Teacher Answer Key

Case Study

1. Concepts include subscription model, loss aversion, and the sunk cost fallacy—Jordan felt pressure to keep paying because they had already committed and didn't want that money to feel "wasted."

2. The promotion was timed for early January, when resolutions are strongest, and offered a "today only" deal with no sign-up fee, encouraging an impulsive 12-month commitment without fully considering long-term usage.

Multiple Choice

1. C

2. D

3. B

Matching

1-B, 2-E, 3-D, 4-C, 5-A

Fill-in-the-Blank

1) subscription, 2) aversion, 3) scarcity

Short Answer (Sample Responses)

Q1: An ad could show before-and-after photos and packed classes (social proof) while saying "Join people like you who decided to become athletes" (identity), making membership feel normal and part of being a better version of yourself.

Q2: Benefit: a structured plan and regular access can support health goals if used consistently. Risk: if motivation drops, the person may keep paying for something they rarely use, tying up money in a low-value subscription.

Q3: You could explain that the money already spent on the trial is a sunk cost and cannot be recovered; the friend should decide based on future benefits vs. future costs, not on past spending that is already gone.