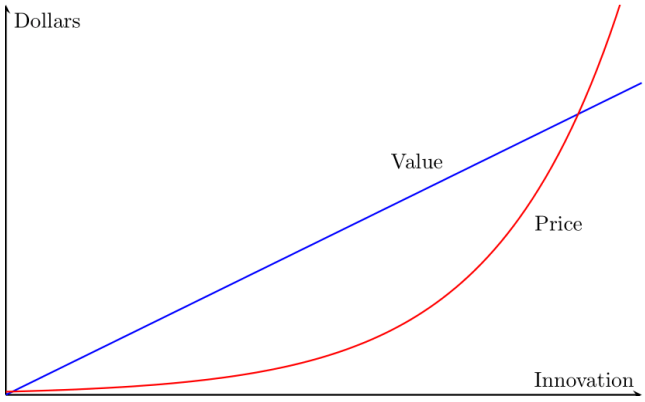
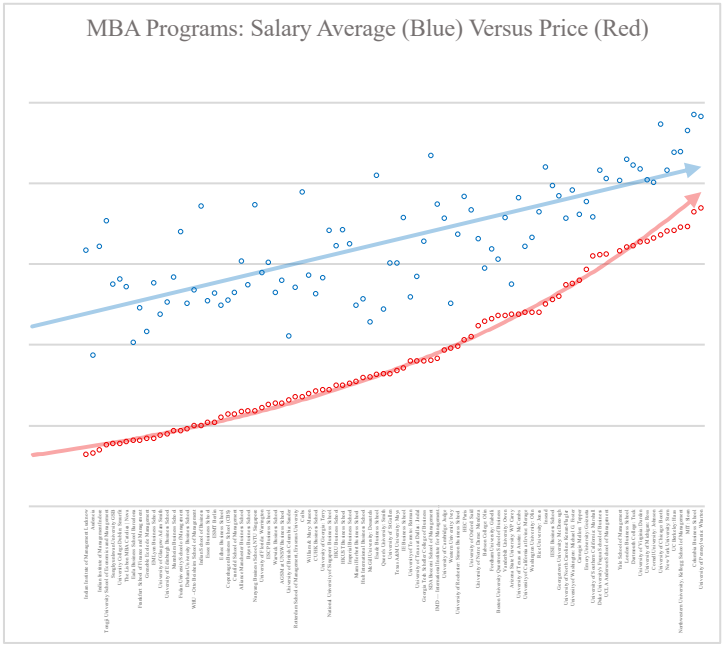
The Changing Price-Value Disparity

Michael Quintin, (9/9/25)



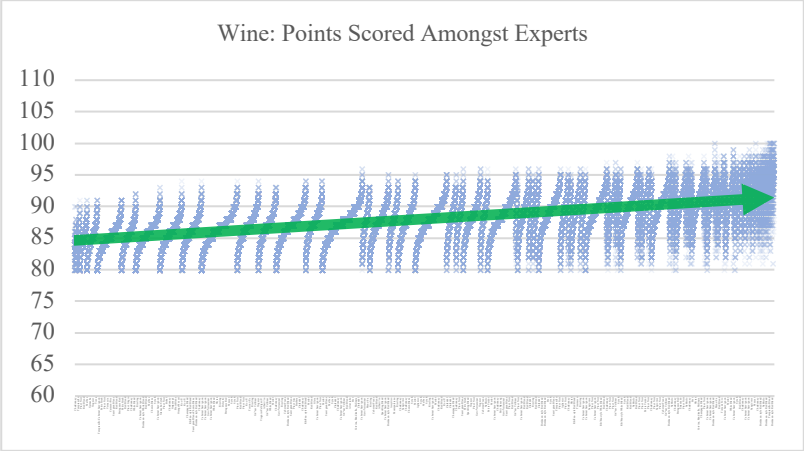
Business has served as the primary vehicle by which economic growth manifests as substantive value provided to customers. Businesses trade value, in the form of goods or services, for a given quantity of money: a price. However, value and price do not always match, and do not change at the same rate; indeed, as numerous case studies show, the more a business linearly increases its provided value, the more it is able to exponentially increase its charged price. This paper will attempt to prove and explain the reason behind this relationship.

It's easy to analyze price changes, since price is measured quantitatively. However, the value of a given product, in most cases, is quite hard to quantify. The few cases where value can be quantified lie mainly where the product is designed to benefit the consumer's *performance* in some way, like a training program or business consultation. Essentially, the product functions like an investment, and measuring its value is as simple as measuring its ROI. Looking at products like these, we discover a changing price-value disparity.

