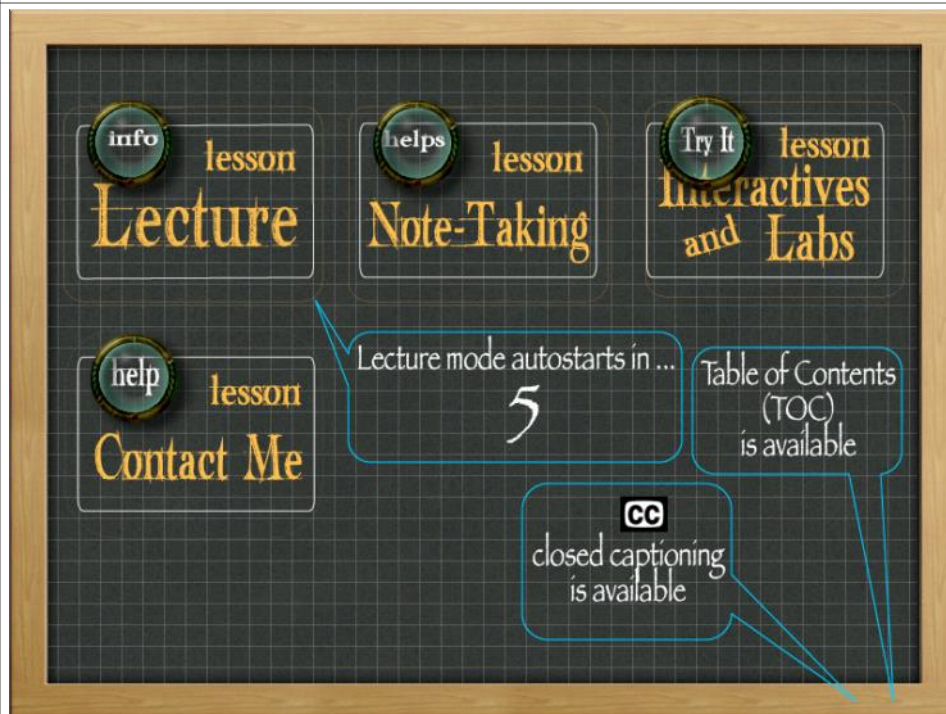


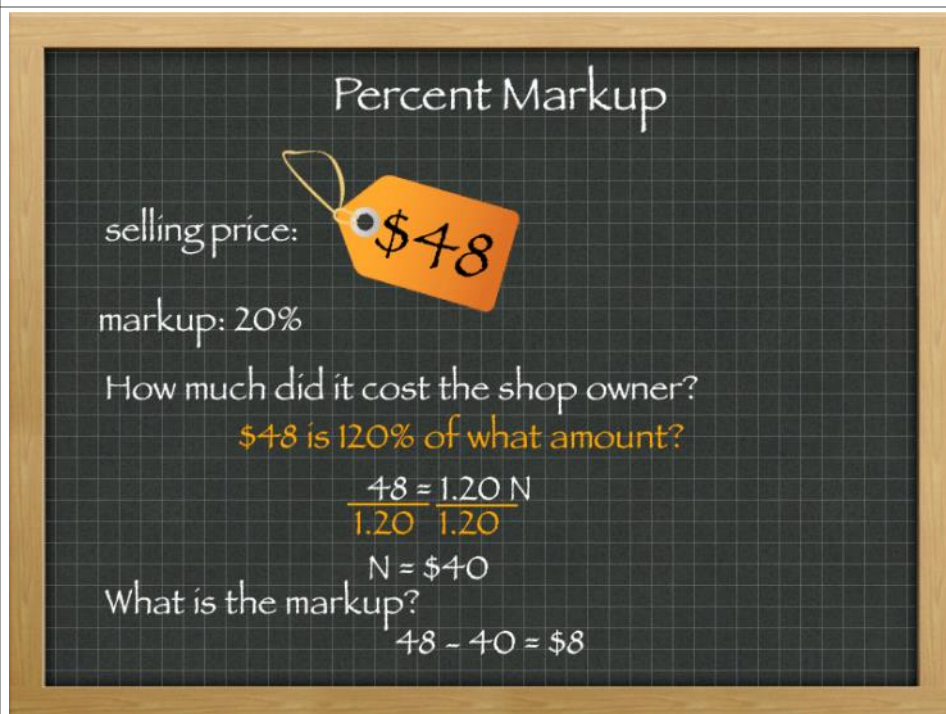
Percent Markups

Thursday, January 19, 2012
5:43 PM

Slides



Notes



When stores stock up to sell you products, they have to start out buying those items themselves. They couldn't sell them to you at the same price they paid or they would go out of business. The amount they increase the price by is called the percent markup.

If you know how much you have to buy the item as a customer and you know that the store increases using a 20% markup you can find out how much they had to pay for the item.


You will take the customer price and set it equal to the markup including the cost of the item. Basically that means you add 100 percent to the markup percent. Here we will have \$48 is equal to 1.20 which is 120 percent written as a decimal number.

We will solve for our unknown. The store owner paid \$40. That \$8 will now cover the costs of his building, utilities, and the pay that he gets and gives to his employees. He hopes that a little profit might end up in there too.

Try It


What was the store's own item cost?

50% Markup

 \$75
customer price


\$ Submit

10% Markup

 \$132
customer price

\$ Submit

25% Markup

 \$4
customer price

\$ Submit

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