

The Pricing Strategy Toolkit

Building Pricing Strategies that Fuel Your Mission
and Financial Sustainability



April 2025

www.northstaredpartners.com

www.transcendeducation.org

This work carries a CC BY-SA 4.0 license.



Use the tabs on the left to find the content that's most relevant to you



Table of Contents

About Us	3
Acknowledgments	4
Intended Audience	5
Choose Your Learning Path: Entry Points into the Toolkit	6
Section 1: Navigating the Complexities of Nonprofit Pricing: Common Challenges	8
Section 2: Earned Revenue Strategies	26
Section 3: Tools	56

¹This work carries a CC BY-SA 4.0 license.

About Us



NorthStar Education Partners collaborates with schools, districts, and nonprofits to create lasting, equitable change in education. With a deep belief in the power of community and strategic clarity, NorthStar helps partners develop bold strategies and implement solutions that drive meaningful outcomes. Through customized consulting, strategic planning, and leadership development, NorthStar supports organizations in tackling challenges around educational equity, talent management, financial sustainability, and more. Over the years, NorthStar has partnered with over 200 organizations, empowering them to thrive and achieve sustainable impact. At its core, NorthStar envisions communities where all young people can learn, grow, and prosper, building a more just and inclusive future for all.

Learn more about NorthStar by visiting:

www.northstaredpartners.com

Schedule a free 30 minute coaching call



Transcend is a national nonprofit that supports school communities to create and spread extraordinary, equitable learning environments. The organization was founded on a belief that we must reimagine schooling, using a community-driven approach, so all children can realize their infinite potential. Transcend pursues its mission by partnering directly with schools on design journeys while also sharing powerful models, tools, and insights across the sector. To date, Transcend has worked directly with hundreds of schools and systems in over 30 states and has influenced thousands more. Ultimately, Transcend strives to fuel significant leaps in education so all young people can thrive in and transform the world.

Learn more about Transcend by visiting:

<https://transcendeducation.org/>

Acknowledgments

We want to recognize the deep commitment and expertise of all those who contributed to this resource. This resource synthesizes and builds on ideas from model sharers across the country, past partners, and countless others who are pursuing financial sustainability in bold and innovative ways.

We want to especially thank the following people who contributed to this resource.

Shyam Kumar, Daniel Cordova & Shannon Echols
NorthStar Team Members

Mark Conrad & Ryan Hall
Transcend Team Members



And we also want to give special thanks to...

- Next Education Workforce
- Teton Science Schools
- SEEQS: the School for Examining Essential Questions of Sustainability
- Facing History and Ourselves
- St. Benedict's Preparatory School

Each of these model sharers provided invaluable feedback on this toolkit

Help Us Continue to Improve This Resource.

We are always looking to learn, grow, and improve. If you have comments or suggestions for our next iteration, please share them with us [here](#).

[Schedule a free 30 minute coaching call](#)

Intended Audience

This toolkit is designed for model sharers—schools and other organizations dedicated to developing and sharing innovative models and resources to improve student outcomes. While crafted specifically with model sharers in mind, the practical steps, strategies, and tools provided here are relevant for all mission-driven organizations aiming to build a sustainable financial future through strategic pricing.

Specifically, this toolkit helps organizations answer critical pricing questions, such as:

1	How do we set prices for our offerings that fuel our sustainability without creating unnecessary barriers for those who most need our services?
2	What are different ways we can structure our pricing—such as tiering, accessibility discounts, and sliding scales—that align with our aspirations for growth, equity, and sustainability?
3	What steps do we need to take as an organization to move beyond pricing merely to cover costs and instead strategically leverage pricing to fuel our financial sustainability and amplify our mission?

This Pricing Toolkit directly builds upon and complements the [NorthStar Earned Revenue Toolkit](#), providing deeper, actionable guidance specifically around pricing strategies.

Choose Your Learning Path: Entry Points into the Toolkit

We recognize that model sharers approach this content with varying levels of experience and expertise. To make the most of this resource, we suggest several possible entry points into this resource.

If You Are Not Sure
Where To Start

Feel free to [reach out to us](#) to request a clarity call.

If You Are Experienced
with Earned Revenue &
Seeking New Ideas

Explore [Section 2](#) to discover new strategies for expanding and diversifying your revenue streams.

Use [Section 3](#) to find a tool or resource that will help you take your earned revenue strategy to the next level.

If You Are Not sure
Where to Start

If You Need a
Primer

If You Are Seeking
New Ideas

If You Are An
Expert

If You Are New to Pricing
Strategy and Need a Primer

Start with [Section 1](#): Primer for an overview.

Explore the [Pricing Benchmark Database](#) to review pricing data

Watch the **recorded webinar** for an overview of key concepts from this toolkit.

If You Are An Earned
Revenue Expert

Reach out to [us](#)—we'd love to learn from you and support you in more customized ways.

SECTION 1

Navigating the complexities of Nonprofit Pricing: Common challenges and pitfalls

This section situates pricing strategy as a critical lever within a broader earned revenue strategy. It defines core concepts, outlines the key elements of effective pricing strategy, and surfaces the most common internal and external challenges model sharers face when determining how to price their offerings.

Pricing 101

1. How does pricing strategy support financial sustainability?

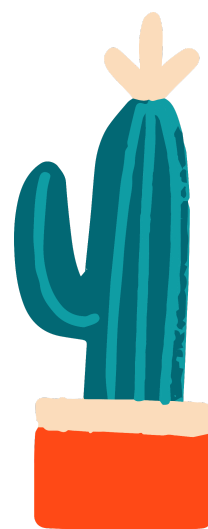
Pricing is one of the most critical—and overlooked—levers model sharers can use to achieve financial sustainability. It's not just a technical exercise about what number to put on a proposal. Pricing reflects your values, determines who can access your services, and influences your organization's ability to grow and adapt over time.

Strategic pricing is how you ensure that your earned revenue efforts are equitable, mission-aligned, and financially sound. It helps you answer questions like:

How much should we charge different partners?

