PRICING & PACKAGING

AI Service Pricing & Unit Economics

A practical model connecting usage behavior, cost-to-serve, customer value, margin targets, and packaging decisions.

AI PRODUCT | UNIT ECONOMICS | COMMERCIAL STRATEGY

The challenge

Early pricing reflected a single use case even though customer behavior varied significantly. Always-on usage carried a different cost profile than after-hours coverage, making one package difficult to defend and scale.

The model

Built a scenario model using estimated minutes, cost per unit, target gross margin, behavioral differences, and competitive reference points. Stress-tested adoption and overage assumptions before setting package boundaries.

USE + **COST** + **MARGIN** + **VALUE**

USE	COST	MARGIN	VALUE
Expected volume and timing	Variable cost per unit	Target gross margin	Customer outcome

Packaging decision

Created two service levels aligned to distinct usage patterns. Included guardrails for heavy usage, clear upgrade logic, and a value story that sales could explain without leading with technical consumption details.

Leadership value

Turned a pricing debate into a cross-functional decision. Product, finance, sales, and operations could see the same assumptions, tradeoffs, and signals to monitor after launch.