential component of economic life. It came from the word "compete," which means "to seek together," and as a result, it increases human wish, allowing you to achieve the best results while also driving technological innovation and productivity growth (Zelga, 2017), and is the best and significant method for manage market processes, providing economic freedom to enterprises and encouraging them to raise their competitiveness (Melnyk & Yaskal, 2013). Because competition is inherently a dynamic and complex phenomenon, factor market competition has far-reaching implications for a company's profitability and total market power. As a result, a focal company is very likely to try to gain a competitive advantage in purchasing activities (Schiefer, 2013). Competition and competitiveness are terms that are frequently used in business and public debate about economic units, their environments, and their ability to perform in accordance with strategic or policy goals derived from business, economic, or social objectives (Listra, 2015). We can define competition as a contest between two parties or more pursuing specific goal that cannot be splited, only one can win and gain (an example of which is a zero-sum game) (Smith, et al., 2001) or competition is an activity in which individuals try to gain the advantage that others seek in the meanwhile and under the same circumstance; its essence depends on the removal of rivals in the same industry and the acquisition of their consumers. We have four kind of market competition: pure monopoly, perfect competition, monopolistic competition, and monopolistic competition (Zelga, 2017). As for the goal of competition, we have to remember three important points when we focus on the objectives of competition (Listra, 2015): (1) highlighting changeable of competition (quantity, price, quality etc.), (2) targeted stage of achievement; and (3) the strategic objectives of agents determine the competitive process.

### **2-2: Concept of making pricing decision and its calculation**

**methods:** The process of making a decision entails evaluating and ranking potential courses of action. Pricing managerial decision making is concerned with pricing decisions such as price setting or price changes. Price positioning and product decisions that introduce new pricing points of products or service mix, as well as price management decision-making problems that affect the entire organization, fall under this category. Pricing decisions in a business are based on the overall marketing strategy because they affect the company's relationship with customers (Remenova & Kintler, 2020). On the other hand, one of the most important marketing mix decisions that an economic unit must make. When financial data, whether cost or price, is required, the accountant is

frequently the first point of contact for the economic unit. As a result, accountants need to have knowledge about revenue data sources as well as the economic and marketing concepts required to interpret that data (Hansen & Mowen, 2006). Pricing decisions, according to modern marketing theory should be made in the context of the firm's entire marketing mix (Foxall, 2008). Pricing decisions are defined as the process by which firm management determines the price at which services or products must be sold in completely competitive markets. The main pricing decision objectives are profit maximization, price stability and prevention of competition, Maximum return on investment, obtain target market share, reducing sales turnover, Penetration in market, Introduction in new markets, Stable product price, etc. By using available data such as transaction data and sales data, these strategies can be carried out successfully. Pricing with analytics helps leverage data to increase profits (Rajendra & Sinha, 2020). Customers usually like products with high quality and low cost. Although customer require is analyzed well in marketing classes, accountants should be careful about it, especially when it interacts with supply (Hansen & Mowen, 2006). As a result, the way managers price a service or a product eventually depends on supply and demand, and three factors influence pricing decisions based on supply and demand: competitors, customers, and costs (Datar & Rajan, 2018). Pricing a product, on the other hand, is influenced by a variety of factors because price involves a large number of variables. Factors are divided into two types: internal factors that influence pricing based on cost, and external factors that impact pricing according to customers and competition (Remenova & Kintler, 2020). As for alternative long-run pricing approaches, there are two kind of approaches for pricing decisions according to Datar & Rajan (2018); (1) Market-based approach, (2) Cost-based approach, the market-based approach to pricing starts by asking, "What is the customers demand, and how is competitor's reaction to our action, what price should we charge?" Based on this price, managers can control costs to earn a target return on investment, and there are four types of market –based approach: perfect competition, monopolistic competition, oligopoly, and monopoly. The cost-based approach to pricing starts by asking, "Given what is the cost to make this product, what price should we charge that will cover our costs and earn a target return on investment?", they calculate the cost of the product and add the preferred profit. The procedure of this method is simple. There is a cost base and a markup. The markup is amount added to the base cost that includes the preferred profit as well as any costs that are not included in the base cost (Hansen & Mowen, 2006). It can be calculated price of products according to cost-based approach, as follows: **"Price = Cost + Markup"**. The different cost bases and

markup percentages give four aspect selling prices that are close to each other, according to Datar & Rajan (2018): (Variable manufacturing cost, Variable cost of the product, Manufacturing cost and full cost of the product). And there is another approach to determine price of products is target cost, is considered one of the most important and the best modern cost management systems, because it is supposed to work on reducing costs and developing products without compromising the quality of the products. The system also focuses on satisfying the customers' desires continuously to achieve the highest percentage of sales and profits. It is one of the cost management tools that cost to produce (Alzly, 2019).

The researcher noticed and according with Datar & Rajan (2018), that there are three markets when industrial companies' managers weigh customers, competitors, and costs differently when making pricing decisions, as follows: (a) In a fully competitive market: companies operating in a perfectly competitive market sell very similar commodity products for example food companies; managers at these companies have no control over setting prices and must accept the price determined by a market with many participants, cost information assists managers in determining the amount of output to produce in order to maximize operating income. (b) In a semi-competitive markets, all three factors affect prices: the value customers place on a product and the prices charged for competing products affect demand, and the costs of producing and delivering the product affect supply, for example, companies that produce technology products (c) In less competitive market, the key factor influencing pricing decisions is the customer's willingness to pay based on the value that customers place on the product or service, not costs or competitors, an example of this type of market is computer software companies

**2-3: An Overview of company's goals:** Company's objectives in this research are included in three aspects:

**2-3-1: Concept and important of profitability:** Profitability refers to the extent to which the value of a manufacturing production exceeds the cost of the resources used to produce it. Profitability is measured in absolute terms by net income (Edwards & Duffy, 2014), and in a competitive marketplace, the owners of business should try to know how to gain a reasonable profitability level. Profitability is a ratio used to assess a company's performance. It is a critical component of a company's financial reporting. A company's profitability shows its power to produce earnings over a particular period of time at a given rate of sales, assets, and capital stock. The comprehension determinants of profitability are a great factor for helping managers in developing an effective profitability policy for their company. The company's essential objective is to enlarge profitability. No company can attract external resources without profitability and cannot survive eventually.

