

#### CHECKLIST 4

1. In a discussion with retail aisle staff, you have established that a competitor's new line delivers a GP per unit of \$4.50, which she says is a margin of 40%. What will the retail price be?
2. What is the retailer's biggest investment?
3. What is most retailers' biggest constraint?
4. What are some of the consequence of too high a stock turn?
5. What are some of the consequence of too low a GP%?
6. In a discussion with retail aisle staff, you have established that a competitor's new line delivers a GP per unit of \$4.50, which she says is a margin of 40%. What will the retailers cost be?
7. The "Retail Method" of calculating stock turn has what consequence?
8. If stock turn is calculated in dollars, what is the pitfall to avoid?
9. Other than actual number of units on the fixture, what are two other ways of expressing current inventory holdings?
10. What is the formula to calculate GMROI?