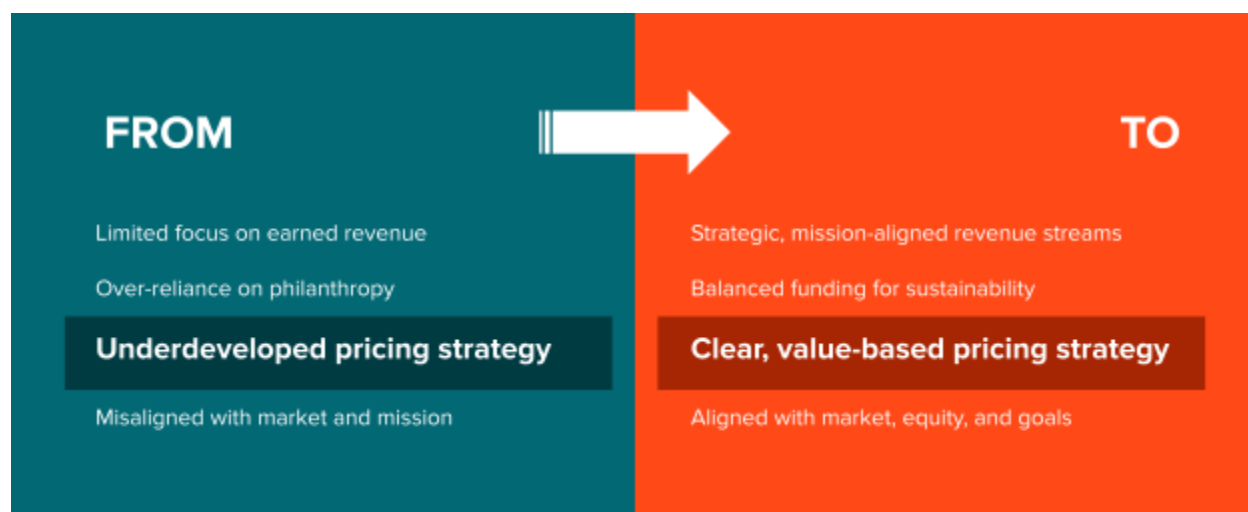
What role does pricing play in helping us scale or subsidize access?

Are we leaving revenue or impact on the table by pricing too low—or unintentionally excluding those we most want to serve by pricing too high?



This toolkit is designed to help you answer those questions—by building a pricing strategy that supports long-term sustainability without compromising access or alignment to your mission.

Pricing strategy is a key component of a strong earned revenue strategy



Building shared language

1. What Is Financial Sustainability?

Financial sustainability is the ability to consistently generate revenue that covers your expenses, builds reserves, fuels impact, and long-term sustainability, while staying fully aligned with your mission and values. It's not just about keeping your programs afloat. It's about building an organization that can grow, adapt, and serve communities for the long haul.

Sustainable organizations have the flexibility to invest in their teams, improve their services, and make decisions based on what's best for the communities they serve, not just based on what's fundable.

2. What Is Earned Revenue—and Why Does It Matter?

One powerful way to achieve financial sustainability is by developing earned revenue: income generated by offering mission-aligned services, tools, or experiences in exchange for payment.

Unlike philanthropy or government funding, earned revenue allows you to generate income directly from the work you do best. Whether it's curriculum, coaching, professional development, software, or toolkits—earned revenue is rooted in the value your model provides. Over time, it can become a steady, flexible, and strategic source of income that gives you greater self-determination.

Done thoughtfully, earned revenue can help model sharers:



Fund innovation
and growth



Reduce dependence on
shifting funder priorities



Reinvest in staff, tools, and
infrastructure



Expand equity by
subsidizing access for
under-resourced
partners

For more on how to design and pilot mission-aligned earned revenue offerings, see the [Earned Revenue Toolkit](#).

3. What Is Pricing Strategy?

Pricing strategy is the intentional set of decisions your organization makes about how much to charge, to whom, and why. At its core, pricing strategy requires making thoughtful decisions across several key dimensions:

Core Dimension of Pricing Strategy	What to Consider
Whether pricing supports broader organizational goals	Does your current pricing structure allow you to pursue strategic priorities like expanding reach, experimenting with new offerings, or growing into new geographies or partner types?
The role pricing plays in your financial sustainability goals	Is pricing designed simply to cover costs—or to generate flexible resources that allow your organization to grow its impact, reinvest, and subsidize access for those who need it most?
How pricing varies by partner size, need, or ability to pay	Does your pricing strategy take into account differences in district size, funding levels, or capacity? How do you ensure affordability doesn't create a barrier for your highest-need partners?
Whether your pricing reflects your full cost of delivery	Have you calculated the complete cost of delivering your services—including staff time, travel, overhead, and back-end support—so that your pricing is grounded in financial reality?
How your pricing aligns with peer organizations or market rates	Have you researched what comparable organizations are charging? Is your pricing aligned with your perceived value and market positioning—or leaving revenue or reach on the table?
How you communicate your offering's value to potential partners	Do you have clear, compelling messaging to explain your impact and help decision-makers see why your services are worth the investment—especially in tight funding environments?

Together, these dimensions form the backbone of a pricing strategy that is not only financially sound, but also values-driven, equity-centered, and adaptive to real-world constraints.

4. What shared language can help teams with pricing strategy conversations?

Developing a strong pricing strategy often requires collaboration across teams—program, finance, development, and leadership. But misalignment can arise quickly when not everyone shares a common understanding of core financial and pricing terms. In fact, a lack of shared language is one of the most common internal barriers model sharers face when trying to set or adjust pricing.

The glossary below defines foundational terms in clear, accessible language to help teams align more easily, make informed decisions, and move forward together in their pricing strategy journey.

Term	Definition
Revenue	The money your organization earns from selling services, products, or other offerings—like coaching, curriculum, or digital tools.
Earned Revenue	Revenue generated through fees for services or sales, rather than grants or donations.
Expenses	All the costs your organization incurs to operate—including salaries, travel, software, rent, and supplies.
Direct Costs	Expenses that go directly into designing and delivering a product or service (e.g., facilitator time, travel, materials).
Indirect Costs	General business expenses that support your work but don't directly link to a specific service—like HR, finance, rent, or tech (also known as “overhead”).
Full Cost of Delivery	The total cost to deliver a service, includes both direct and indirect costs.
Subsidy	Additional funding (often philanthropic) used to offset the true cost of a service—so you can charge less to a partner than it actually costs.
Cross-Subsidy	When higher-paying partners help cover the costs of offering

	the same service at a lower price to under-resourced partners.
Profit Margin (or Surplus Margin)	The amount of revenue left after expenses are covered. In nonprofits, margins can fund growth, innovation, or reserves. Example: If something costs \$1,000 to deliver and you charge \$1,200, your margin is \$200 (or 20%).
Unit Cost	The cost to deliver one unit of service (e.g., one school visit, one training, one user license). Knowing this helps set baseline pricing.
Break-Even Point	The price at which your revenue exactly covers your costs—no profit or loss. A key reference point in pricing decisions.
Budget vs. Cash Flow	A budget is your plan for revenue and expenses over a year; cash flow is the timing of when money comes in and goes out. Both matter for sustainability.
Market Rate	What similar organizations charge for comparable offerings. This helps you benchmark your pricing to avoid over- or underpricing.
Sliding Scale	A pricing model where fees vary based on a partner's ability to pay. Often used to support equity and access.
Willingness to Pay	The amount a partner is willing to pay based on their perception of your value—not just what it costs you.
Ability to Pay	The amount a partner can afford to pay based on their financial capacity or budget constraints.

