Section 1.2: Percentages. Mark-Ups. and Discounts

Part I: Brief Review of Percentages

Examples:

- 1. What is 15% of 40?
- 2. 32% of 674 is what?

Part II: The concept of a Mark-up

As consumers, when we purchase an item from a retailer, the item is marked-up a percentage in order that the retailer can make a profit on the sale.

Examples of Retailers:

The Mark-up Formula:

Part III: The concept of a discount

When items are on sale, retailers mark down (discount and usually a percentage) items off an original retail price exists to hopefully entice consumers to purchase an item.

The Discount Formula:

Section 1.2: Examples of Mark-ups and Discounts

Part I: Mark-Up Examples

1.	Walmart buys a TV from Sony for \$300 and marks the TV up 35%. What was the retail price of the TV at Walmart that a consumer must pay?
2.	What is the retail price of a car that was purchased by a dealership for \$12,000 if the car is marked-up 55% by the dealership?
3.	**What was the wholesale price of a book that retails at the RU bookstore for \$120 and was marked up 30%?
4.	** What is the wholesale price of a car that retails for \$17,000 if it was marked up 15% by the dealership?

Part II: Discount/Sales Price Examples

1.	A jacket retails for \$120 at The Gap. If it is discounted 20%, what is the sales price of the jacket?
2.	A new lawn mower retails for \$320 at Home Depot. If an end-of-summer sale discounts the mower at 45%, what is the sales price of the mower?
3.	**What is the retail price of a necklace if the sales price is \$45 and the discount is 20%?
4.	What is the retail price of a shirt if the sales price is \$30 and the discount is 25%?