



Pricing Strategies and Business Performance Among Select Ukay-Ukay Business in Baliwag, Bulacan

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ABSTRACT

This study explored the relationship of influence of pricing strategies such as cost-plus, competitive, and value-based to the business performance of selected Ukay-Ukay businesses in Baliwag, Bulacan. Descriptive-correlational research design and purposive sampling were used as the methods for this study. Data were collected through structured questionnaires and analyzed using statistical methods. Findings show that value-based pricing plays an influential role in enhancing profitability, stability and growth as it aligns with customer perception of value. Cost-plus pricing ensures consistent profit margin but may limit competitive flexibility, while competitive pricing helps attract customers but is less efficient for long-term expansion. Through the findings derived from this study, it was concluded that pricing strategies have a significant relationship with business performance in selected Ukay-Ukay businesses in Baliwag, City. This study emphasizes the importance of integrating multiple pricing strategies tailored to market conditions. Business owners should continuously assess their pricing strategy to optimize profitability, sustainability and growth. Recommendations included adopting a flexible pricing model that incorporates cost efficiency, competitive positioning, and value-based perception. Future research was recommended to consider additional factors such as consumer behavior, economic trend to refine pricing frameworks for small-scale retailers such as Ukay-Ukay businesses.

Keywords: *Business Performance, Competitive Pricing, Cost-Plus Pricing, Descriptive-Correlational Research, Growth, Pricing Strategies, Profitability, Purposive Sampling, Stability, Ukay-Ukay Business, Value-Based Pricing*

1. INTRODUCTION

Globally, businesses make use of various pricing strategies, including cost-based pricing, competition-based pricing, and value-based pricing, in maximizing their market opportunities. These strategies are the determinant of how businesses attract and retain consumers while maintaining profitability and competitiveness in the market. Due to the rapidly changing consumer preferences and digital advancements in the retail industry, pricing strategies became more significant for the sustainability of the business. In the Philippine retail industry, the pricing strategy became more crucial due to the nonstop changes in consumer preferences and economic challenges. The retail sales increased by 4.2% in the year 2019, based on Philippine Statistics Authority (PSA).

With SMEs comprising 99.63% of businesses in the Philippines, the retail sector in particular, faces obstacles such as limited access to financing and competition with larger firms, which impacts profitability (DTI, 2024). Many retailers in Central Luzon, specifically Ukay-Ukay business owners in Baliwag City, were not fully aware of how their pricing choices affects business results, which is challenging for them in implementing the best pricing strategies. The affordability and sustainability aspects of Ukay-Ukay shopping appeal to a broad consumer base which includes budget-conscious shoppers. They faced both opportunities and threats in implementing their pricing strategies. Trends such as dynamic pricing, bundle discounts, and seasonal promotions helps these businesses enhance customer attraction and retention. It is essential for the long-term success of Ukay-Ukay businesses to understand how to set their prices effectively while maintaining customer interest and profitability.

Pricing strategies affect not only the business revenue but also its brand image and customer satisfactions (Nagle & Müller, 2017). Furthermore, one of the most crucial components of a business is its pricing strategy but this can also be one of the most challenging to uphold. A survey of 1,650 across major industries in over 30 countries, one of the results stated that only 12% of companies are aware that price is the biggest driver of profit growth. Almost two-thirds considers sales as the most significant driver of profit (Kucher, 2019). However, there are still some who do not see the potential of an

effective pricing strategy. There are also limited resources on how Ukay-Ukay, particularly in Baliwag City, implements pricing strategies in enhancing its business performance. It is essential to address this gap to develop sustainable pricing frameworks tailored to the Ukay-Ukay industry.

2. THEORETICAL FRAMEWORK

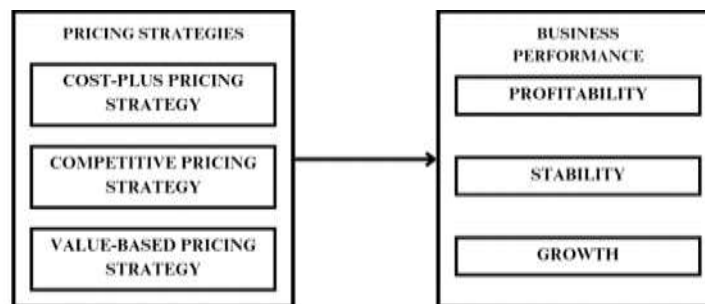
The researcher analyzed different aspects of pricing and its impact on business performance using the Unified Theory of Pricing and Kotler's Pricing strategy as analytical frameworks for the study. According to Izaret & Sinha (2023), the unified theory, which was developed by Boston Consulting Group (BCG), combines ideas from economic theory, strategic pricing approaches and consumer behavior to provide a more comprehensive understanding of how businesses determine or set their prices. Under the traditional economic theory, it is possible to determine an optimal market price that will provide maximum efficiency by establishing an equilibrium point where supply and demand are balanced out (Gordon, 2023). However, considering other factors such as preferences by consumers, quality, branding and other competitors may also impact the price. The unified theory expands on this by incorporating those other factors in shaping pricing strategies.

The three core pricing strategies model commonly used in business, which involves cost-based pricing, competition-based pricing, and value-based pricing, are the key components of Unified Theory of Pricing. Cost-based pricing is where prices are determined by computing the cost of goods sold and adding a markup for profit (Nagle, Hogan, & Zale, 2016). Competition-based pricing, on the other hand, acknowledges the role of market competitions and price wars. With this approach, businesses set their prices relative as to what or how much the competitor charges their customers, which helps them ensure their businesses remain competitive in the market (Nagle & Müller, 2017). Finally, value-based pricing focused on the perceived customer value, suggesting that businesses should adjust their pricing based on customer perception of worth which allows them to charge higher prices for high-quality, rare or in-demand products (Hinterhuber, 2022).

On the other hand, Kotler Pricing Strategies, also known as the Nine Quality Pricing Strategies, was created in 1972 by the American Philip Kotler, regarded as the father of marketing. He defined price as the monetary value that consumers or customers are willing to pay in exchange for a product or service whether out of necessity, luxury or perceived quality (Avendaño, 2023). This framework focused on the connection between price and perceived quality, where pricing acts as one of the significant components of the marketing mix rather than a separate factor. Although pricing strategies directly impact on revenue, they also affect brand positioning, consumer trust and market competitiveness. Learning how pricing decisions affect an organization's performance is critical to building successful business strategies.

3. CONCEPTUAL FRAMEWORK

Figure 1. Conceptual Framework



This conceptual framework shows the visual presentation of the relationship between pricing strategies and business performance. It shows how the independent variable, or pricing strategies in terms of cost-plus pricing, competitive pricing, and value-based pricing, influence the dependent variable, which is business performance in terms of profitability, stability, and growth. This serves as a clear structure or a guide to understanding the research variables.

Pricing Strategies

Pricing strategies are approaches by businesses in setting prices for their products and services. This is affected by different factors such as cost, competition, and target market (O'Brien, 2023).

Cost-based pricing

In a cost-based pricing strategy, companies find their costs and add fixed mark-up to set the prices for their products. This is the simplest pricing strategy, which ensures total profit for their businesses (Luther, 2024).

