

Yankee stadium



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In Yankee Stadium the seats the team management price according to a premium pricing plan are those in the first row and the VIP box rooms. As it was mentioned in the book: “ premium pricing means the firm deliberately prices a product above the prices set for competing products to capture those customers who always shop for the best or for whom the price does not matter. ” In baseball, as in many other sports, fans want to enjoy the game from up close so front row seats are the best to do so , but for a high price.

Also at baseball games, there are private VIP boxes that include waiting service, food and drinks. Tickets for the VIP section cost much more than regular outdoor seating but you don't have to worry about being around a crowd of people if you are more like a business type of person. Renting this seats is more an exclusive service at most sporting events were only a small high class section is willing to pay these high prices. On the other hand, we have the value pricing tickets which are the lower priced tickets that are affordable by the majority of the population.

In the case study Yankee fans called the bleacher seats the best value in the park offering a better view than more expensive seats. With value pricing companies accomplish major quantity of items sold. In my opinion, the economy is an environmental factor that affects the pricing of the tickets. In 2009 when the stadium opened, the pricing of the tickets was high due to the fact that it was its inauguration, but as time went by people who were still recovering from the 2008 economic recession was not willing to pay such high prices for the tickets.

As a consequence, the team lowered the prices on most of the tickets so they were more affordable to the public. If the Yankee Stadium does not sell out, there are a variety of costs to the company. The stadium manages a high amount of staff, bills and player salaries to pay. Starting with the staff, the amount of money collected from ticket sales should pay each staff members' salary; therefore if there are empty seats there will not be enough money to cover this expense. Also next to the staff we have the bills every company has to pay.

Basic services such as electricity, gas, and water are paid with the tickets sales, consequently if the stadium does not sell out it will decrease the total revenue made after subtracting the bills paid from the revenue collected from ticket sales. Lastly the team has the players' salaries, which is the highest of the three costs mentioned. Baseball players earn millions of dollars a year and teams have large rosters with over 25 players so the team needs as many sell out as they can in order to collect as much money as they can to pay off all the salaries.