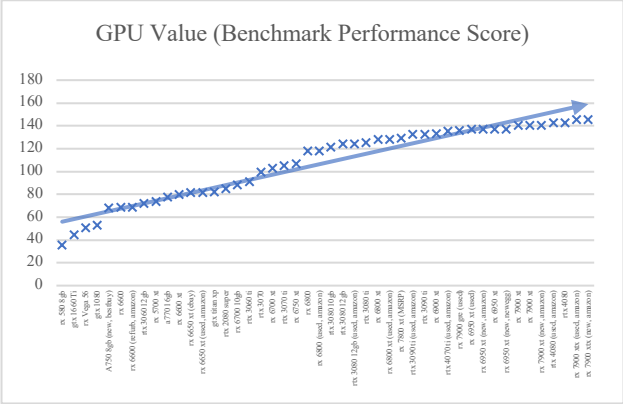


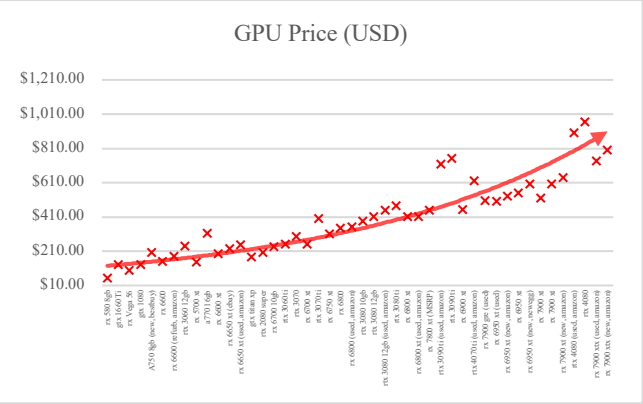
MBA programs are a classic self-investment product, as they are focused on giving students value in the form of (eventual) jobs or career prospects otherwise. As visible in figure 1, as the ROI of these programs increases approximately linearly, the price of these programs increases approximately exponentially.

However, not only do investment-based products follow the changing price-value disparity, but typical consumer products, when their individual value is each quantified, also do too. While such quantification is more challenging than investment-based products, there are certain ways to quantify the value of more general goods. Wine, for example, is a good that increases in value in a roughly linear manner, while increasing in price exponentially. Looking at a graph of over 220,000 wines, we see that for there is roughly linear increase in value (measured by the point score experts gave each wine. However, looking at a graph of those same wines' prices, we see an obviously exponential trend. It's almost ridiculous how exponential prices are compared to value, and seeing this trend does not require a guiding trendline at all. Wines are another rough proof of the concept that as value increases linearly, price is able to increase exponentially.



While wine may only be roughly quantifiable with expert opinion, technology products provide an opportunity for extremely precise value denomination. The value of a GPU, for example, can easily be measured by looking at its performance under standardized benchmarks. The linearity of value increase compared to the exponentiality of price increase is also visible in this case — in fact, value seems to almost decrease exponentially, levelling off near the end and increasing significantly at the start.