Knowing company profitability will give feedback to the company. The company can find a strategy that must be carried out to find a solution for the problem and reduce the negative impact of business survival (Margaretha & Supartika, 2016). In general, we can define profitability as a company's earnings after cutting all the costs for a given period of time. It is the significant sign of management success, shareholder satisfaction, investor attraction, and the company's long-term viability (Jayathilaka, 2020). There are many indicators to evaluate the profitability of companies and the most indicator used, are ROA (Return on Assets) and ROE (Return on Equity).

**2-3-2: Concept and important of Strategy of expanding market basic:** Market expansion is a very important option in improving economies. It is the activity of making a product available on a larger level in an existing or new market. Its strategy starts with a study of existing and potential distribution channels and concludes with the applying of measures to increase reach and sales in the markets of interest (Bang & Joshi, 2008). Expansion strategies are then strategies used by the organization to achieve its long-term expansion goals (Onyonkam 2013). Many studies on market expansion strategy focused more on evaluating the 'fit' between the organization and outside causes like market attractiveness, competitive benefit, and risk, with little attention paid to internal factors like organizational structure, management systems, and corporate culture. A market expansion policy is a growing strategy that entails selling available products in a new market when growth in the company's existing sales channels peaks (Robinson & Lundstrom, 2003). Moreover, market expanding Strategies are the strategies targeted at gaining larger market share, even for a short period of time earnings. Three broad growth strategies are Market leader strategy, Market challenger strategy and Market niche strategy Boone (Tangus & Omar, 2017). According to Yifan & Xirui there are four principles of market expansion should adhere to market-oriented principle, According to Yifan & Xirui (2020): resource-based, product-based, quality-critical, and efficiency-centric. Three element of market expansion strategy determined (Bang & Joshi, 2008): (1) a definition of market scope in terms of customers and competitors, (2) the creation of willingness and ability among target customers, and (3) the fulfillment of demand in a sustainable manner.

**2-3-3: Concept and important of retention of current customers (loyal customers) and attracting new customers:** Nowadays, we cannot deny the importance of the customer in any economic unit, and the customer is the most important source of added value in the company, and the customer is someone or a party who receives or consumes products that can choose which product to be chosen among many different products and suppliers." Customers might be both individuals and businesses who purchase products and services from

businesses that satisfied their needs (Torkinlampi, 2018). So in a competitive market, attracting and retaining customers is critical. Identifying the effective factors influencing customer loyalty can assist managers in making decisions regarding the retention and creation of loyal customers. (Mizani et al. 2018).

**2-3-3-1: A brief concept of retention of current customers (loyal customers):** Customer loyalty prefers the products or the services of company over competitors on a consistent basis. Customers who have a strong loyalty to a particular company cannot be influenced easily by price or availability. They are willing pay extra to ensure the exact same quality product and service that they have come to expect (Chambers, 2020). Customer retention is the procedure that businesses and organizations take on in order to retain the customer not to change their mind about their products. Customer retention programs facilitate businesses in retaining their customers, most often through customer loyalty and brand loyalty initiatives. Furthermore, customer retention contributes to the profitability of your small business. There are some factors can be implemented for making Long-term customer relationships like: providing personalized quality service, advertising well, awarding loyal customers, and offering inventive products and services. ([www.ngdate.com](http://www.ngdate.com), 2016).

**2-3-3-2: A brief concept of attracting new customers:** Value creation and customer satisfaction are critical factors in attracting customers to successful companies in a global market (Mizani et al. 2018), and that is, by researching them. Research is the process of gathering information in order to increase or revise current knowledge by discovering new facts in a specific field. In the case of attracting new customers, research is required to obtain more information on how to attract them, by using what theory and how to apply this theory correctly, so that it benefits the company (Petrovskaya, 2014).

**Third (part): Analytical aspect for research:** The researchers have uploaded and analyzed all of the questionnaire through the statistical Program SPSS and Easy Fit to test the following hypotheses:

**3-1: Study sample description:** The questionnaire was distributed in three different categories (general managers and their assistants, division managers in industrial companies, and academics), and (148) forms were valid for analysis for a sample of (170) researches in the Kurdistan Region.

**3-1-1: Statistical description of general information:** The general information of the researches is summarized in Tables (1-6).

Table (1): Statistical description of career position

Class	Frequency	Percent	Cumulative Percent
Co. manager	34	22.97	22.97
Vice Co. manager	16	10.81	33.78
Division manager	22	14.86	48.64
Academics	76	51.36	100.0

Total	148	100.0
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(Totally not agree = 1, Not agree = 2, Not sure = 3, Agreed = 4, and totally agree = 5) are summarized in the tables below:

Table (1) shows that the study sample that included the career position was 22.97% Co. manager, 10.81% Vice Co. manager, 14.86% Division manager, and 51.36% academics.

Table (2): Statistical description of Academic qualification

Class	Frequency	Percent	Cumulative Percent
Less than a Bachelor's	8	5.41	5.41
Bachelor's degree	54	36.49	41.9
MSc. degree	56	37.84	79.74
PhD. Degree	30	20.26	100.0
Total	148	100.0	

Table (2) shows that 5.41% of the study sample had less than a bachelor's degree, 36.49% had a bachelor's degree, 37.84% had a MSc. degree, and 20.26% were PhD. degree.

