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PRICING STRATEGIES OF FRUIT VENDORS
IN SELECTED TOWNS OF CAVITE

THESIS

JONALYN E. MARTAL

College of Economics, Management
and Development Studies

CAVITE STATE UNIVERSITY

Indang, Cavite

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**PRICING STRATEGIES OF FRUIT VENDORS
IN SELECTED TOWNS OF CAVITE**

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ABSTRACT

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The study was conducted in selected towns of Cavite namely: Alfonso, Dasmariñas, Imus, Indang, Silang, Tagaytay City and Trece Martirez City. It aimed to determine the socio-economic characteristics of fruit vendors, pricing strategies used, the differences among the pricing strategies used, common problems encountered and feasible solutions.

A total of 100 respondents were interviewed. The data were gathered through personal interviews with the respondents using a structural interview schedule from January to February 2004.

The ages of the respondents ranged from 17 to 71 years old with an average of 36 years. A great number of respondents were married and obtained high school education. Most of them had been in business for 1 to 5 years. The average capital investment of fruit vendors was P4,630.39 and majority of the fruit vendors has one stall and some were floating. Most of the respondents used cost oriented pricing were price set according to the unit price.

Among the socio-economic characteristics, household size, sex and starting capital were found to be significantly related to the total sales.

The problems mentioned by fruit vendors were spoiling of fruits, high cost of fruits, location and shortage of supply.

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Jonalyn E. Martal

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INTRODUCTION

Fruit is the ripened ovary of a flower, either by itself or in combination with other structures that have matured with it as a unit. This botanical definition applies both to things popularly called “fruits”, generally sweet fleshy foods such as apples, grapes, banana, etc. (Encyclopedia Americana, 1998).

Prices on free markets reflect the balancing of demand and supply. While it should never be assumed that demand for fruits will remain constant, fluctuation in the supply side are generally much greater. A combination of factors affects on fruit supplies in the first instance, the area planted, the climate, and producers ability to control pest and diseases. For most fruits, the area planted to commercial production changes only slowly. Fluctuations in the short-run market supply affect the price of the product. Climatic condition adversely affect the supply of the product especially during the time