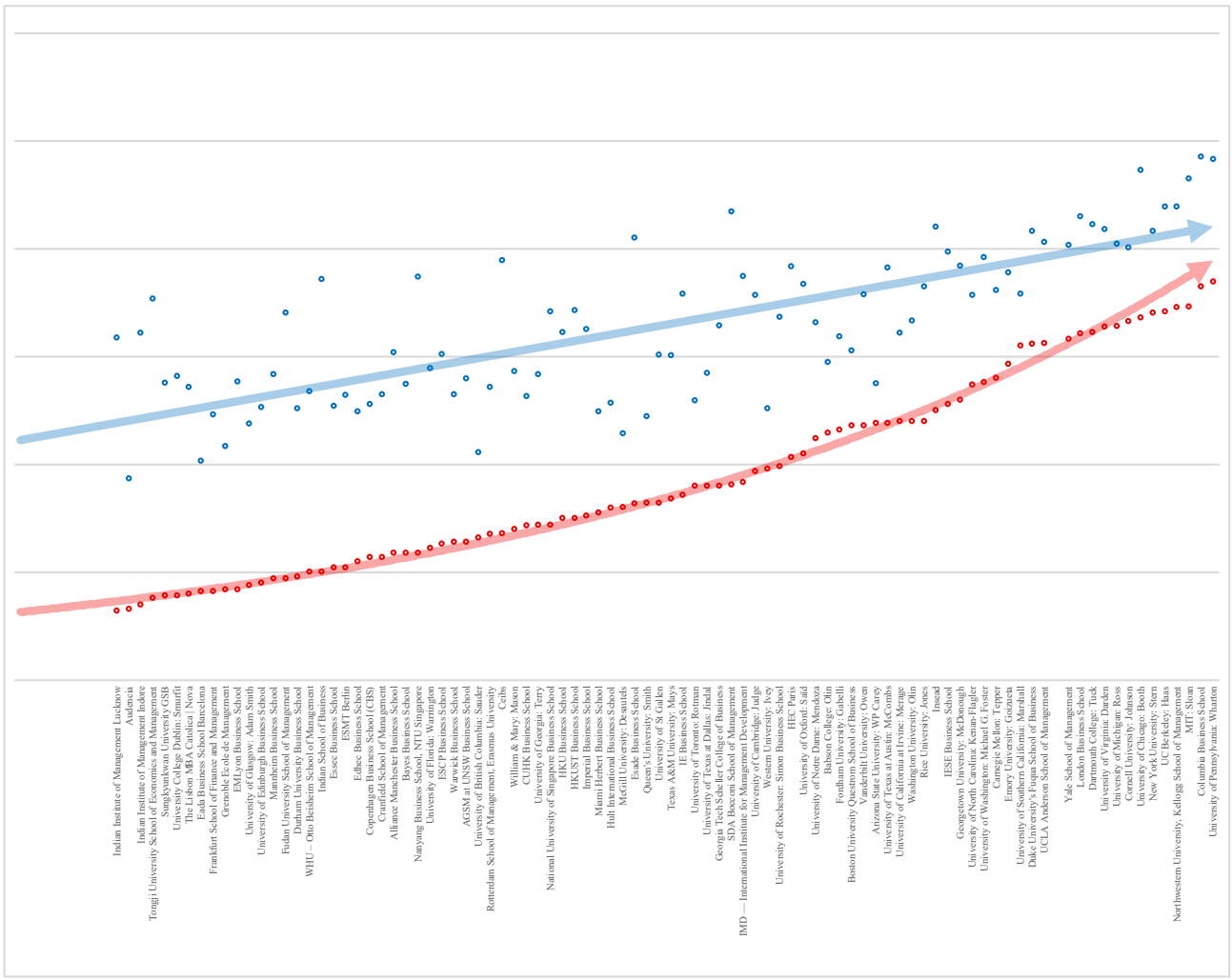
To understand why the changing price-value disparity may exist, we must reflect on the mechanisms of value in the first place. If a business provides greater value than its competitors, it has taken extra effort to develop a product that serves its customers more satisfyingly and/or efficiently.

First, this effort is inherently differentiating, slimming down the pool of competitors by eliminating those who simply won't put in the work. If a firm outperforms its competition enough, it can effectively function like a monopoly — temporarily, of course, since its competition will catch up — able to take advantage of the unique value proposition it poses to charge a much higher price. The more a company maximizes the value it provides to customers, the more it niches itself away from its competition, and the more it is thus able to raise its prices. Secondly, an increased value proposition not only creates monopoly in the competition space alone, but in the branding space as well: customers buying highly valuable products, especially ones that are uniquely valuable, are likely to grow attached to the product from the perceived generosity of the initial unique extra value they receive, and are thus more loyal to the product even as competition catches up.

Overall, the changing price-value disparity is a shining piece of motivation for businesses to find new ways to serve their customers better. By providing more value than the competition, businesses are able to niche themselves into value proposition monopolies, and create brand loyalty for their customers through the good will of their unique (and seemingly generous) value proposition. These two factors allow businesses to charge exponentially higher prices, with an exponential rate of price increase versus a linear rate of value increase.