Table (3): Statistical description of Specialization

Class	Frequency	Percent	Cumulative Percent
Accounting	54	36.49	36.49
Management	50	33.78	70.27
Banking sciences	4	2.70	72.97
Others	40	27.03	100.0
Total	148	100.0	

According to Table (3), the specialization was represented by 36.49% accounting, 33.78% management, 2.7% banking sciences, and 27.03% others in the study sample.

Table (4): Statistical description of Experience years

Class	Frequency	Percent	Cumulative Percent
Less than 5 years	18	12.16	12.16
From 5-15 years	60	40.54	52.70
From 15 years and over	70	47.30	100.0
Total	148	100.0	

Table (4) shows the experience years that 12.16% of the study sample had less than 5 years of experience, 40.54% had 5-15 years of experience, and 47.3% had 15 years or more of experience.

Table (5): Statistical description of Age

Class	Frequency	Percent	Cumulative Percent
Less than 30 years	10	6.76	6.76
From 30-45 years	76	51.35	58.11
More than 45 years	62	41.89	100.0
Total	148	100.0	

According to Table (5), the age distribution in the study sample was 6.76% less than 30 years, 51.35% from 30-45 years, and 41.89% more than 45 years.

Table (6): Statistical description of Gender

Class	Frequency	Percent	Cumulative Percent
Male	130	87.84	87.84
Female	18	12.16	100.0
Total	148	100.0	

Table (6) shows that the study sample that included the Age was 87.84% Male, 12.16% Female.

**3-1-2: Description and diagnosis of study variables:** The mean, standard deviation, and degree of agreement for study variables, which included (36) items segmented into three variables, are calculated in this analysis. The arithmetic means for each questionnaire item evaluated using a Likert scale

**Independent variable:** it includes three factors on making pricing decisions to achieve company's objective, which are the cost, the customer, and the competition factor.

Table (7) shows that the average of the independent variable is equal to (4.049) which is greater than the average of the hypothetical agreement (3), degree of agreement is 80.98% with standard deviation (0.869), indicates that the research sample does not have divergent opinions about the variable items.

The cost factor average was (4.1318), which is greater than the average of the hypothetical agreement (3), degree of agreement is 82.63% with standard deviation (0.8653), indicates that the research sample does not have divergent opinions about the factor items. The first item (Cost is one of the most important factors whose trends must be determined, studied, analyzed and carefully controlled when making a pricing decision for products and services) got the highest average agreement (in this factor), which reached (4.2838) with degree of agreement is 85.68% with standard deviation (0.98313).

Table (7): Descriptive Statistics for independent variable

Factor	Mean	Std. Deviation	Degree of agreement
A1	4.2838	.98313	85.68
A3	4.2297	.88136	84.59
A7	4.1622	.88874	83.24
A6	4.1622	.85757	83.24
A5	4.1351	.84635	82.70
A4	4.0811	.86907	81.62
A8	4.0135	.74675	80.27
A2	3.9865	.84906	79.73
Average of Factor 1	4.1318	0.8653	82.63
B2	4.2027	.77336	84.05
B3	4.2027	.73734	84.05
B6	4.1892	.86780	83.78
B1	4.0811	.97250	81.62
B5	4.0541	.82300	81.08
B7	4.0270	.85671	80.54
B4	3.9595	.92493	79.19
B8	3.9324	1.02128	78.65
Average of Factor 2	4.0811	0.8721	81.62
C7	4.1216	.67919	82.43
C2	4.0676	.74379	81.35
C8	3.9730	.93274	79.46
C4	3.9189	.82076	78.38
C5	3.8919	.94138	77.84
C3	3.8784	.93245	77.57
C1	3.8243	1.03488	76.49
C6	3.7973	.87256	75.95
Average of Factor 3	3.9341	0.8697	78.68
Average of independent variable	<b>4.0490</b>	<b>0.8690</b>	<b>80.98</b>

The customer factor average was (4.0811), which is greater than the average of the hypothetical agreement (3), degree of agreement is 81.62% with standard deviation (0.8721), indicates that the research sample does not have divergent



opinions about the factor items. The second item is the company's hearing of its customers' complaints and trying to solve their problems will preserve its existing customers and provide the opportunity to attract new customers. The third item is , studying the behavior and attitude of customers in the markets about the company's preferred products and services and using its results (price and specifications) will help the company's management to take the appropriate decision to price its products and services) got the highest average agreement (in this factor), which reached (4.2027) with degree of agreement is 84.05% with standard deviation (0.77336) and (0.73734) respectively.

The competition factor average was (3.9341), which is greater than the average of the hypothetical agreement (3), degree of agreement is 78.68% with standard deviation (0.8697), indicates that the research sample does not have divergent opinions about the factor items. The seven item (The competition factor helps the company's management to continue the process of analyzing and studying the competitive market to identify changes that may occur on competing products and the entry of new competitors, and this affects pricing decisions) got the highest average agreement (in this factor), which reached (4.1216) with degree of agreement is 82.43% with standard deviation (0.67919).

**Mediating variable:** making pricing decisions, which included (6) items.

Table (8): Descriptive Statistics for mediating variable

Item	Mean	Std. Deviation	Degree of agreement
D6	4.0811	.76943	81.62
D1	4.0676	.86238	81.35
D2	4.0541	.83937	81.08
D3	3.9730	.85671	79.46
D4	3.9054	.92094	78.11
D5	3.6486	.86398	72.97
Average of mediating variable	<b>3.9550</b>	<b>0.8521</b>	<b>79.098</b>

Table (8) shows that the average of the mediating variable is (3.955), which is greater than the average of the hypothetical agreement (3), that the degree of agreement is 79.098 percent with a standard deviation of (0.8521), and that the research sample does not have divergent opinions about the variable items. The six item (Choosing the appropriate method for pricing the company's products and services comes from monitoring and analyzing the prices, costs and quality of competitors' offers) got the highest average agreement (in this variable), which reached (4.0811) with degree of agreement is 81.62% with standard deviation (0.76943).