Competitive pricing

Normally, competitive pricing or a competition-based pricing strategy is used by businesses selling similar products. The prices are set based on how much competitors charge customers for their products, typically at lower or similar prices (Luther, 2024).

Value-based pricing

Value-based pricing strategy is about setting prices based on the customers' perception of the product's value and the benefits it will provide to the customers (Luther, 2024).

Business Performance

Business performance is the business' ability to generate profit and achieve its goals (Terpilowski, 2022).

Profitability

It is the ability of the business to generate profit that indicates the financial health of the company (Lenglet, 2023).

Stability

Stability is the capacity of the business to maintain consistent performance and withstand market fluctuations. It is the business' financial resistance and operational reliability (Thompson, 2024).

Growth

Business growth is defined by Maverick (2022) as the expansion of businesses, increasing their market, and becoming more profitable.

4. RESEARCH QUESTION

This study aims to assess the relationship between pricing strategies and business performance among selected Ukay-Ukay Business in Baliwag, Bulacan. This research specifically seeks to answer the following questions:

1. How may the awareness of selected Ukay-Ukay owners on pricing strategy be described in terms of:
 - 1.1 cost-plus pricing strategy;
 - 1.2 competitive pricing strategy; and
 - 1.3 value-based pricing strategy?
2. How may the Performance of the selected Ukay-Ukay Business in Baliwag, Bulacan be described in terms of:
 - 2.1 Profitability;
 - 2.1.1. cost-plus pricing strategy;
 - 2.1.2. competitive pricing strategy; and
 - 2.1.3. value-based pricing strategy?
 - 2.2 Stability; and
 - 2.2.1. cost-plus pricing strategy;
 - 2.2.2. competitive pricing strategy; and
 - 2.2.3. value-based pricing strategy?
 - 2.3 Growth?
 - 2.3.1. cost-plus pricing strategy;
 - 2.3.2. competitive pricing strategy; and
 - 2.3.3. value-based pricing strategy?
3. Is there a significant relationship between the pricing strategies and the business performance of the select retailers in Baliwag, Bulacan?

5. HYPOTHESIS

The researchers have formulated hypotheses to address the objective of the study.

Ho: There is no significant relationship between pricing strategies and business performance among Ukay-Ukay businesses in Baliwag, Bulacan.

6. SIGNIFICANCE OF THE STUDY

This study aims to provide useful insights into the influence of pricing strategies on ukay-ukay business performance in Baliwag, Bulacan, thereby extending value to different stakeholders. Ukay-ukay business owners will have a higher level of understanding of effective pricing strategies that will enable them to attract more consumers, increase sales, and ensure profitability in a competitive market. The results can also assist financial analysts and accountants in evaluating business performance to advise owners on paramount strategic financial concerns while minimizing unnecessary costs. Consumers will indirectly benefit because the study will motivate businesses to adopt fair and competitive pricing strategies, making them affordable. In addition, local government offices and business entities will gain credible information on economic contributions of the ukay-ukay businesses, enabling them to create appropriate policies and measures in favor of small-scale retailers and good local trade practices. Lastly, future researchers will be able to use this study as a point of reference in exploring gaps in retail pricing strategies, consumer behavior, and market emergence, thereby contributing to broader knowledge of the industry.

7. SCOPE AND DELIMITATION

This study investigates the influence of pricing strategies, specifically cost-plus pricing, competitive pricing, and value-based pricing, on the business performance of select ukay-ukay businesses in Baliwag, Bulacan. Business Performance concentrates on specific elements of profitability, stability, and growth. Utilizing a descriptive-correlational approach, this study aimed to ascertain whether these different pricing strategies support the financial success of these businesses. Respondents were chosen through purposive sampling and included owners, managers, or key personnel who were of legal age and directly engaged in pricing and operations. A structured questionnaire based on Aguilar's research on pricing strategies among SMEs in Santa Cruz, Laguna, was employed, using a four-point Likert scale to gauge respondents' awareness and agreement. The reliability of the instrument was verified using Cronbach's alpha to ensure internal consistency.

The research focused specifically on ukay-ukay businesses in Baliwag and emphasized current pricing strategies rather than long-term trends. While it provided insights into the impact of pricing strategies on small businesses, it relied on self-reported data, which could introduce response bias, and did not account for external economic factors like inflation, competition, and consumer spending habits. Furthermore, data collection was limited to a brief period, which restricted the ability to observe long-term trends. Despite these limitations, the study added to existing research by building on Aguilar's findings and offering valuable insights for business owners, financial analysts, and policymakers in developing pricing strategies that improve profitability, stability, and growth in the secondhand retail sector.

8. RESEARCH DESIGN

The study utilized quantitative methods which focus on measuring statistical, numerical or mathematical data to draw conclusions. The researchers used a descriptive approach in order to ensure that the findings of the study are substantial to the readers. Furthermore, the researcher used descriptive correlational design, a type of quantitative study in which it aims to identify the degree of correlation between two or more variables without manipulation (Sreekumar, 2024). In the case of this research, the proponent aims to identify the relationship between the pricing strategy and business performance of Ukay-Ukay stores located in Baliwag City, Bulacan. A quantitative design is ideal for this study since the chosen variables have multiple sub-variables which can be measured by using questionnaires. Using quantitative methods can provide reliable and comprehensive analysis, especially in accounting subjects which generally functions with the use of numbers (Gruszczyński, 2009). In addition, the researchers aim to assess the performance metrics of different stores which can be analyzed efficiently by using quantitative methods.

9. RESPONDENTS

The target population for this study were second-hand clothing or Ukay-Ukay store owners or managers within Baliwag City, Bulacan. The respondents must be of legal age, and their business must be based and located in Baliwag City. The available data from the records of Baliwag City Hall are all generalized retailers, therefore, the researchers employed purposive sampling. This sampling technique seeks to choose and recruit participants based on an established qualification (Nikolopoulou, 2022). The respondents must be an owner, manager or key personnel who are directly responsible for the overall pricing strategy of their products. This is to ensure that the respondents provided accurate and relevant responses for the study. However, due to the low number of potential participants in the study, the researcher aimed to recruit a total of 50 respondents. The researchers ensured that the respondents are suited for thesis study by having a short interview regarding the given characteristic.

10. INSTRUMENT

The researchers adopted the sets of questionnaires from the study titled "*Pricing Strategies and Business Performance Among Selected SMEs in Santa Cruz, Laguna*". In this study, the author aimed to assess the level of awareness about different pricing strategies including cost-plus, competitive, and value-based strategies. In addition, the proponents of the said study also aimed to assess the relation between pricing strategies and business performance among small and medium sized enterprises. The results of the mentioned study have shown a statistically significant relationship among its variables (Aguilar et.al, 2024). The researchers will localize the study and assess the following variable among Ukay-Ukay stores located in Baliwag City, Bulacan.

The internal consistency of the adapted instrument was evaluated through pilot testing to ensure its reliability. The Ukay-Ukay Business Performance and Pricing Awareness Questionnaire consists of four main subscales: pricing strategy awareness, business performance in terms of profitability, stability, and growth.

