THE DRIVERS AND BARRIERS TO IMPLEMENTING PRICE TRANSPARENCY IN THE CASE OF SUSTAINABLE COMPANIES

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BACKGROUND

- Increased demand for transparency
- Price transparency is a promising way to meet this call

> ***What is price transparency?***
> *Revealing information that indicates how the selling price of a product or service is allocated among actors in the supply chain and the company itself, such as marketing or salaries*
>
> ***Why is it promising?***
> *Increased willingness to pay, increased trustworthiness, reputation*

- However, the price is a tightly guarded secret

"What are the drivers and barriers of price transparency in the case of sustainable companies?"

THEORY

CONCERNING THE DRIVERS

- Reduction of *information asymmetry*
- Increasing *legitimacy*
- Ensuring *accountability*

CONCERNING THE BARRIERS,

- Managerial interpretation
    - Risk perception
    - Costs-benefit considerations

METHODS

- Qualitative single-case study based on six semi-structured interview
- **Drivers**: deductive coding approach
- **Barriers**: inductive coding approach
- Multiple rounds of coding
- Qualitative content analysis

CONCLUSION

DRIVER: The company is driven by the *sustainability mission*, the *consumer orientation*, the *promotion of sales* and the general *business strategy*.

Overall, the drivers focus on the customer and on the value of transparency itself

BARRIERS: The barriers are the *perceived uncertainty*, the constraining *business context*, the *implementation* itself and the *corporate disadvantages*.

Generally, the barriers refere to a broader set of stakeholders (e.g. suppliers or other companies) and the argumentation is more technical

DRIVERS

SUSTAINABILITY MISSION
Sustainable development
Sustainable business model

CUSTOMER ORIENTATION
Customer relation management
Customer needs

PROMOTION OF SALES
Price justification
Willingness to pay

CORPORATE ADVANTAGE
Market position
Opportunity for the company

IMPLEMENTATION OF PRICE TRANSPARENCY

BARRIERS

IMPLENTATION
Capacities
Practical difficulties

BUSINESS CONTEXT
Business relations
Context
Timing

CORPORATE DISADVANTAGE
Cost-benefit considerations
Competitor disadvantage

UNCERTAINTY
Comprehensibilits
Sustainbility considerations
Customer reaction
Risk aversion