

THE OPTIMAL PRICING OF GRADUATE ACADEMIC PROGRAMS

The pricing of graduate academic programs is an important task for universities. In order to properly price a graduate academic program, knowledge of the per student cost and the price elasticity of demand of the program are needed. Next, these and other variables are input into a mathematical model that we derived which can be used to determine the optimal price for a graduate academic program in order to maximize net revenue. The model is illustrated through the use of a case study. Universities will now be able to find the best price to charge for their graduate academic programs.