

# PROFESSIONAL COMMUNICATIONS

## COST PER UNIT / BASE PRICE



Company Name: \_\_\_\_\_

Business Partners:

### STEP 1: COST PER UNIT PLAN

- Main Product or Service to be offered by your company: \_\_\_\_\_
- In the chart below, create a Cost per Unit Plan for your company's product or service. It should be similar to the example we did in class.
- Use the chart you create to calculate the total cost to the customer for your product or service.




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## COST PER UNIT / BASE PRICE



$$\text{Total Cost of Product to Customer: } \frac{\text{COST PER UNIT}}{\text{QUANTITY IN PACKAGE}} = \text{TOTAL COST}$$

### STEP 2: BASE PRICE PER UNIT

1. Use the **total cost to customer** and calculate what you should charge as a base price per unit in order to receive the percent of profit you want.
2. Create three plans base on three different profit margins with the lowest margin being 30%.

**PLAN A:** Projected percent profit margin: 30% Profit multiplier: 1.3

$$\bullet \frac{\text{Total Cost per Unit}}{\text{Profit multiplier}} = \text{Base Price per unit}$$

**PLAN B:** Projected percent profit margin:           % Profit multiplier:                   

$$\bullet \frac{\text{Total Cost per Unit}}{\text{Profit multiplier}} = \text{Base Price per unit}$$

**PLAN C:** Projected percent profit margin:           % Profit multiplier:                   

$$\bullet \frac{\text{Total Cost per Unit}}{\text{Profit multiplier}} = \text{Base Price per unit}$$