

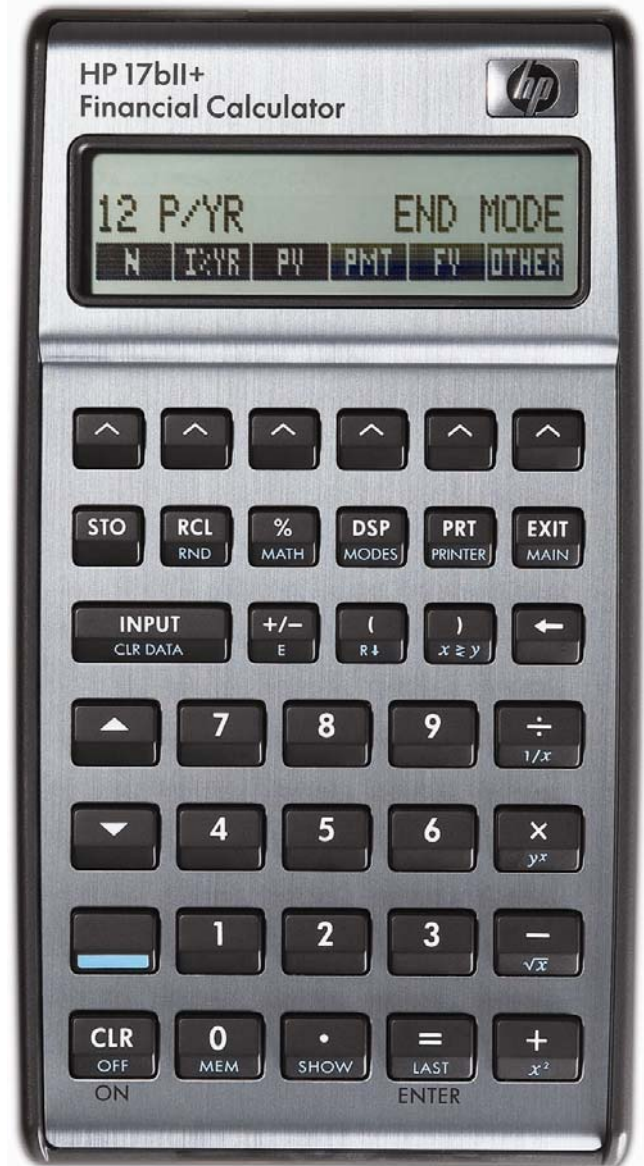


## hp calculators

HP 17bII+ Cost, Price, Margin and Markup Calculations

Cost, Price, Margin and Markup Calculations

Practice solving Cost, Price, Margin and Markup Problems



### Cost, Price, Margin and Markup Calculations

The HP 17bII+ easily handles problems involving the relationships between cost, price, and markup as a percent of cost or price.

Calculations involving a markup as a percent of price are also referred to as margin calculations. If any two of cost, price or markup as a percent of price are entered, the unknown value can be computed. These calculations are done using functions found in the **MARK** sub-menu of the **MODE** menu.

For calculations involving markup as a percent of cost, if any two of cost, price or markup as a percent of cost are entered, the unknown value can be computed. These calculations are done using functions found in the **M&C** sub-menu of the **MODE** menu.



Figure 1

### Practice solving problems involving cost, price, margin and markup

**Example 1:** If the cost of an item is \$50 and it is sold for \$62.50, what is the margin (markup as a percent of price)?

**Solution:**

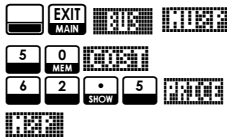


Figure 2

**Answer:** The margin (markup as a percent of price) is 20%.

**Example 2:** If the cost of an item is \$50 and it is sold for \$62.50, what is the markup as a percent of cost?

**Solution:**

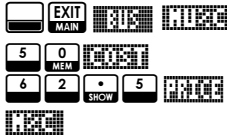


Figure 3

**Answer:** The markup as a percent of cost is 25%. Note that the difference between examples 1 and 2 is the basis or denominator of the calculation.

**Example 3:** If the selling price of an item is \$75 and the markup as a percent of cost is 35%, what is the cost?

**Solution:**

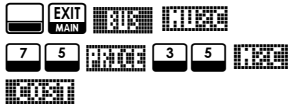




Figure 4

Answer: The cost is \$55.56.

Example 4: If the cost of an item is \$27 and the margin (markup as a percent of price) is 30%, what is the selling price?

Solution:

A sequence of calculator keypad presses: the 'EXIT' button, the 'MAIN' button, the 'COST' button, the 'PRICE' button, the '2' button, the '7' button, the 'M&C' button, the '3' button, the '0' button, the 'MEM' button, and the 'M&C' button.

Figure 5

Answer: The selling price is \$38.57.

Example 5: If the markup as a percent of cost is 45% and the cost is \$30, what is the selling price?

Solution:

A sequence of calculator keypad presses: the 'EXIT' button, the 'MAIN' button, the 'COST' button, the 'PRICE' button, the '4' button, the '5' button, the 'M&C' button, the '3' button, the '0' button, the 'MEM' button, and the 'M&C' button.

Figure 6

Answer: The selling price is \$43.50.

Example 6: If an item's selling price is \$299 and the margin (markup as a percent of price) is 25%, what is the cost?

Solution:

A sequence of calculator keypad presses: the 'EXIT' button, the 'MAIN' button, the 'COST' button, the 'PRICE' button, the '2' button, the '9' button, the '9' button, the 'M&C' button, the '2' button, the '5' button, the 'M&C' button, and the 'COST' button.

Figure 7

Answer: The cost is \$224.25.