**Dependent variable:** company's objective, which included (6) items.

Table (9): Descriptive Statistics for dependent variable

Item	Mean	Std. Deviation	Degree of agreement
E6	4.3243	.70195	86.49

E3	4.2432	.77038	84.86
E4	4.1892	.65311	83.78
E5	4.0811	.75154	81.62
E2	4.0541	.85543	81.08
E1	3.5811	1.01695	71.62
Average of dependent variable	<b>4.0788</b>	<b>0.7916</b>	<b>81.58</b>

Table (9) shows that the average of the dependent variable is equal to (4.0788) which is greater than the average of the hypothetical agreement (3), degree of agreement is 81.58% with standard deviation (0.7916), indicates that the research sample does not have divergent opinions about the variable items. The six item (Retaining current customers and attracting new customers comes through consolidating good connections with them by offering relevant product information and prompt responses to their requests, as well as after-sales services) got the highest average agreement (in this variable), which reached (4.3243) with degree of agreement is 86.49% with standard deviation (0.70195).

**3-2: Test reliability coefficient and Validity of the questionnaire (consistency):** Reliability Simply put, a reliable measuring instrument is one that produces consistent results when measuring the same objects or events over and over. It's also worth noting that researchers have no idea how reliable an instrument (a test) is because they don't have information of the real scores. The researchers, on the other hand, can estimate reliability. Cronbach's alpha is a measure of internal consistency, or how closely related a set of items is to one another. It is considered scale reliability metric. A measure with a "high" alpha value does not necessarily indicate that it is one-dimensional. Additional analyses can be performed if you want to provide proof that the scale in question is unidimensional in addition to measuring internal consistency. Exploratory factor analysis is a way for determining dimensionality. Cronbach's alpha is not a statistical test; rather, it is a coefficient of reliability (or consistency). Cronbach's alpha coefficient will be used on this basis.

In contrast, content validity assumes that we are able to describe the entire population of behavior (or other things) that an operationalization is supposed to capture. Think of our operationalization as a subset of that population. Our operationalization will have content validity to the point that the sample is symbolic of the population. To assess content validity, we can describe the population of interest as accurately as possible and ask specialists (people who have knowledge about interest construct) to evaluate how representative our sample is of that population. To assess the consistency with sincerity (which represents the root of the reliability coefficient), a questionnaire was administered and the results were summarized in a table (10).

Table (10) displays the reliability statistics for Cronbach alpha values, are (0.924, 0.851, 0.813, 0.792, 0.711, 0.746 and

0.945) and the validity vales are (0.9612, 0.9225, 0.9017, 0.8899, 0.8432, 0.8637 and 0.9721), and they are all greater than 0.60 and 0.80, indicating the measuring instrument's high reliability. Furthermore, it shows a high stage of internal consistency in relation to the specified sample.

Table (10): Reliability Statistics

Variables	Cronbach's Alpha	Validity	N of Items
Independent	0.924	0.9612	24
Cost factor	0.851	.92250	8
Customer factor	0.813	.90170	8
Competition factor	0.792	.88990	8
Mediating	0.711	.84320	6
Dependent	0.746	.86370	6
All variables	0.945	.97210	36

**3-3: Test data distribution:** The researchers will test whether or not the questionnaire variables and means have a normal distribution using a non-parametric test (Kolmogorov-Smirnov) and a parametric test  $\chi^2$  (using the Easy Fit program), which determines the tool and the appropriate test to test the study hypotheses, test the following hypotheses:

$H_0$  : The means of the questionnaire variables have normal distribution.

$H_1$  : The means of the questionnaire variables have non-normal distribution.

The test results are summarized under the significance level (0.05) by the following table:

Table (11): Test of Normality

Variables	K.S.			Chi-Squared			Result
	Statistic	p Value	Critical Value	Statistic	p Value	Critical Value	
Independent	<b>0.1081</b>	<b>0.058</b>	0.1116	61.035	0.000	14.067	Normal
Cost	0.1423	0.004	0.1116	<b>12.570</b>	<b>0.083</b>	14.067	Normal
Customer	<b>0.0912</b>	<b>0.159</b>	0.1116	18.498	0.009	14.067	Normal
Competition	0.1261	0.017	0.1116	26.452	0.000	14.067	Non Normal
Mediating	0.1276	0.015	0.1116	55.110	0.000	14.067	Non Normal
Dependent	0.1838	0.000	0.1116	31.306	0.000	14.067	Non Normal

Table (11) shows by using (K.S.), test that means of the independent variable and customer factor have normal distributions because the p-values are equal to (0.1081, and 0.0912), respectively, and are greater than the significance level (0.05), and Statistic are less than (0.1116), whereas the rest of the variables do not. Using the (Chi-Squared) test, the means of the cost factor have a normal distribution because the p-values are equal to (0.083), which is greater than the significance level (0.05), and the statistic is less than (14.067), whereas the rest of the variables do not. Finally, independent, cost, and customer variables have normal distribution while the competition, mediating, and dependent variables do not have a normal distribution.

**3-4: Study hypotheses test:** The study covered the testing of three basic hypotheses, the first related to the importance and agreement, the second to effect, and impact difference.

**3-4-1: Hypothesis of impact:** The simple linear regression model was estimated and the coefficient of determination was calculated to test the impact hypothesis significantly, and the following hypotheses were tested:

**First main hypothesis:**

$H_0$  : There is no impact of the three factors on making pricing decision

$H_1$  : There is impact of the three factors on making pricing decision

The three factors together represent the independent variable and the mediating variable (making pricing decision) represents the dependent variable. On this basis, the simple linear regression model will be estimated and the first main hypothesis tested, which is summarized in the following table.

