

Value-based Pricing

Peer-reviewed Assignment

For this assignment, you'll select a case--either financial services or sports marketing--and:

- Identify and analyze key issues
- Identify and consider alternative courses of action
- Recommend the best course of action using knowledge from all four weeks of the course to justify your recommendation

Assignment Instructions

1. Review the attached rubric to understand how you will be assessed by--and complete assessments for-- your peers.
2. Choose a case to analyze. The Portland Trailblazers case is about sports marketing; Fidelity Investments is about financial services. To understand the key issues in each case, watch the case intro videos (below) and read the associated case. Then decide which you would like to analyze.
 - a. *Fidelity Incorporated: Pricing the Fidelity Blue Chip Growth Fund*
 - b. *Portland Trail Blazers*
3. Answer the related questions for your selected case in detail using specific knowledge from all four weeks of the course to guide your analysis of key issues.
4. Outline two different approaches to addressing the case issue(s)
 - a. Describe each approach, being as specific as possible (e.g., "set the ticket price at \$45 and bundle with a team jersey", "set the annual fee to 2%") and project specific likely outcomes using knowledge from all four weeks of the course in your analysis
5. Recommend a specific course of action (products and prices) and justify your decision using conjoint analysis results, other information in the case, and knowledge from all four weeks of the course
6. When complete, upload your analysis, including answers to the questions, outline of approaches, pricing recommendation, and explanations as a PDF (in English) for review.

Questions for *Fidelity Incorporated: Pricing the Fidelity Blue Chip Growth Fund*

- Why does it matter how Fidelity BCGF generates additional profit from customers? Won't people treat dollars the same whether they have to pay them in an upfront load or annual expense ratio?
- Does the strength of the Fidelity brand name insulate the fund from price competition with Vanguard's PRIMECAP fund? Why or why not?
- What does the conjoint analysis suggest would be the best way for BCGF to generate the 30 percent increase in profit expected by Johnson?

Questions for *Portland Trail Blazers*

- What attributes are most important to the fans?
- What should the Blazers' multi-game packages include--how should they price their seats and which promotional items make sense?
- How profitable would each of the packages be?