

7.7.1 Product Pricing Methodology

Product Pricing Methodology		sales to break even	predicted sales ratio	predicted sales at price	extra sales			
product cost	£2	29546.59	1.00	29546.59	0.00			
	£3	19697.73	0.73	14325.62	5372.11			
	£5.50	10744.21	0.50	5372.11	5372.11			
	£7	8441.88	0.23	1918.61	6523.27			
	£10	5915.23	0.09	537.75	5377.48			
				£2	£3	£5.50	£7	£9.99
			total sales	29546.59	19697.73	10744.21	8441.88	5915.23
				sales to breakeven				
		revenue	total money	£2	£3	£5.50	£7	£9.99
profit margin	2%	£1,181.86	£60,275.04	30137.52	20091.68	10959.10	8610.72	6033.54
	5%	£2,954.66	£62,047.84	31023.92	20682.61	11281.42	8863.98	6210.99
	10%	£5,909.32	£65,002.49	32501.25	21667.50	11818.64	9286.07	6506.76
	20%	£11,818.64	£70,911.81	35455.91	23637.27	12893.06	10130.26	7098.28
			total sales + profit	£2	£3	£5.50	£7	£9.99
			2%	30137.52	25571.23	16438.65	15264.46	11518.57
			5%	31023.92	26323.32	16922.14	15713.41	11857.35
			10%	32501.25	27576.82	17727.95	16461.67	12421.99
			20%	35455.91	30083.80	19339.59	17958.19	13551.26