5. Where Pricing Fits in the Journey Toward Financial Sustainability

Pricing is just one piece of a broader transformation. In our work with over 200 mission-driven organizations, we've identified 11 key shifts that help model sharers move from reactive budgeting to long-term financial resilience.

From	To
Misalignment on core strategy Team members are unclear or mis-aligned on the organization's purpose, beliefs, and strategy, leading to fragmented efforts and reduced impact.	Alignment on core strategy Team members are deeply anchored in the organization's fundamental purpose and intended impact of model sharing, with a clear, shared strategy and concrete goals that drive all actions.
Disconnected from the end-user experience Team members have minimal ongoing engagement with the communities served, resulting in offerings that may not fully meet their needs or adapt to changing circumstances	Deep connection to the end-user experience Team members actively engage with the communities served to understand their experiences, unmet needs, and changing contexts, ensuring relevant and impactful offerings.
Low relevance & market fit Offerings experience low or declining adoption rates due to a poor fit with or misunderstanding of the market and end-user needs, inability to encourage the field to move beyond industrial-era methods, or other factors.	High relevance & market fit Offerings are highly relevant to buyers and target communities and beyond, fueled by a strong alignment with community needs and the ability to inspire the adoption of more innovative approaches.

Limited evidence of impact & satisfaction	Strong evidence of impact & satisfaction
Offerings fail to achieve desired outcomes or reach high levels of stakeholder satisfaction or poor systems in place to collect data or measure impact.	Offerings show promising evidence of strong impact, results, and high stakeholder satisfaction, commensurate with the organization's stage of growth.
Limited understanding of financial drivers	Strategic implementation of desired financial drivers
Financial drivers are not fully understood, with little clarity on key revenue sources, major expenses, and financial health. There is a lack of established financial metrics, leading to uninformed and reactive financial decisions.	Financial drivers are well understood, with established financial metrics that provide clear insights into key revenue sources, major expenses, and financial health. Financial metrics guide informed and strategic financial decision-making across the organization.
Limited investment in earned revenue	Mission-aligned investment in earned revenue
Earned revenue opportunities are underexplored, leading to an over-reliance on philanthropic revenue. The pricing strategy is underdeveloped and misaligned with market value, equity commitments, and organizational goals.	A strategic, mission-aligned approach to earned revenue is established or in development, supporting financial sustainability. A clear pricing strategy is in place that aligns with market value, equity commitments, and organizational goals.

Reactive fundraising	Strategic fundraising
Fundraising efforts are ad hoc and reactionary, lacking a coherent strategy aligned with long-term financial sustainability goals.	Strategic fundraising efforts are in place or in development that are proactive, build long-term relationships with donors, and are aligned with the organization's mission and financial sustainability goals.
Reactive growth	Strategic growth
New client relationships develop idiosyncratically and/or through word-of-mouth with limited strategy, focused marketing or cultivation processes.	Longer-term growth and cultivation goals are set, implemented and evaluated, often considering geographic and other intentional growth opportunities.
Inefficient offerings management	Efficient and well-managed offerings
Expenses are excessively high due to a lack of visibility into costs, inefficiencies in designing and delivering offerings, high overhead, and other contributing factors, leading to unsustainable financial costs and reduced overall financial sustainability.	Expenses are aligned with organizational goals, closely monitored, and managed through regular process improvements, thorough cost analysis, and benchmarking to drive efficiencies and reduce overhead, supporting overall financial sustainability.

Outdated financial systems	Modern and efficient financial systems
Financial tools are outdated and inefficient, resulting in disorganized or hard-to-analyze financial data that obscures visibility into the organization's operations and financial performance. Consistent processes for reviewing and utilizing financial data are lacking.	A comprehensive set of modern financial tools and reporting systems provide clear, actionable insights into expenses, revenue, and overall financial health. Consistent organizational processes are in place to effectively utilize financial data for decision-making.
Emerging financial culture and capacity	Strong financial culture and capacity
Staff and leadership have a limited understanding of financial sustainability principles and rarely prioritize sustainability, leading to inconsistent financial decision-making.	Staff and leadership cultivate a culture of financial awareness and sustainability, with ongoing education and transparent sharing of financial information, supporting long-term financial sustainability.

6. How This Toolkit Fits In

This **Pricing Strategy Toolkit** is a companion to the broader [Earned Revenue Toolkit](#), which outlines how model sharers can design, test, and grow offerings that generate income while advancing their mission.

This toolkit zooms in on one critical component: pricing. It provides the tools, strategies, and real-world examples to help you move beyond flat-fee or cost-plus pricing and instead build a dynamic, data-informed, and equity-centered pricing strategy.

Whether you're just beginning to explore earned revenue or refining a mature set of offerings, this toolkit will help you approach pricing as a strategic—not just operational—decision.

Why pricing is so challenging

Establishing pricing for model sharers has always been challenging, but it's even harder in today's climate. In an April 2025 survey to Transcend's model sharing community, model sharers identified multiple external and internal barriers that are complicating their strategic pricing decisions.

Challenge	What Model Sharers Are Saying
Funding Uncertainty Simultaneous fluctuations of district, philanthropic, and public funding	 "It's one thing for one funding stream to shift, but a whole different thing when all of our funding feels like it is shifting" 
Policy Headwinds and Mission Tensions Increasing political pressure on equity-driven missions.	 "Maintaining our equity initiatives is becoming financially risky as political climates shift." 
District Budget Uncertainty Declining enrollment and tightening district budgets.	 "Districts are stretched thinner than ever—purchasing anything requires extensive justification." 

Challenge

What Model Sharers Are Saying

Balancing Sustainability, Growth, and Access

Navigating the tension between raising prices for sustainability and ensuring continued access.



Increasing our prices helps us become financially stable, but doing it too quickly risks excluding those we most aim to serve.



Variable Government Funding

Unpredictable and changing federal/state funding streams.



"It feels impossible to set stable prices when our main funding sources fluctuate annually."



Philanthropic Shifts

Changing funding priorities and reduced alignment.



"Our long-term funders have moved away from DEI and innovation toward new trends—it's harder to sustain innovative models like ours..."



Internal Capacity Constraints

Limited staff time and resources to conduct a thorough pricing analysis.



"We simply don't have the staffing or expertise to accurately calculate our true costs or benchmark market prices."



Common pricing pitfalls

In the early stages, model sharers typically begin by relying entirely on philanthropy to launch their models and offer low-cost or free options to schools. This approach allows organizations to quickly test, refine, and demonstrate impact. As model sharers mature, many shift toward adopting a cost-coverage approach, where pricing is set based on the straightforward calculation of covering service-delivery costs.

Example:

A coaching organization charges a district based on direct expenses: airfare for a coach's travel, lodging, and a two-hour coaching session priced at \$150 per hour. This approach ensures costs are covered but does not necessarily align with strategic goals or reflect market realities.