The pricing strategy awareness subscale measures the respondents' understanding of pricing strategies and consists of three dimensions: cost-plus pricing strategy awareness (number of items = 3; Cronbach's $\alpha = .825$), competitive pricing strategy awareness (number of items = 3; Cronbach's $\alpha = .737$), and value-based pricing strategy awareness (number of items = 3; Cronbach's $\alpha = .751$).

The profitability subscale assesses the financial outcomes of applying different pricing strategies, with cost-plus pricing strategy (number of items = 3; Cronbach's $\alpha = .800$), competitive pricing strategy (number of items = 3; Cronbach's $\alpha = .571$), and value-based pricing strategy (number of items = 3; Cronbach's $\alpha = .729$).

The stability subscale examines the long-term sustainability of Ukay-Ukay businesses, assessed through cost-plus pricing strategy (number of items = 3; Cronbach's $\alpha = .729$), competitive pricing strategy (number of items = 3; Cronbach's $\alpha = .774$), and value-based pricing strategy (number of items = 3; Cronbach's $\alpha = .603$).

The growth subscale evaluates the expansion potential of Ukay-Ukay businesses, assessed through cost-plus pricing strategy (number of items = 3; Cronbach's $\alpha = .742$), competitive pricing strategy (number of items = 3; Cronbach's $\alpha = .795$), and value-based pricing strategy (number of items = 3; Cronbach's $\alpha = .537$).

With an overall Cronbach's α reliability value of .945, the Ukay-Ukay Business Performance and Pricing Awareness Questionnaire demonstrates a high level of internal consistency, making it a reliable instrument for measuring pricing strategy awareness and business performance among Ukay-Ukay owners. The strong reliability coefficient indicates that the questionnaire items effectively capture the intended constructs, ensuring the accuracy and consistency of responses. This validates its applicability for future studies assessing the relationship between pricing strategies and the financial performance of small retail businesses.

11. DATA GATHERING PROCEDURE

The researchers provided printed survey questionnaires to distribute among the respondents. After preparation, the researchers will locate ukay-ukay stores around Baliwag City and go to each physical store personally. The researchers can also reach out to store owners through online communication such as email, social media, call or text messages. Upon recruitment, the researchers will provide the research instruments including informed consent. The researchers will also provide thorough verbal explanation regarding the matters of the study and all the identified ethical considerations. Upon completing the survey, the researchers will then encode the answer to spreadsheet softwares and transform the answers into data that can be statistically treated efficiently. After encoding the data, it will be evaluated using statistical tools to provide results, therefore, conclusions will be drawn.

12. DATA ANALYSIS

The researchers utilized measures of central tendency to provide descriptive statistics for each variable needed for this study. Since the type of data that will be gathered is continuous data, the proponents calculated the mean of the scores for each variable of the study. To describe the additional data such as the demographics of the respondents, the researchers will find the mode or the frequency of the data (Laerd Statistics, 2018). To assess the correlation of the variables, the researchers used Pearson (r) correlation coefficient. This statistical tool can assess the linear relationship between two or more variables. The values from 0.10 to 1.00 implies positive correlation where if the variable changes the other moves to the same direction. Negative correlation implies that a variable moves to the opposite direction of the changed variable (Turney, 2022). Generally, correlation higher than 0.75 (or lower than -0.75), is considered a strong relationship between the variables, meanwhile, a correlation of 0.30 (-0.30) and below is considered weak to no correlation (Nickolas, 2024).

For the interpretation of data, the researchers employed standardized verbal interpretation tables to describe the collected data. Verbal interpretation table for likert scale is a type of tool that allows researchers to distribute scores into multiple categories which are based on standardized range. This contextualizes the meaning of the scores and improves the clarity of the results (Bhandari & Nikolopoulou, 2020).

13. ETHICAL CONSIDERATION

To protect the respondents, the researchers ensured that all gathered data will be used for the sole purpose of this study. In addition, the data can only be accessed by the proponents of the study to protect the confidentiality of their identity. The researchers used codes as identifiers of the participants and refrain from using their actual names to give them anonymity. The researchers also provided informed consent to the store owners which clearly state important details about the study; including project statement, research procedures, risk and benefits, and other ethical considerations. All responses from the participants are given voluntarily and all respondents have the right to withdraw at any point during the data gathering procedure. Respondents' withdrawal from data gathering would not harm any relationship that the respondents have with the proponents, if there is any.

14. RESULTS AND DISCUSSION

This section introduces the results of the study, examining the influence of the 3 different pricing strategies that this study uses such as cost-plus, competitive, and value-based pricing and business performance of Ukay-Ukay businesses in Baliwag City, Bulacan. Findings under this section are interpreted in terms of statistical significance and supported by studies to explain how pricing strategies influence businesses in terms of profitability, stability and growth.

Extent of Awareness on Pricing Strategies

The study on the awareness on pricing strategies of select Ukay-Ukay owners in Baliwag, Bulacan seeks to determine the degree of awareness on various pricing strategy among the select Ukay-Ukay owners in the municipality. Understanding pricing strategies can help an organization stay competitive, position their product well, and increase profitability.

Table 1

Awareness on Cost-Plus Pricing Strategy of Select Ukay-Ukay Owners in Baliwag, Bulacan

Awareness on Cost-Plus Pricing Strategy	Mean	SD	VI
1. The selling price is based on the merchandising cost plus the mark-up price.	3.78	0.418	Extremely Aware
2. The selling price covers enough the merchandising costs to return the investment.	3.72	0.454	Extremely Aware
3. The selling price generates profit.	3.84	0.370	Extremely Aware
OVERALL	3.78	0.257	Extremely Aware

LEGEND:

Scale	Verbal Interpretation (VI)
3.25-4.00	Extremely Aware
2.50-3.24	Aware
1.75-2.49	Slightly Aware
1.00-1.74	Not Aware

Table 1 presents mean and standard deviation of select Ukay-Ukay owners in Baliwag, Bulacan on the awareness of cost-plus pricing strategy. As shown in the table, item number 3 “The selling price generates profit” has the highest mean score of 3.84 with a standard deviation of 0.370. This response indicates that most of the Ukay-Ukay owners in Baliwag, Bulacan are extremely aware that the selling price using cost-plus pricing generates profit.

On the other hand, item number 2 “The selling price covers enough the merchandising costs to return the investment” has the lowest mean score of 3.72 with standard deviation of 0.454. This suggests that the respondents are still extremely aware that the selling price on cost-plus covers enough of their merchandising costs to return their investment. The overall results have a weighted mean score of 3.78 with standard deviation of 0.257, which fall under the “Extremely Aware” category.

Overall, the results indicate that select Ukay-Ukay owners in Baliwag, Bulacan are extremely aware of cost-plus pricing. These results are consistent with the study of Aguilar et al. (2024), which noted that the cost-plus pricing often serves as the core pricing approach for businesses. It emphasized that though a wide range of pricing methods exists, cost-plus pricing is still a commonly used method for businesses because it is convenient way of securing profits. The high level of awareness among the respondents implies that they understand that to recover their expenses and earn profits, they need to price their items according to their mark-ups. The findings also suggested that not only are most of these owners familiar with the concept, but it indicates that they also have a good grasp of its core principles. Furthermore, the results are consistent with the notion that cost-plus pricing is an effective strategy, especially for small businesses which require transparency and simplicity of planning.

