

The UGLY TRUTH about DISCOUNTING...

Using the chart below, find the column (along the top) that shows your current % Margin. Then find the row (down the side) that shows the % of Price Discount you're planning.

Where these two rows and columns meet, that figure shows the % amount your Sales volume will have to INCREASE before your current level of gross profit is maintained.

*For example, at a **20%** margin, a **10%** price discount requires an increase of **100%** in sales volume to maintain your current level of gross profit.*

*Yes, you'd need to **DOUBLE** your Sales! (Think carefully about any discounting).*

Margin→ Discount ↓	20%	25%	30%	35%	40%	45%	50%	55%	60%
2%	11%	9%	7%	6%	5%	5%	4%	4%	3%
4%	25%	19%	15%	13%	11%	10%	9%	8%	7%
6%	43%	32%	25%	21%	18%	15%	14%	12%	11%
8%	67%	47%	36%	30%	25%	22%	19%	17%	15%
10%	100%	67%	50%	40%	33%	29%	25%	22%	20%
12%	150%	92%	67%	52%	43%	36%	32%	28%	25%
14%	233%	127%	88%	67%	54%	45%	39%	34%	30%
16%	400%	178%	114%	84%	67%	55%	47%	41%	36%
18%	900%	257%	150%	106%	82%	67%	56%	49%	43%
20%	-	400%	200%	133%	100%	80%	67%	57%	50%
25%	-	-	500%	250%	167%	125%	100%	83%	71%
30%	-	-	-	600%	300%	200%	150%	120%	100%