While cost-based pricing provides simplicity and initial predictability, relying solely on this approach has significant limitations. Without a more nuanced pricing strategy, model sharers risk:

- Leaving potential revenue on the table, limiting financial sustainability.
- Creating unintended barriers to access for those they most aim to serve.
- Missing opportunities to strategically price offerings for broader mission impact.

Through extensive collaboration with model sharers and education nonprofits, we've identified the common pricing traps. These traps, along with their negative implications, are outlined below:

Pricing Trap

Negative Implications for Model Sharers



Trap #1: Not Aligning Price with Organizational Strategy

Pricing set without clear connection to strategic goals such as market entry, growth, or mission alignment.

Early-stage model sharers may price too low initially to enter markets but fail to adjust upward later as their perceived value grows. This can limit sustainability, growth potential, and overall impact.



Trap #2: Relying on Gut Feelings or Anecdotal Data

Pricing based solely on past experiences or intuition rather than current market data and user insights.

Pricing becomes misaligned with actual user demand or market dynamics, potentially leading to missed revenue opportunities or limited adoption.



Trap #3: One-Size-Fits-All Pricing

Failure to segment pricing based on audience type, needs, willingness, and ability to pay.

Organizations risk unintentionally overcharging or excluding some audiences while undercharging others, reducing financial sustainability and equitable access.



Trap #4: Focusing Only on Cost or Incomplete Cost Analysis

Pricing based exclusively on delivery costs without adequately assessing all relevant direct and indirect expenses or user-perceived value.

Leads organizations to either underestimate the true cost of delivery or miss out on capturing the full value perceived by end-users, resulting in financial instability or missed revenue potential.

Pricing Trap

Negative Implications for Model Sharers



Trap #5: Ignoring External Market Dynamics and Peer Pricing

Neglecting regular competitive pricing analysis and market monitoring.

Organizations risk pricing too high or too low compared to peers, potentially reducing market competitiveness and limiting adoption and financial sustainability.



Trap #6: Not Prioritizing Affordability and Accessibility

Failing to explicitly consider affordability constraints or access barriers in pricing decisions.

Organizations may unintentionally exclude target communities or those they most aim to serve, undermining their equity goals and limiting overall impact.



Trap #7: Using Rigid Pricing Structures

Pricing models that are overly rigid, inflexible, and unresponsive to evolving organizational strategies, market shifts, or community feedback.

Limits organizations' ability to adapt strategically, respond quickly to opportunities or threats, and achieve balanced goals around growth, sustainability, and equity.

SECTION 2

Building your strategic pricing model

This section introduces a practical, step-by-step framework designed to help model sharers establish pricing strategies that align with their mission, equity goals, and financial sustainability. Each component of the framework includes clear guidance, action steps, and illustrative examples, empowering organizations to confidently develop pricing that supports their long-term goals.

Introducing the pricing strategy framework

The **Pricing Strategy Framework** provides model sharers with a practical, structured approach to establishing, refining, and continuously improving their pricing strategy. It helps organizations intentionally navigate common pricing pitfalls by explicitly aligning pricing with mission, organizational strategy, financial sustainability, and equity considerations.

Rather than relying solely on cost calculations or anecdotal experience, this framework encourages a rigorous, data-driven process deeply rooted in community and end-user needs. By using clear steps, actionable guidance, and illustrative examples, model sharers can confidently address internal capacity challenges, market realities, affordability concerns, and more.

Each of the framework's seven components addresses a key dimension of effective pricing, providing organizations with specific actions to ensure pricing decisions support organizational strategy and long-term financial health. This framework is designed to be iterative, with regular reviews (recommended quarterly to bi-annually) to adapt pricing approaches based on new insights, market shifts, stakeholder feedback, and changes in organizational goals.

The pricing strategy framework



Component	Description	Example
 Anchor in Your North Star Start by grounding pricing in your mission, financial goals, and values to ensure every pricing decision reflects what your organization stands for and where it's going.	 Clarify financial goals using the Financial Vision Tool  Document core beliefs about equity, access, and pricing  Align pricing strategy with your long-term mission and model	A model sharer sets a target to generate 60% earned revenue while ensuring Title I schools never pay more than 25% of the full cost.
 Deeply Understand Your End-Users & Community Design pricing based on real insights into the needs, constraints, and perceptions of those you aim to serve, so pricing becomes a bridge—not a barrier—to access.	 Segment your audience by characteristics like size, funding, or region  Collect data on perceived value, affordability, and willingness to pay  Map alternatives and understand decision-making factors	A provider finds rural districts need low-cost, self-paced PD while larger systems want hands-on implementation coaching while being willing to pay a higher price.
 Conduct a Market Analysis Anchor pricing in an understanding of your landscape to stay competitive and position yourself strategically	 Benchmark peer and competitor pricing and offerings  Analyze trends and potential disruptors  Identify where your offering fills a market gap	An SEL provider learns it's priced below competitors and raises rates for its coaching and implementation support, while keeping pricing for its survey tool unchanged.

 Understand your true costs Build a full picture of what it takes to deliver your services so you're not underpricing or relying too heavily on unpredictable funding.	 Use the Financial Model Tool to model direct and indirect costs  Identify fixed vs. variable costs  Clarify where subsidies or philanthropy currently offset delivery	A curriculum provider realizes it's not accounting for support staff time and adjusts prices to reflect actual delivery costs.
 Sharpen and Communicate Your Value Proposition Clearly articulate what makes your offering valuable—so partners understand not just the cost, but the outcomes they're investing in.	 Turn user insights into compelling messages  Quantify results (outcomes, ROI, cost savings)  Test and refine messaging with your core audience	"Our coaching program improved teacher retention by 40%, saving districts an average of \$50K annually in rehiring costs."
 Design Flexible, Equitable Pricing Strategies Create pricing structures that allow you to serve a diverse range of users while meeting your financial goals.	 Select pricing strategies (e.g., tiered, sliding scale—see toolkit)  Build internal tools for consistent pricing decisions  Establish transparent criteria for discounts or subsidies	A provider uses a tiered pricing model based on district size and FRPL rates, with automatic discounts for under-resourced schools.
 Continuously Learn and Adapt Treat pricing as a living	 Revisit pricing quarterly or bi-annually  Track metrics like adoption, renewal, and margins	A model sharer finds schools offered first-year discounts are 2x more likely to renew and bakes that learning into their ongoing

process—regularly reviewed and adjusted to reflect what’s working, what’s changing, and what your community needs next.	 Use stakeholder feedback to inform refinements	pricing strategy.
--	---	--------------------------

Exploring common pricing strategies

Matching Strategy to Mission, Context, and Goals

There is no single “right” way to price your offerings. The best pricing strategy depends on your organizational goals, the communities you serve, your cost structure, and your position in the market. As discussed in earlier sections, many model sharers fall into common pricing traps—like applying one-size-fits-all pricing, relying solely on cost calculations, or undercharging due to fear of losing partners.