Table 2

Awareness on Competitive Pricing Strategy of Select Ukay-Ukay Owners in Baliwag, Bulacan

Awareness on Competitive Pricing Strategy	Mean	SD	VI
1. There are times that the business reduces the price of a product less than the competitors.	3.36	0.663	Extremely Aware
2. Sometimes the business has the same price of a product as the competitors.	3.34	0.479	Extremely Aware
3. Some product's prices are higher than the competitors.	2.98	0.742	Aware
Overall	3.23	0.536	Aware

LEGEND:

Scale	Verbal Interpretation (VI)
3.25-4.00	Extremely Aware
2.50-3.24	Aware
1.75-2.49	Slightly Aware
1.00-1.74	Not Aware

Table 2 shows the mean and standard deviation of select Ukay-Ukay owners in Baliwag, Bulacan on the awareness of competitive pricing strategy. As presented in the table, item number 1 “There are times that the business reduces the price of a product less than the competitors.” have the highest mean score of 3.36 with standard deviation of 0.663. This response indicates that most of the Ukay-Ukay owners are extremely aware that when they are implementing competitive pricing in their business, they sometimes reduce the price of a product less than the competitors.

Meanwhile, item number 3 “Some product’s prices are higher than the competitors” have the lowest mean score of 2.98 and standard deviation of 0.742. This reflects that when the respondents are applying competitive pricing, they are only aware that some of their products have a higher price than the competitors. The overall results attained a weighted mean score of 3.23 with standard deviation of 0.536, which falls within the “Aware” category. The overall results attained a weighted mean score of 3.23 with standard deviation of 0.536, which falls within the “Aware” category.

Overall, this implies that Ukay-Ukay owners in Baliwag, Bulacan are generally aware of competitive pricing strategies. The results indicate that the owners are aware of how competitor pricing influenced their own pricing decisions. They also concede there are times their prices are in line with or lower than competitors, but they are even less likely to price their products above market value. Businesses should adjust their prices based on market trends and the pricing strategies of their competitor when applying competitive pricing as suggested by Girpott and Berends (2022) in their study. This will then create a balance between market competitiveness and expectations of consumers, that reflects the price-sensitivity of their consumers. Furthermore, Gunaydan (2023) stated that competition price is a trend still in many industries and still co-exist together with other price types.

Table 3

Awareness on Value-Based Pricing Strategy of Select Ukay-Ukay Owners in Baliwag, Bulacan

Awareness on Value-Based Pricing Strategy	Mean	SD	VI
1. The business increases the price attributable to the business reputation.	3.26	0.527	Extremely Aware
2. The business increases the price of the product in accordance with the value and perception that consumers have of the brand name.	3.70	0.463	Extremely Aware
3. The business increases the product's price to reflect its overall quality.	3.52	0.677	Extremely Aware
Overall	3.49	0.422	Extremely Aware

LEGEND:

Scale	Verbal Interpretation (VI)
3.25-4.00	Extremely Aware
2.50-3.24	Aware
1.75-2.49	Slightly Aware
1.00-1.74	Not Aware

Table 3 displays the mean and standard deviation of the awareness of select Ukay-Ukay owners in Baliwag, Bulacan regarding value-based pricing strategy. As illustrated in the table, item number 2 “The business increases the price of the product in accordance with the value and perception that consumers have of the brand name” has the highest mean score of 3.70 with standard deviation of 0.463. This indicates that when the Ukay-Ukay owners in Baliwag, Bulacan are applying value-based pricing in their business, they are extremely aware that depending on the value and perception that their consumers have of the brand name, they increase the price of their product.

Conversely, item number 1 “The business increases the price attributable to the business reputation” has the lowest mean score of 3.26 with standard deviation of 0.527. This response indicates that the respondents are still extremely aware that the business increases the price attributable to their business reputation. The overall results have a weighted mean score of 3.49 and standard deviation of 0.422, falling under the category of “Extremely Aware”.

Overall, this indicates that Ukay-Ukay owners in Baliwag, Bulacan are extremely aware of value-based pricing strategies. These findings implies that the owners are aware about the factors affecting customer pricing such as brand perception, product quality and reputation. Thus, their awareness of value-based pricing indicates that they take consumer preferences into account in setting prices and are willing to charge more for perceived value. As noted by Alejandro (2020), businesses that use value-based pricing strategy are not simply passive proposers, but actually work in collaboration with customers to craft value and price accordingly. These insights imply that the owners of Ukay-Ukay can utilize brand reputation and customer perceptions in applying premium pricing when necessary.

Business Performance of Select Ukay-Ukay Owners in Baliwag, Bulacan

Profitability

Business success is measured largely based on profitability. It is the lifeblood of any business because it is essentially their ability to generate revenue that exceeds their expenses. The ultimate goal of any business is to achieve sustained profitability, which ensures long-term survival and growth (Johanns, 2019). The tables below discuss the impact of the pricing strategies on business performance among select Ukay-Ukay owners in Baliwag, Bulacan in terms of profitability.

Table 4

The Influence of Cost-Plus Pricing Strategy on Business Performance of Select Ukay-Ukay Owners in Baliwag, Bulacan in terms of Profitability

INDICATORS	MEAN	SD	VI
1. Cost-plus pricing strategy allows the business to increase the gross profit or margin.	3.40	0.495	Strongly Agree
2. Implementing cost-plus pricing strategy allows the business marks up the initial cost of its goods or services by a certain amount ensuring an increase in profit.	3.34	0.479	Strongly Agree
3. Cost-plus pricing strategy adopted by the business enables it to recover costs quickly.	3.36	0.563	Strongly Agree
OVERALL	3.37	0.463	Strongly Agree

LEGEND:

Scale	Range	Interpretation
4	3.25 – 4.00	Strongly Agree
3	2.50 – 3.24	Agree
2	1.75 – 2.49	Disagree
1	1.00 – 1.74	Strongly Disagree

The influence of cost-plus pricing strategy on business performance of select Ukay-Ukay owners in Baliwag, Bulacan as to profitability is presented in table 4. As shown in the table, statement number 1 “Cost-plus pricing strategy allows the business to increase the gross profit or margin.” has the highest mean score of 3.40 with standard deviation of 0.495 which fall under the category “Strongly Agree”. This implies that most of the Ukay-Ukay owners in Baliwag, Bulacan strongly agree that applying the cost-plus pricing strategy in their businesses enables them to increase their gross profit margins.

Conversely, statement number 2 “Implementing cost-plus pricing strategy allows the business to mark up the initial cost of its goods or services by a certain amount ensuring an increase in profit” has the lowest mean score of 3.34 with standard deviation of 0.479. This reflects that while applying cost-plus pricing ensures profit growth by marking up the cost of their goods, its effectiveness may vary. The overall results attained a weighted mean score of 3.37 and standard deviation of 0.463, rated by the respondents as “Strongly Agree”.

