

CASE STUDY

Determining optimal configuration and pricing for athletic clothing company's membership program

Objectives

- The client had created a membership program and wanted to know which benefits in different categories to include and what price would be optimal

Research Design

- 1,500 men and women considered to be the client's target in the US and Canada were surveyed
- Conjoint analysis was used measure the importance of various membership benefits and to optimize price

Results

- The results identified which benefits are most motivating, consumers' price sensitivity, and the program configurations that maximize share and revenue
- Customers showed a willingness to pay higher prices for different/additional benefits
- Client changed the benefits that were included in the membership program and revised the pricing, resulting in significant growth in revenue