A more effective approach is to be intentional: select pricing strategies that reflect the unique purpose, audience, and role of each offering within your broader earned revenue and sustainability plan.

In fact, many model sharers use different pricing strategies across their portfolio of offerings. For example:

- A high-touch, yearlong coaching program may use a cost-plus model to ensure sustainability
- A curriculum licensing package may use a value-based model aligned to market expectations
- A one-time workshop might follow a flat fee or sliding scale to maximize reach

This section introduces common pricing strategies, with practical descriptions, examples, and considerations to help you choose what fits best.

JUMP TO A STRATEGY

1. [Cost-Plus Pricing](#)
2. [Value-Based Pricing](#)
3. [Sliding-Scale Pricing](#)
4. [Tiered Pricing](#)
5. [Bundled Pricing](#)
6. [Freemium Model](#)
7. [Pay-What-You-Can](#)
8. [Performance-Based Pricing](#)
9. [Licensing](#)
10. [Subscription or Membership Pricing](#)
11. [Solidarity or Pay-It-Forward Pricing](#)
12. [Shared-Cost \(Hybrid\) Pricing](#)
13. [Early-Bird or Time-Based Pricing](#)
14. [Competitive Pricing](#)

1. Cost-Plus Pricing

What It Is

Cost-plus pricing is one of the most commonly used approaches by model sharers. You calculate the full cost of delivering your offering—including both direct and indirect expenses—and then add a markup or margin to cover additional needs like reinvestment, reserves, or subsidizing lower-paying partners.

Example in Practice

A model sharer offers school-based coaching for multilingual learner educators. To price their 2-day site visit, they calculate the total cost of delivery: coach preparation and delivery time, travel, and a portion of admin and overhead costs. Total cost = \$2,400. They add a 20% margin (\$480) to support flexibility and reinvestment, resulting in a final price of \$2,880.

Key Considerations



When this strategy works well:

- Easy to calculate and explain to internal teams or funders
- Ensures you're covering your delivery costs (as long as they're fully accounted for)
- Offers a helpful starting point for early-stage offerings or organizations new to pricing



Things to watch out for:

- May underprice offerings that have high perceived value or limited competition
- Doesn't take into account what similar organizations are charging
- Doesn't reflect your partners' ability or willingness to pay
- Markups may feel arbitrary or inflexible if not tailored to different contexts

2. Value-Based Pricing

What It Is

Value-based pricing sets your price based on how much the partner perceives your offering is worth—rather than just what it costs to deliver. This strategy centers the impact, outcomes, and uniqueness of your work, and often allows for higher prices when your service is seen as especially effective or differentiated.

Example in Practice

A model sharer offers a curriculum + training package proven to accelerate reading growth in dual-language classrooms. The actual delivery cost is \$10,000, but pilot feedback shows districts see it as a game-changer compared to less effective programs. Based on perceived value and competitor benchmarks, the organization prices it at \$15,000—reflecting its market positioning and impact.

Key Considerations



When this strategy works well:

- Helps capture more revenue from offerings with strong demand and results
- Positions your organization as high-value and outcomes-driven
- Creates flexibility to invest in innovation, reserves, or expanded reach



Things to watch out for:

- Requires strong evidence of value and clear communication to justify price
- May feel less transparent internally if cost calculations are unclear
- Could limit access unless paired with flexible pricing options (e.g., discounts, subsidies)

3. Sliding Scale Pricing

What It Is

Sliding scale pricing allows different partners to pay different amounts based on criteria such as size, budget, or need. This strategy is rooted in equity—helping ensure access for under-resourced schools or systems, while still allowing you to generate adequate revenue from better-resourced ones.

Example in Practice

A model sharer offers a virtual training series for instructional coaches. Rather than setting one fixed price, they create three pricing tiers based on partner size and Title I status:

- Small/rural districts: \$3,000
- Mid-size districts: \$5,000
- Large/urban districts: \$7,000

Key Considerations



When this strategy works well:

- Expands access and equity while maintaining overall sustainability
- Allows partners to opt into a price point that feels fair
- Builds goodwill and strengthens trust among mission-aligned communities



Things to watch out for:

- Requires clear criteria and thoughtful messaging to avoid confusion or distrust
- May leave revenue on the table if too many partners default to the lowest tier
- Can increase administrative complexity when customizing for many partners

4. Tiered Pricing

What It Is

Tiered pricing offers multiple versions of a service at different price points, based on the level of support, features, or customization included. This strategy helps you serve a wider range of partners—including those with limited budgets—without underpricing your full-service offering.

Example in Practice

A model sharer offers professional development to schools through three tiers:

- Basic (Self-paced modules + 1 virtual session): \$2,500
- Standard (Modules + 3 virtual sessions + light coaching): \$5,000
- Premium (All of the above + in-person site visit and implementation plan): \$9,500

Key Considerations



When this strategy works well:

- Increases flexibility for partners with different budgets or needs
- Helps avoid over-discounting by offering limited versions of your service
- Encourages upselling for partners who want deeper engagement



Things to watch out for:

- Requires careful scoping to ensure each tier is cost-effective to deliver
- May confuse buyers if the differences between tiers aren't clear
- Needs strong systems to manage multiple service levels

5. Bundled Pricing

What It Is

Bundled pricing involves combining multiple offerings into a single package—usually at a slightly discounted rate compared to buying each element separately. It encourages partners to engage more deeply while helping you increase the average deal size.

Example in Practice

A model sharer offers curriculum licensing, training, and virtual coaching. Each can be purchased à la carte, but they also offer a bundled package:

- À la carte: Curriculum (\$4,000) + Training (\$6,000) + Coaching (\$5,000) = \$15,000
- Bundled package: All three for \$12,750

Key Considerations



When this strategy works well:

- Encourages greater partner investment and engagement
- Helps increase the average revenue per client
- Can streamline sales and contracting processes



Things to watch out for:

- Risk of undervaluing individual services if discounting too deeply
- May not be appealing to partners who only want one piece
- Requires internal clarity on costs and margins for bundled offerings

6. Freemium Model

What It Is

A freemium strategy offers a basic version of your offering for free, with optional paid upgrades that unlock additional value—such as deeper support, exclusive content, or expanded access. This strategy helps build awareness, lower the barrier to entry, and seed demand over time.

Example in Practice

A model sharer provides a free online toolkit for inclusive math instruction. Schools can access the core toolkit for free, but must pay to access:

- On-demand video modules: \$1,500
- Virtual facilitator training: \$3,500
- Ongoing implementation coaching: \$7,000

Key Considerations



When this strategy works well:

- Builds trust and exposure with new audiences
- Helps partners “try before they buy”
- Can generate demand for higher-tier services over time



Things to watch out for:

- Requires a clear plan to convert free users into paying ones
- May devalue your work if free offerings are too expansive
- Must ensure free services don’t create an unsustainable burden on your team

7. Pay-What-You-Can (or Pay-What-Feels-Fair)

What It Is

This strategy invites partners to choose their price—either from a suggested range or completely open-ended. It’s grounded in trust, equity, and accessibility, and is most often used for smaller-scale offerings or digital resources.