Table (12): The impact of the three factors on making pricing decision

Model	Coefficients <sup>a</sup>	T	Sig.	F	Sig.	R Square
(Constant)	0.470	2.411	0.017	325.825	0.000	0.691
Three factor	0.861	18.051	0.000			

According to Table (12), the three factors explain 69.1% (coefficient of determination) of the changes in pricing decisions. Linear regression is the best model for this data because the F-statistic is equal to (325.825), which is the highest of the tabulated values under the (0.05) significance level, and the degrees of freedom (1 and 146) are equal to (3.91), which is confirmed by the p-value, which is equal to zero and less than the significance level (0.05). Since t-statistic equal to (18.051) for the coefficient of independent variable (three factor), and it's the largest of tabulated value under the (0.05) significantly level and degrees of freedom (147) which is equal to (1.96), (the p-value is (0.000), which less than the significantly level (0.05), its therefore significant and contribute to the interpretation of the model (making pricing decision), and finally, the null hypothesis is rejected in favor of the alternative hypothesis, which states that "the three factors have an impact on pricing decisions".

The following three sub-hypotheses are derived from the first main hypothesis:

**First sub-hypothesis:**

$H_0$  : There is no impact of the cost factor on making pricing decision

$H_1$  : There is impact of the cost factor on making pricing decision

The cost factor represents the independent variable and the mediating variable (making pricing decision) represents the dependent variable. On this basis, the simple linear regression model will be estimated and the first sub-hypothesis tested, which is summarized in the following table.

Table (13): The impact of the cost factor on making pricing decision

Model	Coefficients <sup>a</sup>	T	Sig.	F	Sig.	R Square
(Constant)	1.200	5.748	0.000	177.904	0.000	0.549
Three factor	0.667	13.338	0.000			

According to Table (13), the cost factor explains 54.9% (coefficient of determination) of the changes in pricing decisions. Linear regression is the best model for this data because the F-statistic is equal to (177.904), which is the highest of the tabulated values under the (0.05) significance level, and degrees of freedom (1 and 146) are equal to (3.91), which is confirmed by the p-value, which is equal to zero and less than the significance level (0.05). Since t-statistic equal to (13.338) for the coefficient of independent variable (cost factor), and it's the largest of tabulated value under the (0.05) significantly level and degrees of freedom (147) which is equal to (1.96), (the p-value is (0.000), which less than the significantly level (0.05)), its therefore significant and contribute to the interpretation of the model (making pricing decision), and finally, the null hypothesis is rejected and accept the alternative hypothesis which states that "There is impact of the cost factor on making pricing decision".

### Second sub-hypothesis:

$H_0$ : There is no impact of the customer factor on making pricing decision

$H_1$ : There is impact of the customer factor on making pricing decision

The customer factor represents the independent variable and the mediating variable (making pricing decision) represents the dependent variable. On this basis, the simple linear regression model will be estimated and the second sub-hypothesis tested, which is summarized in the following table.

Table (14): The impact of the customer factor on making pricing decision

Model	Coefficients <sup>a</sup>	T	Sig.	F	Sig.	R Square
(Constant)	0.923	4.614	0.000	234.341	0.000	0.616
Three factor	0.743	15.308	0.000			

According to Table (14), the customer factor explains 61.6% (coefficient of determination) of the changes in pricing decisions. Linear regression is the best model for this data because the F-statistic is equal to (234.341), which is the largest of the tabulated values under the (0.05) significance level, and degrees of freedom (1 and 146) are equal to (3.91),

which is confirmed by the p-value, which is equal to zero and less than the significance level (0.05). Since t-statistic equal to (15.308) for the coefficient of independent variable (customer factor), and it's the largest of tabulated value under the (0.05) significantly level and degrees of freedom (147) which is equal to (1.96), (the p-value is (0.000), which less than the significantly level (0.05)), its therefore significant and contribute to the interpretation of the model (making pricing decision), and finally, the null hypothesis is rejected and accept the alternative hypothesis which states that "There is impact of the customer factor on making pricing decision".

### Third sub-hypothesis:

$H_0$ : There is no impact of the competition factor on making pricing decision

$H_1$ : There is impact of the competition factor on making pricing decision

The competition factor represents the independent variable and the mediating variable (making pricing decision) represents the dependent variable. On this basis, the simple linear regression model will be estimated and the third sub-hypothesis tested, which is summarized in the following table.

Table (15): The impact of the competition factor on making pricing decision

Model	Coefficients <sup>a</sup>	T	Sig.	F	Sig.	R Square
(Constant)	1.128	5.189	0.000	172.475	0.000	0.542
Three factor	0.719	13.133	0.000			

According to Table (15), the competition factor explains 54.2% (coefficient of determination) of the changes in pricing decisions. Linear regression is the best model for this data because the F-statistic is equal to (172.475), which is the highest of the tabulated values under the (0.05) significance level, and the degrees of freedom (1 and 146) are equal to (3.91), which is confirmed by the p-value, which is equal to zero and less than the significance level (0.05). Since t-statistic equal to (13.133) for the coefficient of independent variable (competition factor), and it's the largest of tabulated value under the (0.05) significantly level and degrees of freedom (147) which is equal to (1.96), (the p-value is (0.000), which less than the significantly level (0.05)), its therefore significant and contribute to the interpretation of the model (making pricing decision), and finally, the null hypothesis is rejected and accept the alternative hypothesis which states that "There is impact of the competition factor on making pricing decision".

### Second main hypothesis:

$H_0$ : There is no impact of the making pricing decision on company's objective

$H_1$ : There is impact of the making pricing decision on company's objective

The making pricing decision represent the independent variable and the company's objective represent the dependent variable. On this basis, the simple linear regression model will be estimated and the second main hypothesis tested, which is summarized in the following table.

