**YOUR NAME: ………………………………………………………………………………………………………………………………………………….**

**TASK 5B – PRICING THE FINANCIAL MARKET**

1. **How can price be used in marketing to support the sales promotion of financial products? Name at least 4 examples. Fill in the table according to your opinion.**

|  |  |
| --- | --- |
| **Example** | *Payment card insurance is free of charge for one year.* |
| **1** |  |
| **2** |  |
| **3** |  |
| **4** |  |

1. **From January 1, 2022, the bank has decided to cancel the mortgage fee of 100 euros p.a. in order to ensure its better competitiveness. Based on this change, the number of mortgage loan customers increased from the original number of 600,000 customers (dated January, 1, 2022) to 1,500,000 customers (dated December, 31, 2022). Find out:**

|  |  |
| --- | --- |
| **What is the price elasticity of demand? Present a calculation using a formula.** |  |
| **What does this price elasticity of demand mean in practice?** |  |
| **Was cancelation of the mortgage fee a good marketing decision?** |  |