Example in Practice

A model sharer hosts a monthly virtual learning session for educators on culturally responsive teaching. They suggest a payment of \$50 but offer the option to pay more, less, or nothing at all, based on participants’ capacity and context.

Key Considerations



When this strategy works well:

- Signals deep commitment to access and equity
- Can build strong community goodwill and long-term loyalty
- Useful for testing content or reaching new audiences



Things to watch out for:

- Generates inconsistent revenue—less predictable for planning
- Requires clear messaging to reduce guilt or confusion
- Not ideal for high-touch services or core offerings

8. Performance-Based Pricing

What It Is

In this model, the price (or a portion of it) is tied to specific outcomes or results—like student growth, partner satisfaction, or implementation milestones. This strategy emphasizes accountability and shared success, and is usually used in more sophisticated or custom partnerships.

Example in Practice

A model sharer enters a contract with a district for implementation support. The district agrees to pay 70% of the total cost up front, with the remaining 30% tied to agreed-upon indicators—such as teacher participation rates or evidence of classroom practice shifts.

Key Considerations



When this strategy works well:

- Demonstrates confidence in your impact
- Strengthens trust and alignment with strategic partners
- Can differentiate you in competitive markets



Things to watch out for:

- Requires strong data systems and clarity on success metrics
- May create pressure to prioritize short-term wins over long-term learning
- Not recommended unless you have a proven track record and high partner trust

9. Licensing

What It Is

Licensing is a pricing strategy in which an organization grants other partners permission to use its intellectual property—such as curriculum, tools, or learning models—in exchange for a fee. This strategy is ideal for model sharers with well-developed, replicable content, and allows them to extend reach and impact without directly delivering the service themselves. License fees may be structured as a flat annual rate, per-user cost, or percentage-based royalty.

Example in Practice

A model sharer has created a research-based social-emotional learning (SEL) curriculum for middle schoolers. Instead of delivering the curriculum in every district, they offer an annual site license for \$4,000 per school, which includes full access to digital curriculum materials, implementation guides, and periodic updates. Optional add-ons—like virtual coaching or community of practice access—are available at additional cost. This allows smaller districts to use the curriculum independently, while the model sharer earns revenue and maintains implementation fidelity through licensing terms.

Key Considerations



When this strategy works well:

- Enables broad impact without direct delivery
- Creates consistent revenue through renewable licensing agreements
- Keeps focus on innovation and content quality, not scaling staff



Things to watch out for:

- Requires clear agreements and guidance to protect model integrity
- May need legal, training, or tech infrastructure to support licensees
- Revenue potential depends on your content's value, uniqueness, and brand recognition

10. Subscription or Membership Pricing

What It Is

Subscription or membership pricing involves charging partners a recurring fee (monthly, quarterly, or annually) to access your offerings over time. It's best suited for services or products that deliver ongoing value—like virtual coaching, curriculum updates, or professional learning communities.

Example in Practice

A model sharer offers an annual \$1,500 subscription per school that includes access to an evolving bilingual curriculum, quarterly virtual trainings, and priority helpdesk support. Schools can renew annually to stay in the network.

Key Considerations



When this strategy works well:

- Builds predictable, recurring revenue
- Reinforces long-term partnerships and user retention
- Great for digital products, community-based models, or “always-on” support



Things to watch out for:

- Requires consistent delivery of value to justify renewals
- May need tiered offerings for different partner needs
- Can be administratively complex if scaled rapidly

11. Solidarity or Pay-It-Forward Pricing

What It Is

This equity-centered approach invites well-resourced partners to pay more than the base price to help subsidize others with fewer financial resources. It builds on shared responsibility and aligns deeply with mission-driven, justice-oriented organizations.

Example in Practice

A model sharer prices a 2-day institute at \$500 per participant—but adds an optional “solidarity rate” of \$750, with a note: *“If you’re able, this extra contribution allows us to offer scholarships to educators from under-resourced communities.”*

Key Considerations



When this strategy works well:

- Encourages generosity and equity in pricing
- Can expand access while still increasing revenue
- Deepens alignment with organizational values



Things to watch out for:

- Requires thoughtful messaging to avoid confusion or guilt
- Not all buyers will opt into paying more—unpredictable uptake
- May need clear tracking to assess how much is subsidized

12. Shared-Cost (Hybrid) Pricing

What It Is

In a shared-cost model, the cost of delivering a service is split between your organization, the partner, and possibly other funders (e.g., philanthropy). This helps maintain affordability while ensuring full cost recovery.

Example in Practice

A model sharer knows it costs \$20,000 to provide implementation support for a district. The district pays \$10,000, while a foundation grant covers the other \$10,000, allowing the organization to deliver high-impact services without stretching district budgets.

Key Considerations



When this strategy works well:

- Aligns affordability with sustainability
- Makes high-cost services feasible for smaller or lower-resourced partners
- Enables philanthropic support to stretch further



Things to watch out for:

- Requires coordination between multiple funders and systems
- Can lead to delays or inconsistencies if external funders aren't secured
- Needs careful messaging to ensure value perception isn't diluted

13. Early-Bird or Time-Based Pricing

What It Is

This strategy uses timing incentives—charging less for early registration, slower seasons, or lower-demand times. It encourages planning ahead and helps your organization better manage capacity.

Example in Practice

A model sharer offers its summer leadership institute at a discounted rate of \$3,000 for registrations before March 1. After that, the standard rate increases to \$3,500.

Key Considerations



When this strategy works well:

- Boosts early commitments and cash flow
- Smooths scheduling and planning for staff
- Encourages budgeting at optimal times for schools



Things to watch out for:

- Needs clear deadlines and consistent enforcement
- May unintentionally penalize slower-moving or under-resourced partners
- Could complicate pricing communications if not managed well

14. Competitive Pricing

What It Is

Competitive pricing involves setting your prices in relation to similar offerings in the market—aligning with, slightly undercutting, or differentiating based on value. It's often used when entering a crowded space or when buyers are comparing options.

Example in Practice

A model sharer entering the early literacy space sees that peer organizations charge \$5,000–\$6,000 for similar coaching packages. They set their initial price at \$4,750 to attract first-time adopters, with plans to increase later based on feedback and results.

Key Considerations



When this strategy works well:

- Positions your offering clearly in the market
- Useful for new programs or when value perception is still building
- Helps avoid sticker shock with procurement offices



Things to watch out for:

- May unintentionally devalue your offering if underpriced
- Can perpetuate underpricing if based on unsustainable peer rates
- Should be balanced with cost data and value-based rationale

Navigating pricing decisions when things feel messy

Even with a thoughtful framework, applying pricing in real life often surfaces tensions. These challenges are common—and solvable. Here are common examples of what model sharers often face, along with typical coaching we offer.