Table (16): The impact of the making pricing decision on company's objective

Model	Coefficients <sup>a</sup>	T	Sig.	F	Sig.	R Square
(Constant)	1.087	5.379	0.000	223.041	0.000	0.604
Three factor	0.756	14.935	0.000			

According to Table (16), pricing decisions explain 60.4% (coefficient of determination) of changes in the company's objective. Linear regression is the best model for this data because the F-statistic is equal to (223.041), which is the highest of the tabulated values under the (0.05) significance level, and the degrees of freedom (1 and 146) are equal to (3.91), which is confirmed by the p-value, which is equal to zero and less than the significance level (0.05). Since t-statistic equal to (14.935) for the coefficient of independent variable (making pricing decision), and it's the largest of tabulated value under the (0.05) significantly level and degrees of freedom (147) which is equal to (1.96), (the p-value is (0.000), which less than the significantly level (0.05)), its therefore significant and contribute to the interpretation of the model (company's objective), and finally, the null hypothesis is rejected and accept the alternative hypothesis which states that "There is impact of the making pricing decision on company's objective".

**3-4-2: Hypotheses of impact difference:** Here, the difference in the independent variable impact on the dependent variable according to career position (academic and professional), will be tested, and the following hypotheses test:

**First main hypothesis:**

$H_0$ : There is no difference in the independent variable (three factors together) impact on the making pricing decision according to career position.

$H_1$ : There is difference in the independent variable (three factors together) impact on the making pricing decision according to profession.

The three factors together represent the independent variable and the mediating variable (making pricing decision) represents the dependent variable for both academic and professional. On this basis, the simple linear regression model will be estimated for both academic (76 searched) and

professional (72 searched), and the first main hypothesis tested, which is summarized in the following table.

Table (17): The impact difference of the three factors on making pricing decision according to career position

Model	Coefficients <sup>a</sup>	t	Sig.	F	Sig.	R Square	
Academic	(Constant)	0.483	2.126	0.037	219.1	0.00	0.748
	Three factor	0.867 (0.059)	14.80	0.000	4	0	
professional	(Constant)	0.091	0.229	0.820	101.6	0.00	0.592
	Three factor	0.941(0.093)	10.08	0.000	3	0	
impact difference test			0.672	0.503			

Table (17) shows that the three factors explain 74.8% of the changes in pricing decisions for academics. Linear regression is the best model for this data because the F-statistic is equal to (219.14), it is the largest of the tabulated values under the (0.05) significance level, and the degrees of freedom (1 and 74) are equal to (3.96), as confirmed by the p-value, which is equal to zero and less than the significance level (0.05). Since t-statistic equal to (14.80) for the coefficient of independent variable (three factor), and it's the largest of tabulated value under the (0.05) significantly level and degrees of freedom (75) which is equal to (1.99), (the p-value is (0.000), which less than the significantly level (0.05)), its therefore significant and contribute to the interpretation of the model (making pricing decision) for academic.

For professional, the three factors, explains 59.2% of the changes in making pricing decision. Linear regression appropriate model for this data because F-statistic equal to (101.63), it's the largest of tabulated value under the (0.05) significantly level and degrees of freedom (1 and 70) which is equal to (3.97), this is confirmed by the p-value, which is equal to zero and is less than the significance level (0.05). Since t-statistic equal to (10.08) for the coefficient of independent variable (three factor), and it's the largest of tabulated value under the (0.05) significantly level and degrees of freedom (71) which is equal to (1.995), (the p-value is (0.000), which less than the significantly level (0.05)), its therefore significant and contribute to the interpretation of the model (making pricing decision) for professional.

Finally, impact difference test, since t-statistic equal to (0.672) and its less than the tabulated value under the (0.05) significantly level and degrees of freedom (144) which is equal to (1.96), (the p-value is (0.503), which greater than the significantly level (0.05)), its therefore non-significant and the null hypothesis is accepted which states that "There is no difference in the independent variable (three factors together) impact on the making pricing decision according to career position".

The following three sub-hypotheses are derived from the first main hypothesis:

**First sub-hypothesis:**

$H_0$ : There is no difference in the cost factor impact on the making pricing decision according to career position.

$H_1$ : There is difference in the cost factor impact on the making pricing decision according to career position.

The cost factor represents the independent variable and the mediating variable (making pricing decision) represents the dependent variable for both academic and professional. On this basis, the simple linear regression model will be estimated for both academic (76 searched) and professional (72 searched), and the first sub-hypothesis tested, which is summarized in the following table.

Table (18): The impact difference of the cost factor on making pricing decision according to career position

Model	Coefficients <sup>a</sup>	T	Sig.	F	Sig.	R Square	
Academic	(Constant)	0.784	3.803	0.000	221.1	0.00	0.749
	Cost factor	0.775(0.052)	14.87	0.000	9	0	
Professional	(Constant)	1.784	4.063	0.000	28.26	0.00	0.288
	Cost factor	0.531(0.1)	5.316	0.000	5	0	
impact difference test			2.165	0.032			

According to Table (18), the cost factor explains 74.9% of the changes in pricing decisions for academic institutions. Linear regression is the best model for this data because the F-statistic is equal to (221.19), which is the largest of the tabulated values under the (0.05) significance level, and the degrees of freedom (1 and 74) are equal to (3.96), which is confirmed by the p-value, which is equal to zero and less than the significance level (0.05). Since t-statistic equal to (14.87) for the coefficient of independent variable (cost factor), and it's the largest of tabulated value under the (0.05) significantly level and degrees of freedom (75) which is equal to (1.99), (the p-value is (0.000)), which less than the significantly level (0.05)), its therefore significant and contribute to the interpretation of the model (making pricing decision) for academic.

