




Discount Impact on Profit Margin

Price		PRESENT GROSS PROFIT					
Cut	5.0%	10.0%	15.0%	20.0%	25.0%	30.0%	
							
1%	25.0%	11.1%	7.1%	5.3%	4.2%	3.4%	
2%	66.6%	25.0%	15.4%	11.1%	8.7%	7.1%	
3%	150.0%	42.8%	25.0%	17.6%	13.6%	11.1%	
4%	400.0%	66.6%	36.4%	25.0%	19.0%	15.4%	
5%	—.—	100.0%	50.0%	33.3%	25.0%	20.0%	
6%	—.—	150.0%	66.7%	42.9%	31.6%	25.0%	
7%	—.—	233.3%	87.5%	53.8%	38.9%	30.4%	
8%	—.—	400.0%	114.3%	66.7%	47.1%	36.4%	
9%	—.—	1000.0%	150.0%	81.8%	56.3%	42.9%	
10%	—.—	—.—	200.0%	100.0%	66.7%	50.0%	
11%	—.—	—.—	275.0%	122.2%	78.6%	57.9%	
12%	—.—	—.—	400.0%	150.0%	92.3%	66.7%	
13%	—.—	—.—	650.0%	185.7%	108.3%	76.5%	
14%	—.—	—.—	1400.0%	233.3%	127.3%	87.5%	
15%	—.—	—.—	—.—	300.0%	150.0%	100.0%	
16%	—.—	—.—	—.—	400.0%	177.8%	114.3%	
17%	—.—	—.—	—.—	566.7%	212.5%	130.8%	
18%	—.—	—.—	—.—	900.0%	257.1%	150.0%	
19%	—.—	—.—	—.—	1900.0%	316.7%	172.7%	
20%	—.—	—.—	—.—	—.—	400.0%	200.0%	
21%	—.—	—.—	—.—	—.—	525.0%	233.3%	
22%	—.—	—.—	—.—	—.—	733.3%	275.0%	
23%	—.—	—.—	—.—	—.—	1115.0%	328.6%	
24%	—.—	—.—	—.—	—.—	2400.0%	400.0%	
25%	—.—	—.—	—.—	—.—	—.—	500.0%	

Additional Sales Needed to Make up for Discount

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