What We Hear from Model Sharers



Ways to Navigate It



“We need to raise our prices to keep our work going, but we’re afraid that will make it harder for the schools we care most about to access it.”



- Offer lower pricing to schools with less funding and higher pricing to those with more resources. (This is sometimes called cross-subsidizing.)
- Use a tiered model that allows you to shift the scope of what you offer, at price points that are affordable AND support your financial sustainability goals
- Share how different pricing supports your equity commitments and long-term sustainability.
- Seek philanthropic support to help offset pricing for high-need schools.



“We figured out what it really costs to deliver our services—but the full price to cover these costs are too high”



- Think about reaching your financial sustainability goals over multiple years, vs. dramatic swings in pricing
- Analyze your costs deeply to identify opportunities to deliver your services more efficiently (e.g., standardizing core offerings, balancing virtual vs. in-person offerings)
- Offer multiple versions of your services (e.g., basic vs. full-service) to give partners options.
- Talk honestly with partners about trade-offs and invite co-creation around access.



“We’ve been using the same pricing for years. Changing it feels risky—and some of our team members are uncomfortable with the idea.”



- Lead with transparency with your team - ensuring everyone is aware of the organization’s financial position, external pressures, and cost to deliver your services. Trust your team to be co-creators of your pricing strategy with you.
- Invite 3–5 close, trusted partners to a conversation—share the ‘why’ behind your pricing shift and ask for honest feedback.
- Pilot your new pricing with one offering or a few trusted partners before scaling.
- Communicate how the change strengthens your ability to serve more schools and have deeper impact.



“We want to offer discounts to some partners, but we’re worried it will get too complicated or seem unfair.”



- Create clear, transparent criteria for discounts (e.g., Title I status, % FRPL, rural status).
- Use internal tools or pricing calculators to support consistent decisions.
- Share your process openly so partners understand your rationale and trust the approach.



“We don’t have a clear sense of what our peers are charging for similar services—and don’t have access to market data.”



- Start by connecting with peer organizations willing to share pricing benchmarks informally.
- Do lightweight research: scan org websites, LinkedIn posts, RFPs, or EdReports.
- Review district board meeting materials, which often include approved vendor pricing.



Still feeling stuck?

Schedule A FREE 30 Minute Consultation

CASE STUDIES

Seeing the framework in action

The challenges described in Section 1 are real—and common. Many model sharers wrestle with unclear costs, fear of raising prices, and how to offer discounts without undermining sustainability. These case studies illustrate how three different organizations applied the components of the Pricing Strategy Framework to navigate those very tensions.

Each example shows what it looks like to move from uncertainty or discomfort toward pricing strategies that are transparent, equitable, and aligned with long-term sustainability goals. Whether calculating true costs, introducing new pricing models, or communicating with partners, these stories highlight that pricing is not just a financial decision—it's a strategic and relational one.



Case Study 1:

Knowing the Full Price – Coaching & PD for Multilingual Learners

Organization Type

A model sharer providing coaching and professional development focused on multilingual learner success.

The Challenge

The organization had been offering site-based coaching and workshops at a flat fee of \$7,500 per semester, based on what “felt affordable” to districts. But they noticed they were struggling to cover staff time and travel, especially when serving smaller or rural schools.

What They Did

Using NorthStar’s Financial Model Tool, they broke down the full cost of delivering a semester of coaching—including:

- Staff time (prep, delivery, debrief)
- Travel and lodging
- Admin and coordination
- Overhead (benefits, rent, tech, etc.)

They discovered the actual cost was closer to \$11,000—almost 50% higher than what they were charging.

How They Applied the Framework



Understand your true costs

Built a cost model that included both direct and indirect costs.



Flexible Pricing Models

Introduced a three-tiered pricing structure based on district enrollment and % of English learners.



Communicate Your Value Proposition

Created messaging showing how their support led to improved outcomes for multilingual learners.

Result:

Larger districts began paying closer to full cost. Philanthropic dollars were used to subsidize smaller schools. By surfacing and naming the true cost, the organization moved toward sustainability—without sacrificing access.

Case Study 2:

Changing Price Feels Risky – Whole-School Implementation Support

Organization Type

A model sharer providing comprehensive, whole-school implementation services—curriculum, coaching, and yearlong training across multiple levels.

The Challenge

The org had been charging \$25K–\$35K per site, regardless of school size or complexity. Their team realized this pricing wasn't sustainable as they took on larger, more resource-intensive contracts—and they weren't accounting for the full scope of support they provided to leadership, teachers, and instructional coaches.

They were ready to raise prices but felt anxious: “What if partners walk away? Will they think we're being greedy?”

What They Did

The team hosted relationship-centered pricing conversations with five long-term district partners. They:

- Shared a simple, visual breakdown of true delivery costs
- Explained their desire to build long-term financial sustainability
- Asked for honest feedback about how the pricing shift would land

They also phased in the new structure over two years, offering added services (e.g., curriculum customization, asynchronous content) to reinforce the value.

How They Applied the Framework



Anchor in Your North Star

Reaffirmed their equity-driven mission and need for long-term sustainability.



Communicate Your Value Proposition

Made the invisible work (email support, leader 1:1s, materials updates) visible.



Continuously Learn & Adapt

Piloted the pricing with a few sites, tracked reactions and renewal rates.

Result:

No existing partners left. In fact, two districts increased their level of engagement, once they saw the value and transparency in the new structure.

Case Study 3:

Discounts That Feel Fair – Licensing a Personalized Tutoring Model

Organization Type

A model sharer offering a personalized tutoring model via a licensing and training package for schools and community-based organizations.

The Challenge

The base price for an annual license was \$12,000, which included digital access, initial training, and support calls. But some high-need schools couldn't afford the full amount—and the organization was applying discounts inconsistently (“we just kind of felt it out based on the conversation”).

This created internal confusion and left staff worried they were being unfair or leaving money on the table.

What They Did

They created a discount rubric based on two criteria:

- Student population (e.g., >80% FRPL)
- Organizational type (e.g., school district vs. nonprofit partner vs. CBO)

Each type and tier had a clear max discount range (e.g., 25% for small CBOs, 10% for midsize nonprofits). They added a short intake form to standardize eligibility.

How They Applied the Framework



Understand Your End-Users

Gathered feedback from different partner types to understand barriers and value perceptions.



Flexible Pricing Models

Created clear and consistent discount criteria, paired with an internal calculator.



Market Analysis

Reviewed peer orgs offering similar digital tools to ensure competitiveness.

Result:

Partners appreciated the clarity and transparency. Internally, the team felt more confident applying discounts—and the org increased its renewal rate by 15% in the first year.