For professional, the cost factor, explains 28.8% of the changes in making pricing decision. Linear regression appropriate model for this data because F-statistic equal to (28.265), it's the largest of tabulated value under the (0.05) significantly level and degrees of freedom (1 and 70) which is equal to (3.97), this is confirmed by the p-value, which is equal to zero and is less than the significance level (0.05). Since t-statistic equal to (5.316) for the coefficient of independent variable (cost factor), and it's the largest of tabulated value under the (0.05) significantly level and degrees of freedom (71) which is equal to (1.995), (the p-value is (0.000)), which less than the significantly level (0.05)), its therefore significant and contribute to the interpretation of the model (making pricing decision) for professional.

Finally, the impact difference test is significant because the t-statistic equals (2.135) and is greater than the tabulated value under the (0.05) significantly level and degrees of freedom (144) equals (1.96), (the p-value is (0.032), which is less than the significantly level (0.05)), the null hypothesis is rejected, and the alternative hypothesis is accepted, which states that "There is difference in the cost factor impact on the making pricing decision according to career position".

**Second sub-hypothesis:**

$H_0$ : There is no difference in the customer factor impact on the making pricing decision according to career position.

$H_1$ : There is difference in the customer factor impact on the making pricing decision according to career position.

The customer factor represents the independent variable and the mediating variable (making pricing decision) represents the dependent variable for both academic and professional. On this basis, the simple linear regression model will be estimated for both academic (76 searched) and professional (72 searched), and the second sub-hypothesis tested, which is summarized in the following table.

Table (19): The impact difference of the customer factor on making pricing decision according to career position

Model	Coefficients <sup>a</sup>	T	Sig.	F	Sig.	R Square	
Academic	(Constant)	0.917	3.965	0.000	160.74	0.000	0.685
	Customer factor	0.751(0.059)	12.68	0.000			
professional	(Constant)	0.695	1.648	0.104	65.982	0.000	0.485
	Customer factor	0.789(0.097)	8.123	0.000			
impact difference test			0.335	0.738			

According to Table (19), the customer factor explains 68.5% of the changes in pricing decisions for academic. Linear regression is the best model for this data because the F-statistic is equal to (160.74), which is the highest of the tabulated values under the (0.05) significance level, and the degrees of freedom (1 and 74) are equal to (3.96), which is confirmed by the p-value, which is equal to zero and less than the significance level (0.05). Since t-statistic equal to (12.68) for the coefficient of independent variable (customer factor), and it's the largest of tabulated value under the (0.05) significantly level and degrees of freedom (75) which is equal to (1.99), (the p-value is (0.000)), which less than the significance level (0.05)), its therefore significant and contribute to the interpretation of the model (making pricing decision) for academic.

For professional, the customer factor, explains 48.5% of the changes in making pricing decision. Linear regression appropriate model for this data because F-statistic equal to (65.982), it's the largest of tabulated value under the (0.05)

significantly level and degrees of freedom (1 and 70) which is equal to (3.97), this is confirmed by the p-value, which is equal to zero and is less than the significance level (0.05). Since t-statistic equal to (8.123) for the coefficient of independent variable (customer factor), and it's the largest of tabulated value under the (0.05) significantly level and degrees of freedom (71) which is equal to (1.995), (the p-value is (0.000), which less than the significantly level (0.05)), its therefore significant and contribute to the interpretation of the model (making pricing decision) for professional.

Finally, the impact difference test is non-significant because the t-statistic is (0.335), which is less than the tabulated value under the (0.05) significance level, and degrees of freedom (144), which is equal to (1.96), (the p-value is (0.738), which is greater than the significance level (0.05)), and the null hypothesis is accepted, which states that "There is no difference in the customer factor impact on the making pricing decision according to career position."

### Third sub-hypothesis:

$H_0$ : There is no difference in the competition factor impact on the making pricing decision according to career position.

$H_1$ : There is difference in the competition factor impact on the making pricing decision according to career position.

The competition factor represents the independent variable and the mediating variable (making pricing decision) represents the dependent variable for both academic and professional. On this basis, the simple linear regression model will be estimated for both academic (76 searched) and professional (72 searched), and the third sub-hypothesis tested, which is summarized in the following table.

Table (20): The impact difference of the competition factor on making pricing decision according to career position

Model	Coefficients <sup>a</sup>	t	Sig.	F	Sig.	R Square
Academic (Constant)	1.509	4.877	0.000	56.856	0.00	0.434
Competition factor	0.612(0.081)	7.540	0.000			
Professional (Constant)	0.606	1.851	0.068	115.54	0.00	0.623
Competition factor	0.850(0.079)	10.75	0.000			
impact difference test		2.103	0.037			

According to Table (20), the competition factor explains 43.4% of the changes in pricing decisions for academic institutions. Linear regression is the best model for this data because the F-statistic is equal to (56.856), which is the highest of the tabulated values under the (0.05) significance level, and the degrees of freedom (1 and 74) are equal to (3.96), which is confirmed by the p-value, which is equal to zero and less than the significance level (0.05). Since t-statistic

equal to (7.54) for the coefficient of independent variable (competition factor), and it's the largest of tabulated value under the (0.05) significant level and degrees of freedom (75) which is equal to (1.99), (the p-value is (0.000), which less than the significant level (0.05)), its therefore significant and contribute to the interpretation of the model (making pricing decision) for academic.

For professional, the competition factor, explains 62.3% of the changes in making pricing decision. Linear regression appropriate model for this data because F-statistic equal to (115.54), it's the largest of tabulated value under the (0.05) significance level and degrees of freedom (1 and 70) which is equal to (3.97), this is confirmed by the p-value, which is equal to zero and is less than the significance level (0.05). Since t-statistic equal to (10.75) for the coefficient of independent variable (competition factor), and it's the largest of tabulated value under the (0.05) significantly level and degrees of freedom (71) which is equal to (1.995), (the p-value is (0.000), which is less than the significance level (0.05)), its therefore significant and contribute to the interpretation of the model (making pricing decision) for professional.