This implies that cost-plus pricing strategy falls under the category “Strongly Agree” in relation with the influence of cost-plus pricing on select Ukay-Ukay business performance in terms of profitability. This indicates that most of the Ukay-Ukay owners have a strong agreement that cost-plus pricing is a highly effective approach for profitability. This corresponds with the study of Barusman et al. (2020), stating that among SMEs, cost-plus pricing is a commonly used method as it remains consistent in maintaining profit margin. Based on these findings, cost-plus pricing is a dependable and direct method that offered businesses an organized way to price products while maintaining a healthy profit margin.

Table 5

The Influence of Competitive Pricing Strategy on Business Performance of Select Ukay-Ukay Owners in Baliwag, Bulacan in terms of Profitability

INDICATORS	Mean	SD	VI
1. There's a high possibility that it can affect the revenue when using competitive pricing strategy.	3.32	0.471	Strongly Agree

2. Product prices that are competitive are attractive to customers that increase profitability.	3.34	0.557	Strongly Agree
3. Selecting competitive prices for our goods can help to boost profit margins.	3.20	0.700	Agree
OVERALL	3.29	0.452	Strongly Agree

LEGEND:

Scale	Range	Interpretation
4	3.25 – 4.00	Strongly Agree
3	2.50 – 3.24	Agree
2	1.75 – 2.49	Disagree
1	1.00 – 1.74	Strongly Disagree

Table 5 outlines the mean and standard deviation of the influence of competitive pricing strategy on business performance of select Ukay-Ukay owners in Baliwag, Bulacan as to profitability. “Product prices that are competitive are attractive to customers that increase profitability” has the highest mean score of 3.34 with standard deviation of 0.557 which fall under the category “Strongly Agree”. This indicates that most of the Ukay-Ukay owners in Baliwag, Bulacan strongly agree that applying competitive pricing makes products more attractive to customers, therefore affecting and increasing their profitability.

On the contrary, “Selecting competitive prices for our goods can help to boost profit margins” has the lowest mean score of 3.20 with standard deviation of 0.700. This shows that while selecting and applying competitive prices can boost profit margins, its effectiveness may depend on market conditions. Chepkemoi (2020) noted that competitive pricing does not always result in increased profitability, especially in markets or situations where price reductions are frequent.

Overall, the results attained a weighted mean score of 3.29 and standard deviation of 0.452 falling under the category of “Strongly Agree” in relation to the influence of competitive pricing on select Ukay-Ukay business performance in terms of profitability. This implies that owners understand the need to adjust their prices based on market trends and the pricing strategies of their competitors. Still, even if competitive pricing helps businesses become more profitable, they still need to be careful and cautious on applying pricing strategies to avoid any potential losses. This finding was supported by those of Gerpott and Berends (2022). According to their study, setting competitive pricing strategies is extremely important to ensure relevance in the market, especially in industries with high competition.

Table 6

The Influence of Value-Based Pricing Strategy on Business Performance of Select Ukay-Ukay Owners in Baliwag, Bulacan in terms of Profitability

INDICATORS	Mean	SD	VI
1. Value-based pricing enables to establish a higher price and increases sales profitability.	3.28	0.536	Strongly Agree
2. Value-based pricing allows unique and highly products to be best positioned to increase profit.	3.24	0.517	Agree
3. Quality of products and services affects profitability.	3.50	0.505	Strongly Agree
Overall	3.34	0.444	Strongly Agree

LEGEND:

Scale	Range	Interpretation
4	3.25 – 4.00	Strongly Agree
3	2.50 – 3.24	Agree
2	1.75 – 2.49	Disagree
1	1.00 – 1.74	Strongly Disagree

Table 6 displays the mean and standard deviation of the effect of value-based pricing strategy on business performance of select Ukay-Ukay owners in Baliwag, Bulacan as to profitability. Item number 3 "Quality of products and services affects profitability" has the highest mean score of 3.50 with standard deviation of 0.505, falling under the “Strongly Agree”. This reflects that when applying value-based pricing in their business, the Ukay-Ukay owners in Baliwag, Bulacan strongly agree that the product quality of their products significantly affects their profitability.

Meanwhile, the lowest mean response was attained by item number 2 which states that “Value-based pricing allows unique and highly competitive products to be best positioned to increase profit” with a mean score of 3.24 and standard deviation of 0.517, rated by the respondents as “Agree”. This response indicates that as value-based pricing strategy helps businesses position their unique and highly products in the market, its effectiveness depends

solely on perception of their customers. The overall influence of value-based pricing on select Ukay-Ukay business in terms of profitability have a weighted mean score of 3.34 and standard deviation of 0.444, which falls within the “Strongly Agree” category.

The overall influence based on the responses, emphasized the role of customer perception in determining prices or making pricing decisions for businesses. In addition to this, businesses that focus on high-quality products and take consumer preferences into account in setting prices are more likely to justify premium pricing. This result aligns with the study of Agbaeze et al. (2020), as he found that perceived value of customers has a major direct effect on pricing. It is a practice that improves profitability and sustainability of businesses. Additionally, Ndumia et al. (2020) revealed in his findings that value-based pricing increases sales volume by reinforcing customers' perception of quality.

Stability

Stability is a business's capacity to withstand short-term setbacks, such as a decline in sales, cash flow difficulties, or the loss of a key employee or customer. It is because they have dependable, repeatable processes that minimize chaos, define priorities and streamline day-to-day operations. The more financially sound your business is, the more appealing it'll be to lenders, investors and employees alike, which can result in better opportunities, increased profits and even greater long-term financial security.

Table

7

The Influence of Cost-Plus Pricing Strategy on Business Performance among Select Ukay-Ukay Business in Baliwag in terms of Stability

INDICATORS	MEAN	SD	VI
1. The business generates a consistent profit.	2.84	0.650	Agree
2. The cash inflows of the business become more stable.	2.92	0.566	Agree
3. The business makes more regular customers.	3.24	0.431	Agree
OVERALL	3.00	0.442	Agree

LEGEND:

Scale	Range	Interpretation
4	3.25 – 4.00	Strongly Agree
3	2.50 – 3.24	Agree
2	1.75 – 2.49	Disagree
1	1.00 – 1.74	Strongly Disagree

Table 7 shows the descriptive measures of the cost-plus pricing strategy on business performance among select ukay-ukay businesses in Baliwag, Bulacan, in terms of stability. The highest mean response was recorded on item number 3 “The business makes more regular customers” with a mean of 3.24 and standard deviation of 0.431. This suggests that in most businesses, making regular customers gives the stability which falls within the “Agree” category.

The lowest mean response was attained by item number 1 “The business generates a consistent profit.” with a mean of 2.84 and standard deviation of 0.650. This implies that making customers impacts more in business' stability rather than generating a consistent profit. It is evident that most of the owners perceive the significant cost-plus pricing strategy for a long-term perspective in the sustenance of the business performance and to maintain a stable business performance. The results corresponded with the study conducted by Goodie-Okio (2023), which indicated that the main aim of pricing strategies is to ensure that indirect costs, such as labour and material prices, are covered to enable some profits to be made.