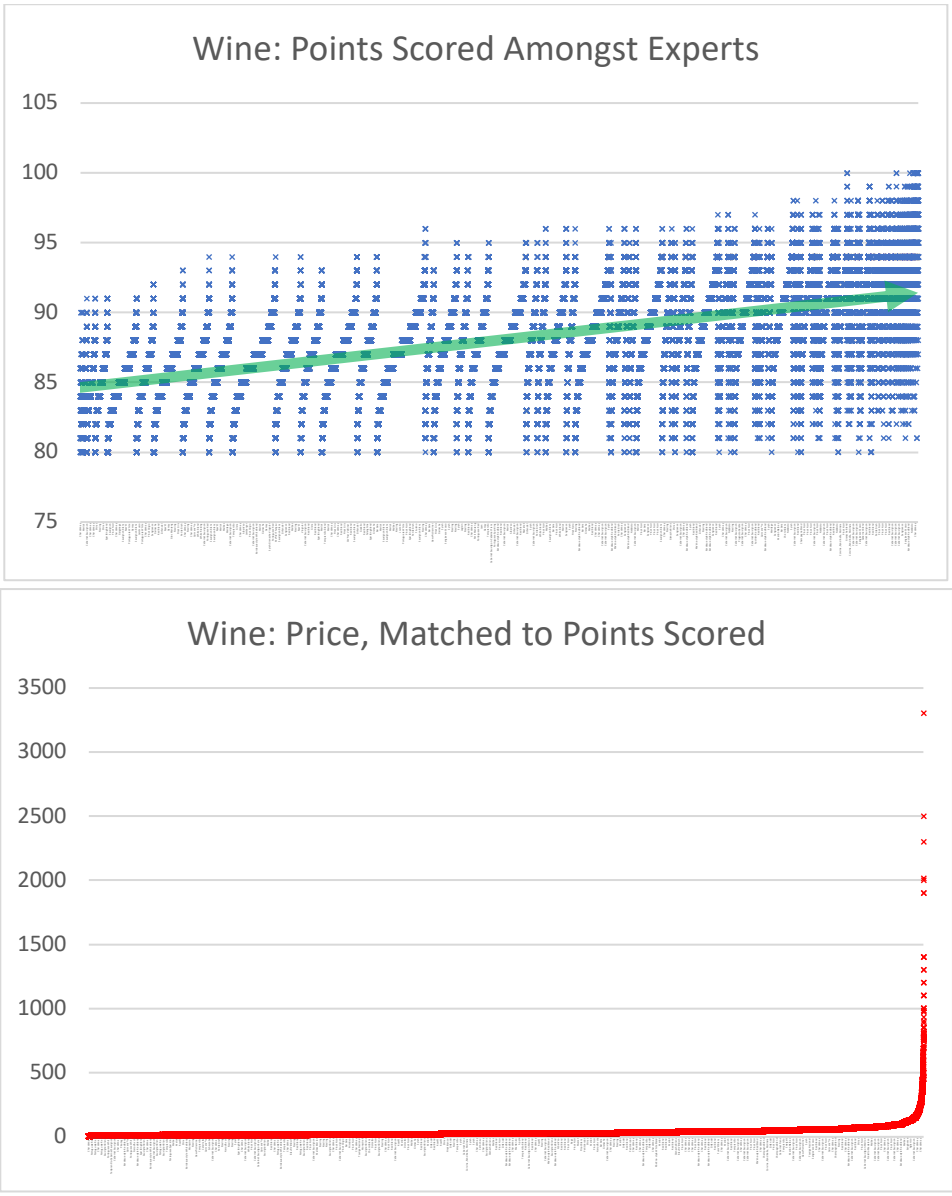
Figures used:

Figure 1 – MBA programs, salary expectation (blue) versus price (red)