Finally, impact difference test, since t-statistic equal to (2.103) and its greater than tabulated value under the (0.05) significantly level and degrees of freedom (144) which is equal to (1.96), (the p-value is (0.037), which is less than the significantly level (0.05)), its therefore significant and the null hypothesis is rejected and accept the alternative hypothesis which states that "There is difference in the competition factor impact on the making pricing decision according to career position".

### Second main hypothesis:

$H_0$ : There is no difference in impact of the making pricing decision on the company's objective according to career position.

$H_1$ : There is difference in impact of the making pricing decision on the company's objective according to career position.

Making pricing decision represents the independent variable and the company's objective represents the dependent variable for both academic and professional. On this basis, the simple linear regression model will be estimated for both academic (76 searched) and professional (72 searched), and the second main hypothesis tested, which is summarized in the following table.

Table (21): The impact difference of making pricing decision on company's objective according to career position

Model	Coefficients <sup>a</sup>	t	Sig.	F	Sig.	R Square
Academic (Constant)	0.367	1.704	0.093	270.46	0.000	0.785
making pricing decision	0.919(0.056)	16.45	0.000			

Professional (Constant)	2.417	7.788	0.000	37.275	0.000	0.347
making pricing decision	0.458(0.075)	6.105	0.000			
impact difference test		4.925	0.000			

According to Table (21), for academics, making pricing decisions explains 78.5% of the changes in the company's objective. Linear regression is an appropriate model for this data because the F-statistic is equal to (270.46), which is the largest of the tabulated values under the (0.05) significance level, and degrees of freedom (1 and 74) are equal to (3.96), as confirmed by the p-value, which is equal to zero and less than the significance level (0.05). Since t-statistic is equal to (16.45) for the coefficient of independent variable (making pricing decision), and it's the largest of tabulated value under the (0.05) significant level and degrees of freedom (75) which is equal to (1.99), (the p-value is (0.000), which is less than the significance level (0.05)), its therefore significant and contribute to the interpretation of the model (company's objective) for academic.

For professional, making pricing decision, explains 34.7% of the changes in company's objective. Linear regression appropriate model for this data because F-statistic equals to (37.275), it's the largest of tabulated value under the (0.05) significantly level and degrees of freedom (1 and 74) which is equal to (3.96), this is confirmed by the p-value, which is equal to zero and is less than the significance level (0.05). Since t-statistic equals to (16.45) for the coefficient of independent variable (making pricing decision), and it's the largest of tabulated value under the (0.05) significance level and degrees of freedom (75) which is equal to (1.99), (the p-value is (0.000), which is less than the significance level (0.05)), its therefore significant and contribute to the interpretation of the model (company's objective) for professional.

Finally, impact difference test, since t-statistic equals to (4.925) and its greater than tabulated value under the (0.05) significance level and degrees of freedom (144) which is equal to (1.96), (the p-value is (0.000), this is less than the significance level (0.05)), its therefore significance and the null hypothesis is rejected and accept the alternative hypothesis which states that "There is difference in impact of the making pricing decision on the company's objective according to career position".

After testing the main and subsidiary hypotheses at the end of the third chapter, which relates to the analytical aspect of the study, we can arrive at the general hypothesis, which states" the "3C" factors have great influences on making pricing decision to achieve goals of company".

#### **Fourth (part): Conclusion and Recommendations:**

**4-1: Conclusions:** Based on both sides (theory and practice), the two researchers reached to the following conclusions:

1. The customer factor is an important factor among the (3C), and they are not too blind to buy a product without first researching the price, quality, and timeliness of the product or service.
2. From a theoretical standpoint, the researchers discovered that the best decision to price products and services by company management comes from determining the costs of products and services while taking the competition factor in the surrounding environment into account in order to achieve competitive profit.
3. From the theoretical side, the researcher noticed that the strategy of expansion the market base of companies is an indicator of satisfying current customers and attracting new customers which leads to maximum profitability.
4. There is impact of three factors (cost, customer and competition) together on making pricing decision in which, there is impact of the cost factor on making pricing decision and depending on coefficient of determination that customer factor is greater than both factor (cost and competition) in one hand, on the other hand cost factor is greater than competition factor.
5. A market-based pricing approach is an appropriate approach for using the target cost method because it starts with the target price, which is the estimated price for a product or service that potential customers are willing to pay at that time, and then the target profit after competitor considerations
6. There is impact of the making pricing decision on company's objective.
7. There is no difference in the independent variable (three factors together) impact on the making pricing decision according to career position in which, there is difference in the cost factor, there is no difference in the customer factor, and there is difference in the competition factor, impact the making pricing decision according to career position (academics and professionals).
8. There is difference in impact of the making pricing decision on the company's objective according to career position (both academics and professionals).
9. The researcher noticed from the analytical side, the factor of cost, customer and competition greatly influences the pricing decision to achieve the company's objectives that are embodied in profitability and the strategy of expanding the market base, retaining existing customers and attracting new customers.

#### **4-2: Recommendations:**

1. The necessity for industrial company management is to analyze the profitability of current and new customers and work to improve their products and services in terms of quality, price, and timeliness.
2. The necessity for industrial firms is to consider the surrounding conditions, which include social, political, environmental, and legal factors, when making pricing decisions for their products and services.
3. To retain current customers, industrial companies must meet their needs by providing products and services that are in line with their desires.
4. The necessity for industrial companies to diversify their product offerings while improving their quality in order to achieve customer satisfaction.

5. The necessity for industrial companies to use the target cost technique when making pricing decisions in the face of intense competition between companies.
6. The necessity for customers to participate in the process of product improvement and development because it plays a role in the markets, as evidenced by field studies, market studies, and specialized research in that area.

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