

The Impact of Discounting

% Price Discount	% Gross Profit Margin											
	25%	30%	35%	40%	45%	50%	55%	60%	65%	70%	75%	80%
	% Sales Increase required to give an unchanged Contribution											
2.5%	11	9	8	7	6	5	5	4	4	4	3	3
5.0%	25	20	17	14	13	11	10	9	8	8	7	7
7.5%	43	33	27	23	20	18	16	14	13	12	11	10
10.0%	67	50	40	33	29	25	22	20	18	17	15	14
12.5%	100	71	56	45	38	33	29	26	24	22	20	19
15.0%	150	100	75	60	50	43	38	33	30	27	25	23
17.5%	233	140	100	78	64	54	47	41	37	33	30	28
20.0%	400	200	133	100	80	67	57	50	44	40	36	33
22.5%	900	300	180	129	100	82	69	60	53	47	43	39
25.0%		500	250	167	125	100	83	71	63	56	50	45
27.5%		1100	367	220	157	122	100	85	73	65	58	52
30.0%			600	300	200	150	120	100	86	75	67	60
32.5%			1300	433	260	186	144	118	100	87	76	68
35.0%				700	350	233	175	140	117	100	88	78
37.5%				1500	500	300	214	167	136	115	100	88
40.0%					800	400	267	200	160	133	114	100
42.5%					1700	567	340	243	189	155	131	113
45.0%						900	450	300	225	180	150	129
47.5%						1900	633	380	271	211	173	146
50.0%							1000	500	333	250	200	167

Discount_effect.xlsx