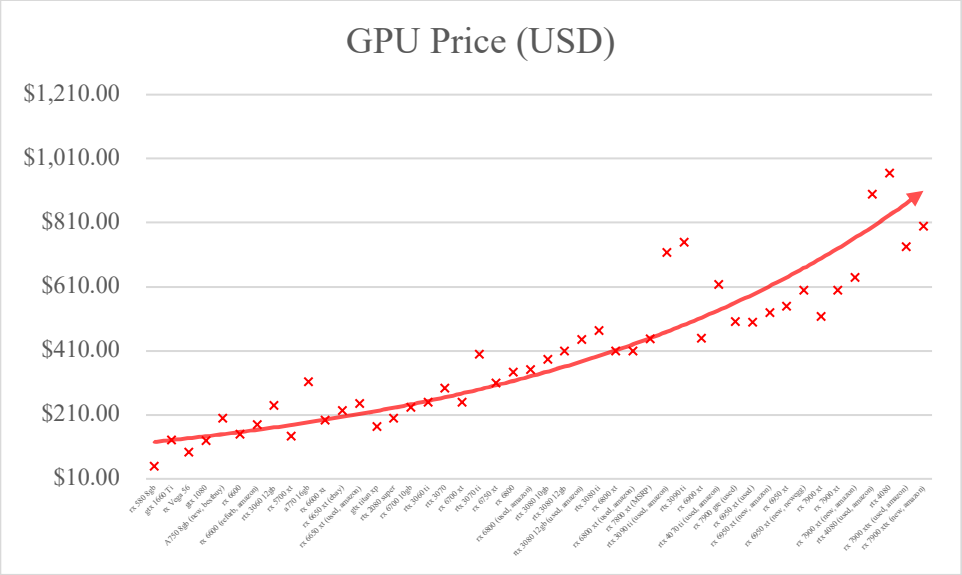
Expected Salary	Tuition Total	MBA Program Name
158607	32000	Indian Institute of Management Lucknow
93479	33000	Audencia
161012	35000	Indian Institute of Management Indore
176726	38000	Tongji University School of Economics and Management
137615	39000	Sungkyunkwan University GSB
140828	39000	University College Dublin: Smurfit
135825	40000	The Lisbon MBA Catolica | Nova
101700	41000	Eada Business School Barcelona
122999	41000	Frankfurt School of Finance and Management
108422	42000	Grenoble Ecole de Management
138442	42000	EMLyon Business School
118767	44000	University of Glasgow: Adam Smith
126586	45000	University of Edinburgh Business School
141825	47000	Mannheim Business School
170236	47000	Fudan University School of Management
125769	48000	Durham University Business School
133859	50000	WHU – Otto Beisheim School of Management
185885	50000	Indian School of Business
127104	52000	Essec Business School
132103	52163	ESMT Berlin
124597	55000	Edhec Business School
127842	57000	Copenhagen Business School (CBS)
132305	57000	Cranfield School of Management
151826	58852	Alliance Manchester Business School
137128	59000	Bayes Business School
186832	59000	Nanyang Business School, NTU Singapore
144517	61260	University of Florida: Warrington
151045	63000	ESCP Business School
132522	64000	Warwick Business School
139766	64000	AGSM at UNSW Business School
105593	66000	University of British Columbia: Sauder
135746	67750	Rotterdam School of Management, Erasmus University
194589	68000	Ceibs
143123	69800	William & Mary: Mason
131605	71500	CUHK Business School
141733	72000	University of Georgia: Terry
170898	72000	National University of Singapore Business School
161328	75000	HKU Business School
171384	75000	HKUST Business School
162604	76158	Imperial Business School
124458	77500	Miami Herbert Business School
128359	79800	Hult International Business School
114305	80000	McGill University: Desautels
205044	81896	Esade Business School
122154	82000	Queen's University: Smith
150732	82000	University of St Gallen
150489	84000	Texas A&M University: Mays
178898	85800	IE Business School
129690	90000	University of Toronto: Rotman
142408	90000	University of Texas at Dallas: Jindal
164271	90000	Georgia Tech Scheller College of Business
217241	90500	SDA Bocconi School of Management
187277	91788	IMD — International Institute for Management Development
178575	96890	University of Cambridge: Judge
125788	98000	Western University: Ivey
168298	99000	University of Rochester: Simon Business School
191828	103283	HEC Paris
183520	104900	University of Oxford: Saïd
165725	112000	University of Notre Dame: Mendoza
147292	114572	Babson College: Olin
159200	116000	Fordham University: Gabelli
152868	118000	Boston University Questrom School of Business
178835	118000	Vanderbilt University: Owen
137606	119000	Arizona State University: WP Carey
191104	119000	University of Texas at Austin: McCombs
160861	120000	University of California at Irvine: Merage
166584	120000	Washington University: Olin
182324	120000	Rice University: Jones
209992	125129	Insead
198584	127920	IESE Business School
192142	129888	Georgetown University: McDonough
178319	137000	University of North Carolina: Kenan-Flagler
195893	138000	University of Washington: Michael G. Foster
180857	140000	Carnegie Mellon: Tepper
188815	146500	Emory University: Goizueta
179095	155000	University of Southern California: Marshall
208261	155850	Duke University's Fuqua School of Business
203117	156000	UCLA Anderson School of Management
201752	158000	Yale School of Management
214823	160638	London Business School
211135	161240	Dartmouth College: Tuck
208964	163880	University of Virginia: Darden
202264	164000	University of Michigan: Ross
200517	166200	Cornell University: Johnson
236474	168000	University of Chicago: Booth
208236	170380	New York University: Stern
219388	170800	UC Berkeley: Haas
219487	172740	Northwestern University, Kellogg School of Management
232565	173060	MIT: Sloan
242747	182344	Columbia Business School
241522	184560	University of Pennsylvania: Wharton