SECTION 3

Tools

Tools for Pricing & Earned Revenue

Pricing Tools & Resources

This section includes curated tools, templates, and external resources to help model sharers design, test, and refine a pricing strategy that supports financial sustainability, advances equity, and aligns with your mission.

Whether you're just beginning to think about pricing or refining a mature model, these tools are meant to be practical, adaptable, and easy to integrate into your work.

Pricing Benchmarks

Explore high-level benchmark data for common services offered by model sharers—like in-person coaching, curriculum licensing, virtual cohorts, and software subscriptions. This data reflects input from dozens of nonprofits and education service providers.

- Use it as a starting point for internal pricing discussions
- Compare offerings to peer organizations
- Identify potential gaps or underpricing

 [Access the Pricing Benchmark Table](#)

 *Note: This is a living resource that will be updated regularly as more data becomes available.*

Financial Model Tool

Understand your full cost of delivery and the financial sustainability of your offerings using NorthStar's customizable financial model template.

- Build cost and margin estimates for offerings
- Model out tiered or subsidized pricing structures
- Inform budget and pricing decisions with real data

👉 [Use the Financial Model Tool](#)

Financial Sustainability Shifts

These slides outline the 11 key shifts that help mission-driven organizations move from reactive budgeting to long-term financial sustainability. They're useful for building shared understanding across your team and aligning on the deeper organizational shifts that support pricing and revenue work.

- Use in team retreats or strategy sessions
- Identify where your org is on the journey

👉 [View the Financial Sustainability Shifts](#)

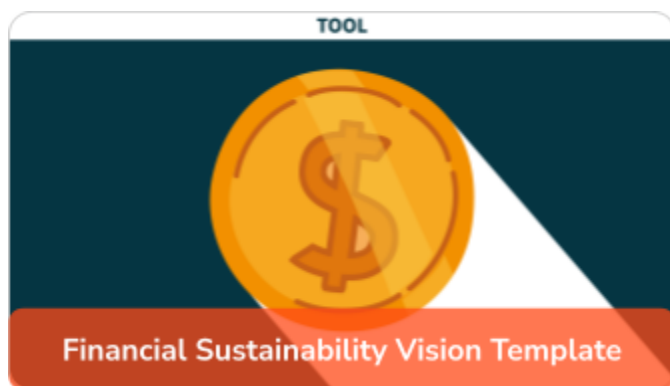
Portfolio-Based Pricing Strategy (Bellwether)

This Bellwether resource explores how nonprofits can take a portfolio view of their programs and services when designing pricing strategies. It encourages model sharers to consider pricing not just at the offering level, but as a strategy that supports the overall financial model.

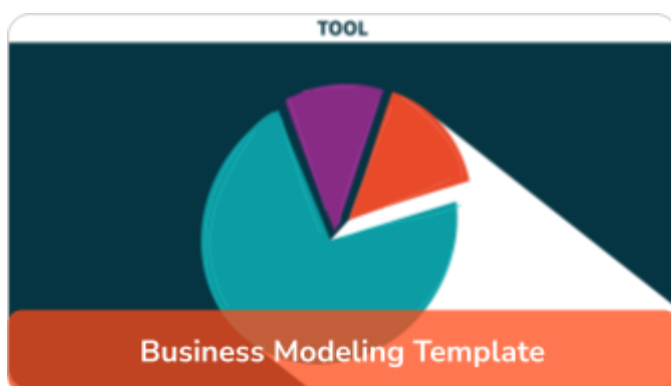
👉 Read: Pricing Strategy as Portfolio Management (Bellwether)

Additional High-Quality Resources on Nonprofit Pricing

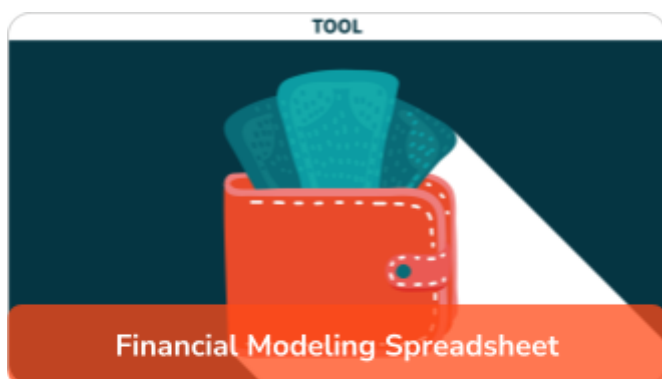
- [**Bridgespan – Nonprofit Funding Strategy**](#): Offers a comprehensive framework to help nonprofits align their funding model with mission, impact goals, and financial sustainability.
- [**Stanford Social Innovation Review – Nine Tips to Better Nonprofit Pricing**](#): Provides practical strategies to help nonprofits navigate pricing with greater clarity and confidence—covering common tensions and actionable tips for moving forward.
- [**Forbes Nonprofit Council – Pricing for Purpose: How Nonprofits Can Approach Their Pricing Model**](#): A practical overview of different nonprofit pricing models—like cost-plus and value-based pricing—with guidance on how to avoid common missteps.



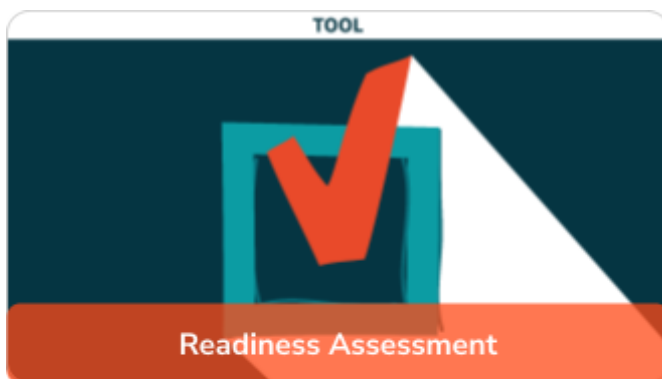
This template provides guiding prompts to help model sharers cast a compelling vision for financial sustainability. The resulting vision statement serves as a key anchor for all financial sustainability and earned revenue efforts, ensuring alignment across staff and leadership and providing clarity on long-term goals.



This tool pulls together all the key components of an offering—what it is, who it is intended to serve, the costs associated with its design and delivery, projected revenue, and marketing channels. It organizes these



A detailed spreadsheet designed to support model sharers in capturing multi-year revenue, growth, and expense projections. This tool ensures offerings are financially viable and positions the organization for long-term sustainability by identifying key revenue streams and cost drivers.



This tool provides criteria to evaluate whether an offering is ready to launch. It includes metrics for mission alignment, projected revenue, quality standards, and operational readiness, ensuring the offering has the "green light" to move forward confidently.

Want to continue the conversation?

[Schedule a free 30 minute coaching call](#)

² This work carries a CC BY-SA 4.0 license.