The overall mean response was 3.00 with standard deviation of 0.442 for the influence of the cost-plus pricing strategy in business performance in terms of stability, which falls within the “Agree” category. In summary, the respondents agreed that cost-plus pricing or cost-plus pricing has an influence to the stability of select Ukay-Ukay business of Baliwag, Bulacan.

Table 8

The Influence of Competitive Pricing Strategy on Business Performance among Select Ukay-Ukay Business in Baliwag, Bulacan in terms of Stability

INDICATORS	MEAN	SD	VI
1. To maintain its consumer influence, the business considers the cost of competitors' goods and services.	3.12	0.627	Agree
2. The competitive pricing strategy helps the business reduce the chances of losing shares in the market.	3.12	0.558	Agree
3. Competitive pricing assists businesses to continuously increase their sales.	3.20	0.535	Agree
OVERALL	3.15	0.496	Agree

LEGEND:

Scale	Range	Interpretation
4	3.25 – 4.00	Strongly Agree
3	2.50 – 3.24	Agree
2	1.75 – 2.49	Disagree
1	1.00 – 1.74	Strongly Disagree

Table 8 displays the influence of the competitive pricing strategy on business performance of the select Ukay-Ukay business in Baliwag, Bulacan in terms of stability. As presented in the table, the highest mean score is 3.20 with a standard deviation of 0.535 for the item number 3 “Competitive pricing assists businesses to continuously increase their sales” which remains in the “Agree” category. This implies that most of the Ukay-Ukay owners in Baliwag agree that competitive prices help businesses to continually improve their sales.

Meanwhile, the item number 2 “The competitive pricing strategy helps the business reduce the chances of losing shares in the market” has the lowest mean of 3.12 with standard deviation of 0.558. The overall influence of a competitive pricing strategy on business performance among selected Ukay-Ukay in Baliwag, Bulacan on the other hand, the stability attained weighted mean is 3.15, standard deviation 0.496, rated by the respondents as “Agree”. This implies that competitive pricing strategy fall in the category “Agree” in relation with the select Ukay-Ukay business performance in terms of stability. In the study of Slobodanyk et. al. (2022) stated that the most crucial control over a company's marketing strategy is price. It is one of the components of the marketing mix that gives the company financial stability. In conclusion, it is really significant to pay attention and consider your competitors' prices to sustain and grow your market share. It also supports that competitive pricing strategy really has a huge influence on the stability of a business because companies that practice a higher price against the price of their competitors obtain greater profits, which probably is related to superior customer value. This justifies the charge of higher prices and, as a result, enhances the business stability.

Table 9

The Influence of Value-Based Pricing Strategy on Business Performance among Select Ukay-Ukay Business in Baliwag, Bulacan in terms of Stability

INDICATORS	MEAN	SD	VI
1. Using value-based pricing gives a healthy number of repeat customers.	3.36	0.563	Strongly Agree
2. Setting higher prices continuously increases the prestigious status of the products and business brand over the past years of operation.	3.36	0.563	Strongly Agree
3. Value-based pricing allows the business to consistently maintain its positive business cash flow.	3.12	0.521	Agree
OVERALL	3.28	0.492	Strongly Agree

LEGEND:

Scale	Range	Interpretation
4	3.25 – 4.00	Strongly Agree
3	2.50 – 3.24	Agree
2	1.75 – 2.49	Disagree
1	1.00 – 1.74	Strongly Disagree

Table 9 shows the influence of a value-based pricing strategy on the business performance of selected Ukay-Ukay businesses in Baliwag, Bulacan focusing on stability. Based on the table above, the majority of Ukay-Ukay owners significantly agree with the statement that the use of value-based pricing leads to a hefty number of repeat customers with the highest mean score of 3.36 and standard deviation of 0.563. Respondents agree even more with the idea that as the price goes up over time, so does the prestige of their products and business brand, with a mean of 3.36 and a standard deviation of 0.563. On the other hand, the statement value-based pricing always keeps the positive cash flow in business with the lowest mean of 3.12 with standard deviation of 0.521. This indicates that even though value-based pricing employees recognize its financial advantages, they are somewhat less certain it's helping them keep cash flow steady.

Overall, the mean score for the stability influence of value-based pricing is weighted with a standard deviation of 0.492 regarding the weighted mean score of 3.28. Respondents view value-based pricing as a solid tactic to secure business stabilization within the Ukay-Ukay arena, as indicated by the result being categorized as "Strongly Agree."

Furthermore, Agbaeze et. al. (2020) reported that perceived value-informed pricing was noted to be an important factor in a product's exceptional performance. This means by using value-based pricing it can create a large volume of repeat customers. This means that pricing in agreement with the perceived value will benefit the business' long-term sustainability.

Growth

Growth is the ability of a business to increase operations, revenue, and market share over the long-term. This happens through deliberate design, creation, and continuous improvement of products, services, and customers. A growing business also has growing demand, a growing base of customers, and increased brand awareness, all of which help with long-run viability. With profit reinvestment, utilization of efficient marketing, and leveraging trends, businesses can maintain steady growth. In addition, increased growth enhances competitive advantage, attracts investors and offers more opportunity to grow, which leads to greater profitability and sustainable success.

Table 10

The Influence of Cost-Plus Pricing Strategy on Business Performance among Select Ukay-Ukay Business in Baliwag, Bulacan in terms of Growth

INDICATORS	MEAN	SD	VI
1. Cost-plus pricing strategy allows business to seek wise counsel.	3.32	0.513	Strongly Agree
2. Cost-plus pricing can help the business to recoup the operation	3.42	0.499	Strongly Agree
3. Cost-plus pricing fosters the development of the business since it ensures that the full cost of creating a product or fulfilling a service is covered, enabling the markup to guarantee a positive rate of return	3.40	0.535	Strongly Agree
OVERALL	3.38	0.431	Strongly Agree

LEGEND:

Scale	Range	Interpretation
4	3.25 – 4.00	Strongly Agree
3	2.50 – 3.24	Agree
2	1.75 – 2.49	Disagree
1	1.00 – 1.74	Strongly Disagree

The influence of the cost-plus pricing strategy on the business growth of selected Ukay-Ukay businesses in Baliwag, Bulacan is presented in Table 10. The statement "Cost-plus pricing can help the to recoup the operation, achieving the highest mean rating of 3.42 Standard deviation 0.499 under the "Strongly Agree. This means respondents believe cost plus pricing is critical for the systematic recovery of costs associated with procurement, manpower and overhead for financial viability.

On the contrary, "Cost-plus pricing strategy allows businesses to seek wise counsel" had the lowest mean of 3.32, with a standard deviation of 0.513 still interpreted as "Strongly Agree." This is an indication that business owners value pricing structures that scale with purposefully crafted financial decisions for sustainability.

The overall mean score for cost-plus pricing was 3.38 with the standard deviation of 0.431 interpreted as Strongly Agree. The responses agree with the theory of cost-plus pricing which states that this method apparently covers all the production and labor and marketing and overhead costs enough for any firm to have competitive prices and yet profitable. This finding aligns with Gansert (2022), who stated that a thorough knowledge of production and operating costs is critical in designing effective pricing strategies. Taking into consideration such cost factors, businesses were in a position to develop a structured pricing mechanism, which will aid in not only recovering costs but assuring future profitability as well.