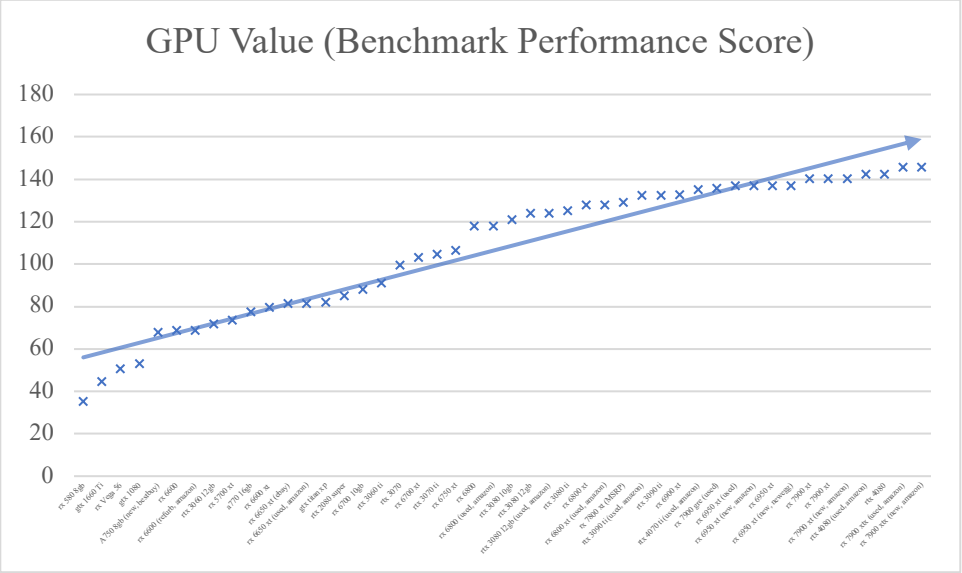
Figure 2 – wine, scored by experts (blue), versus price (red)



Data table not provided: 220,000 wines are listed.

Figure 3 – GPUs, price versus benchmark performance scores





GPU	Price (USD)	Score
rx 580 8gb	$ 50.00	35.3
gtx 1660 Ti	$ 132.00	44.6
rx Vega 56	$ 95.00	50.6
gtx 1080	$ 130.00	53.1
A750 8gb (new, bestbuy)	$ 200.00	68
rx 6600	$ 150.00	68.8
rx 6600 (refurb, amazon)	$ 180.00	68.8
rtx 3060 12gb	$ 240.00	71.8
rx 5700 xt	$ 145.00	73.7
a770 16gb	$ 315.00	77.6
rx 6600 xt	$ 195.00	79.6
rx 6650 xt (ebay)	$ 225.00	81.4
rx 6650 xt (used, amazon)	$ 246.00	81.4
gtx titan xp	$ 175.00	82
rtx 2080 super	$ 200.00	85
rx 6700 10gb	$ 235.00	88.3
rtx 3060 ti	$ 250.00	91.2
rtx 3070	$ 295.00	99.6
rx 6700 xt	$ 250.00	103.1
rtx 3070 ti	$ 400.00	104.8
rx 6750 xt	$ 310.00	106.5
rx 6800	$ 345.00	118
rx 6800 (used, amazon)	$ 352.00	118

rtx 3080 10gb	$ 385.00	121.1
rtx 3080 12gb	$ 410.00	124
rtx 3080 12gb (used, amazon)	$ 446.00	124
rtx 3080 ti	$ 475.00	125.3
rx 6800 xt	$ 410.00	128.1
rx 6800 xt (used, amazon)	$ 410.00	128.1
rx 7800 xt (MSRP)	$ 449.00	129.3
rtx 3090 ti (used, amazon)	$ 718.00	132.6
rtx 3090 ti	$ 750.00	132.6
rx 6900 xt	$ 450.00	132.9
rtx 4070 ti (used, amazon)	$ 618.00	135.2
rx 7900 gre (used)	$ 502.00	135.8
rx 6950 xt (used)	$ 500.00	137
rx 6950 xt (new, amazon)	$ 530.00	137
rx 6950 xt	$ 550.00	137
rx 6950 xt (new, newegg)	$ 600.00	137
rx 7900 xt	$ 519.00	140.3
rx 7900 xt	$ 600.00	140.3
rx 7900 xt (new, amazon)	$ 640.00	140.3
rtx 4080 (used, amazon)	$ 899.00	142.5
rtx 4080	$ 965.00	142.5
rx 7900 xtx (used, amazon)	$ 736.00	145.7
rx 7900 xtx (new, amazon)	$ 800.00	145.7