Mental Math

Convert the following percentages to decimals

a. 8% .08

b. 25% .25

c. 32% .32

d. 128% 1.28

e. 3.5% .035

f. 100% 1

Discounts are reductions to a basic price of goods and services

They can occur anywhere in the DISTRIBUTION channel, modifying either the manufacturer's list price (determined by the manufacturer and often printed on the package), the retail price (set by the retailer and often attached to the product with a sticker), or the list price (which is quoted to a pote

There are many purposes for discounting,

- increase short-term sales
- to move out-of-date stock,
- to reward valuable customers,
- to encourage distribution channel members to perform a function, or
- to otherwise reward behaviors that benefit the discount issuer.

Some discounts are forms of sales promotion.

% Discounts

Eg 1 Jenn wants to buy a computer for $1995.00 Best buy is offering a 25% discount. What will be the total cost of the computer? (with GST + PST)

Discount = 25% of $1995.00

(Savings) = 0.25 x $1995 % x COST = DISCOUNT

= $ 498.75

Sale Price = $1995 - $ 498.75

= $ 1496.25

FINAL COST + 74.81 + 119.70 =

= $ 1496.25 X 1.13 (gst.05+pst .08)

= $ 1690.76

)

Eg 2

(a) How much does Matt save buying a DVD regularly priced at $23.75 if there is a 30% discount.

(b) What is the sale price?

(c) What does he pay altogether?

(a) Savings = 0.30 x $23.75

= $ 7.13

(b) Sale Price = $23.75 - $7.13

= $ 16.62

.05 .08

(c) Total Price = Sale Price x 1.13 (gst + pst)

= $ 16.62 x 1.13

= $ 18.78