Table

11

The Influence of Competitive Pricing Strategy on Business Performance among Select Ukay-Ukay Business in Baliwag, Bulacan in terms of Growth

INDICATORS	MEAN	SD	VI
1. The business increases market share by using a competitive pricing strategy	3.12	0.558	Agree
2. The competitive pricing approach aids in growing a business's base of current and new consumers	3.30	0.463	Strongly Agree
3. The business was able to outperform its rivals in the market by employing a competitive pricing approach.	3.12	0.627	Agree
OVERALL	3.18	0.505	Agree

LEGEND:

Scale	Range	Interpretation
4	3.25 – 4.00	Strongly Agree
3	2.50 – 3.24	Agree
2	1.75 – 2.49	Disagree
1	1.00 – 1.74	Strongly Disagree

Table 11 presents the influence of the competitive pricing strategy on some ukay-ukay businesses in Baliwag, Bulacan, in terms of growth. The findings expressed business owners' views regarding the effect of competitive pricing strategy on market expansion, acquiring customers, and business success.

As indicated in the table, the highest mean score of 3.30, with a standard deviation of 0.463, was attributed to the statement that competitive pricing facilitates the expansion of a business's customer base, both current and new. This result signified that businesses employing competitive pricing strategies are more likely to attract price-sensitive consumers, fostering customer loyalty and repeat transactions. On the other hand, the claim that competitive pricing enables organizations to outperform competitors scored a mean of 3.12 with a standard deviation of 0.627, which indicates that businesses using competitive pricing are much more likely to outperform competitors particularly in markets where prices matter most. Likewise, the statement that price competitiveness expands market share had a combined mean score of 3.12 and a standard deviation of 0.558, indicating that they use price-based strategies in the competitive market to solidify the position of their business.

Overall, the influence of the competitive pricing strategy to business performance among the sampled ukay-ukay businesses in Baliwag, Bulacan, in terms of growth had a weighted mean score of 3.18, with a standard deviation of 0.505, and the interpretation of Agree. These are the results which demonstrate that competitive pricing is considered as a significant catalyst to business advancement thus as a source of market profitability.

The results concurred with Marcio (2022), who stressed that companies, especially those venturing into a competitive market, tend to decide on their pricing strategy based on how their competitors price. Carrying out extensive research on the offerings and pricing of competitors allows companies to create a competitive advantage and lure customers. Furthermore, Hayes (2022) points out that the market share is a crucial factor in the size and power of the company within the same industry. The growth of a company in the market is obvious through a higher percentage of market shares, which automatically results in sales growth and so increasing the company's competitive status.

Table 12

The Influence of Value-Based Pricing Strategy on Business Performance among Select Ukay-Ukay Business in Baliwag, Bulacan in terms of Growth

INDICATORS	MEAN	SD	VI
1. Using a value based pricing strategy can easily penetrate the market.	3.24	0.517	Agree
2. The business is dedicated in putting customers first and ensuring that the products and services are high quality increases brand value	3.48	0.505	Strongly Agree
3. The business has an increasing number of satisfied customers which results to increasing demand for the product	3.44	0.577	Strongly Agree
OVERALL	3.39	0.492	Strongly Agree

LEGEND:

Scale	Range	Interpretation
4	3.25 – 4.00	Strongly Agree
3	2.50 – 3.24	Agree
2	1.75 – 2.49	Disagree
1	1.00 – 1.74	Strongly Disagree

Table 12 showed the influence of the value-based pricing approach on business performance of selected ukay-ukay firms in Baliwag, Bulacan, based on growth. The results indicate that a large majority of the respondents strongly agree that their company is customer-centric through the provision of high-quality products and services that increase brand value. This is supported by a mean of 3.48 and a standard deviation of 0.505. In contrast, the lowest-rated statement, although highly valued, is that employing a value-based pricing approach facilitates easier market penetration. This statement had a mean of 3.24 and a standard deviation of 0.517.

Overall, the influence of a value-based pricing strategy on the business performance of selected ukay-ukay business in Baliwag, Bulacan, was assessed, yielding a weighted mean of 3.39 and a standard deviation of 0.492. This result was noted as "Strongly Agree." These findings emphasize the importance of implementing a value-based pricing model in order to foster business growth, enhance profitability, and build customer loyalty.

This result is consistent with the research by Goodie-Okio (2022), which focuses on the fact that a value-based pricing policy has a positive influence on an organization's profit margins by charging prices that correspond to the perceived value of its products or services. Through this pricing strategy, companies can optimize their profitability and enhance customer loyalty.

Table**13**

Test of Relationship Between Cost-Plus Strategy and Business Performance among Selected Ukay-Ukay Business in Baliwag, Bulacan

Pricing Strategy	Business Performance	r	p-value	Interpretation	Decision
Cost Plus	Profitability	0.367**	0.008	Highly Significant	Reject the H ₀
	Stability	0.368**	0.009	Highly Significant	Reject the H ₀
	Growth	0.319*	0.024	Significant	Reject the H ₀

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Table 13 presented the correlation of Cost-plus Strategy and the business performance Among Ukay-Ukay Business in Baliwag, Bulacan. The results shows that Cost-plus strategy is positively correlated to profitability with a coefficient of 0.367. The p-value of 0.008 for this correlation is lower than the predetermined level of 0.05, thus, it indicates a significant relationship between the variables. This suggests that businesses utilizing cost-plus pricing experience improvement in profitability. This result is consistent with prior research, stating that cost-plus pricing ensures profit margins but may limit competitiveness (Nagle et al., 2023).

The correlation coefficient of Cost-Plus Strategy to Stability of 0.368 indicates low positive relationship. The p-value for this correlation is 0.009 did not exceed 0.05 which implies the significance of the correlation. This result is aligned with prior study stating that cost-plus pricing can help in financial stability of a business by covering cost and ensuring consistent profit margin (Abid, 2022).

Lastly, Cost-Plus Strategy displays low positive correlation to Growth. The p-value did not exceed the significant level which also implies a significant relationship between the variables. This relationship implies that cost-plus pricing may give a structure to a business but it is not the most efficient pricing when it comes to business expansion (Amaral & Guerreiro, 2019).

In general, the researchers have to reject the null hypothesis for the relationship of Cost-plus strategy to the subconstructs of Business performance. All the sub constructs of business performance are correlated to the Cost-plus strategy.

Table 14

Test of Relationship Between Competitive Pricing Strategy and Business Performance among Selected Ukay-Ukay Business in Baliwag, Bulacan

Pricing Strategy	Business Performance	r	p-value	Interpretation	Decision
Competitive	Profitability	0.428**	0.002	Highly Significant	Reject H ₀
	Stability	0.393**	0.005	Highly Significant	Reject H ₀
	Growth	0.332*	0.019	Significant	Reject H ₀

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Table 14 represented the relationship of Competitive Pricing Strategy and Business performance of Ukay Ukay Business in Baliwag, Bulacan. Generally, Null Hypothesis was rejected since the findings have shown significant results. Competitive Pricing Strategy showed low positive correlation to Profitability (r = 0.428), Stability (r = 0.39), and Growth (r = 0.33).

