

CHECKLIST 3

1. In dollars, mark-up is always more than margin, true or false?
2. Calculate the percentage mark-up for a retailer who buys 500 units of Brand X for \$2240, and sells the total stock for \$2600.
3. To convert a margin % to a unit margin %, divide by the number of units sold. True or false?
4. You are presenting a new product to an independent retailer who wants to test your understanding of retail numbers; he decides to assess your ability with calculations & understanding of the numbers, by asking: "With a Cost of \$6.79, what retail price do I need to make a 36% margin?"
5. In percentage terms margin is always more than mark-up, true or false?
6. Why is stock turn so important to retailers?
7. How can a retailer increase gross margin % on a single product?
8. How can a retailer increase gross margin % across a category or range?
9. Name three areas in which hardware retailers can negotiate financial aspects with suppliers, other than price?
10. GMROI can be calculated as stock turn x margin. True or false?