

Cost-based Pricing Assignment Chart

		Sales by Segment			
		Cafe sales to consumers 1 - 11 cupcakes	Cafe sales to consumers Dozen increments	One time sales to caterers > 10 dozen/event	Contract sales to restaurants >10 dozen/ week
Parts 1 & 2	Cost-plus pricing suggested price				
	Marginal cost pricing suggested price				
	Peak-load pricing suggested price				
	Target cost pricing suggested price				

Part 3	Your recommended strategy				
	Rationale for your overall recommended price/strategy*				
Part 4	Where do you expect the highest margin? Why?				
	Where might you suggest Chris take a lower margin? Why?				
Part 5	Should Chris open the cafe? Explain, using projected revenues and profits to support your decision.				