However, despite its low correlations, Competitive Pricing strategy was significantly correlated with the three sub-constructs of Business performance, since, the p-value of each correlations ranged only from 0.002 to 0.019, which was lesser than the significant threshold of 0.05.

This supported previous research stating that competitive pricing helped businesses attract price-sensitive customers and improve market positioning (Monroe, 2021). On the other hand, studies suggested that relying solely on competitive pricing without value differentiation can lead to price wars and reduced profit margin (Nagle et al., 2023).

Table

15

Test of Relationship Between Value Based Pricing Strategy and Business Performance among Selected Ukay-Ukay Business in Baliwag, Bulacan

Pricing Strategy	Business Performance	r	p-value	Interpretation	Decision
Value Based	Profitability	0.587***	<0.001	Highly Significant	Reject H ₀
	Stability	0.490***	<0.001	Highly Significant	Reject H ₀
	Growth	0.450**	0.001	Highly Significant	Reject H ₀

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

In table 15, the relationship between value-based pricing strategy and Business performances was assessed. Value Based Pricing Strategy and Profitability showed moderate positive relationship with a p-value of <0.001 which was lower than the significance level of 0.05. This indicates a significant relationship; therefore, the null hypothesis was rejected. Value based and stability had a correlation coefficient of 0.49 representing a low positive relationship between the variables. This relationship also had a p-value of <0.001 which indicated the significant relationship of the variable; therefore, null hypothesis was rejected. Value Based and Growth showed 0.45 correlation coefficient which also represented a low positive relationship. The p-value which is 0.001 was also less than the 0.05 significance level which indicated a significant relationship between these variables and results in the rejection of the null hypothesis.

These findings align with prior research that highlights the effectiveness of value-based pricing in enhancing customer perception and willingness to pay, leading to higher profitability (Matus, 2022). Moreover, the approach had been found to foster business stability by aligning price with perceived value rather than cost alone (Leppänen et al., 2021).

15. SUMMARY OF FINDINGS

This study aims to identify the correlation of the pricing strategies to the business performance of selected Ukay-Ukay Business in Baliwag, Bulacan. After following the processes of the previous chapter, the answers to this study's questions were found and are summarized below:

According to the findings, cost-plus pricing is the most familiar and frequently adopted pricing model among respondents, likely because of its straightforward nature. They are knowledgeable about value-based pricing, meaning they understand how the consumer assesses the value of the products when making pricing determinations. Competitive pricing is widely acknowledged but it received the lowest score among the three.

In terms of profitability, the most influential pricing strategy is the value-based pricing strategy, this allows higher mark-ups and increases revenue. The cost-plus pricing guarantees consistent profit but serves as a constraint on competitive advantage. On the other hand, competitive pricing strategy was the least effective among the three

Moreover, using the business performance stability of Ukay-Ukay businesses, the results showed that all three types of pricing strategy are influential, but the pricing strategy that has major impact for ukay-ukay business owners is value-based pricing and it can assist Ukay-Ukay businesses to provide the expected impact when it comes to stability. While the competitive pricing strategy is also influential in maintaining stability, it is less effective than the value-based pricing strategy. Conversely, the cost-plus pricing strategy is somewhat effective but compared to the other two, it is the least effective strategy.

The findings also indicate that with regards to growth among the three pricing strategies, value-based pricing is the most influential for growth strategy. It shows that the ukay-ukay owners understand that value-based pricing has a great deal in building the business as this focuses on aligning the price with customer value perception which enhances demand and the position in the market. The cost-plus pricing strategy is an influential approach when it comes to covering their costs while achieving a profit margin. On the other hand, competitive pricing strategy is also beneficial, but it is seen as somewhat less effective than the other pricing strategies.

Based on the findings, the relationship between the pricing strategy and performance of Ukay-Ukay business. Pricing strategies have been recognized as one of the most potent drivers of business performance with value-based pricing exhibiting the strongest correlation with business performance and one of the strongest influences. Cost-plus pricing and competitive pricing can benefit to some extent except to compete with other players but value-based pricing improves customer perception and their willingness to pay more resulting in increased.

16. CONCLUSION

Most of the Ukay-Ukay businesses in Baliwag, Bulacan, were newly established micro-scale businesses. Business owners, managers, and key personnel of Ukay-Ukay businesses were extremely aware of pricing strategies such as cost-plus, competitive, and value-based pricing strategies. The cost-plus pricing strategy ensures business profitability; however, value-based pricing was the most effective strategy that influenced profitability. Similarly, value-based pricing was the most effective strategy that improved business stability, but competitive pricing effectively helped Ukay-Ukay businesses gain more customers. In the same way, the value-based pricing strategy stands out as the most effective pricing strategy for the growth of the business as it enhances brand positioning and increases demand. The three pricing strategies were effective strategies that influenced the growth of Ukay-Ukay businesses. The study confirmed that there is a significant relationship between pricing strategies and the business performance of Ukay-Ukay businesses. Value-based pricing strategy is the most significant pricing strategy that influences business performance in terms of profitability, stability, and growth.

The Unified Theory of Pricing by Izaret and Sinha (2023) of Boston Consulting Group (BCG) combines ideas from economic theory, strategic pricing approaches, and consumer behavior to provide a comprehensive understanding of how businesses determine or set their prices. This theory suggests that rather than solely looking at cost, businesses shall also consider competitor prices and customer value to gain more strategic insights into pricing strategy to improve their business performance.

Pricing strategies are an important factor in Ukay-Ukay business performance. Although value-based pricing strategy stands out as a highly effective pricing strategy for improving profitability, stability, and growth, cost-plus and competitive pricing strategies are also effective. Thus, business owners who effectively utilize and balance these three pricing strategies will improve their business performance.

17. RECOMMENDATION

Based on the findings and conclusion of the study, the following recommendations were drawn:

1. New Ukay-Ukay businesses should be aware of different pricing strategies that they can use for their business and that can help them gain a competitive advantage in the industry.
2. Ukay-Ukay businesses should monitor their profitability metrics regularly to ensure that their pricing strategy aligns with their business goal.
3. Ukay-Ukay businesses should invest in cost control in order to utilize cost-plus pricing to improve their profitability.
4. Ukay-Ukay businesses should use pricing strategies tailored to their market conditions. When using a competitive pricing strategy, they should avoid price reductions that might negatively influence their profitability and stability.
5. Ukay Ukay businesses should utilize a value-based pricing strategy and regularly assess customer preferences and market trends to help businesses grow.
6. Ukay Ukay businesses should utilize these three pricing strategies to improve their business performance in terms of profitability, stability, and growth.
7. Future researchers should include a larger sample size and other locations to provide a broader perspective. They may also consider other factors, such as consumer behavior, to gain an in-depth understanding of Ukay-Ukay businesses. Moreover, they can compare the ukay-ukay business with other retail businesses to determine whether the findings are industry-specific or applicable to other industries.

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