

# Marketing Review

NAME:

7. A small manufacturer of cell phone accessories invest \$210,000 in materials and labor to make 33,000 phone cases. The cost to make to package, advertise, sell, and ship the cell phone cases amounts \$16,000. What is the cell phone case manufacturer's return on investment if only 25,000 cases sell this year at 24.99? (**Return on Investment**)

$$\begin{aligned} \text{Sales} - \text{Investment} &= \text{Profit} \\ 25000 \times 24.99 &= 624,750 - 210,000 = 226,000 \quad 398,750 \\ \frac{P}{I} &= \frac{398,750}{226,000} = 1.7643 \\ &= 176.4\% \end{aligned}$$

8. Total Sales for the Shoe Industry: \$110,000. Your shoe company sales were \$26,105. Find your Market Share. (**Market Share**)

$$\frac{26,105}{110,000} = .2373 = 23.7\%$$

9. Carla worked 45 hours last week. Anything over 40 is overtime and employees receive double pay. Carla works for \$12.50/hr. What is her Gross Pay? (**Gross Pay + Overtime**)

$$\begin{aligned} 40 \times 12.50 &= 500 \\ 5 \times 25 &= 125 \\ \hline &= 625 \end{aligned}$$

10. The Cost and the MU% on Cost is given for the following items. Find the retail price.

Computer	cost = \$215	markup = 56%	retail price <u>335.40</u>
Lamp	cost = \$25	markup = 250%	retail price <u>87.50</u>

11. A firm expects to sell 80,000 pairs of pants at \$25.50. The cost of manufacturing and marketing them is \$13.75. Calculate the break-even point for the pants. (**Break Even Point**)

Total Cost  
Selling Price  
Per One

$$\frac{1,100,000}{25.50} = 43,137.2$$

12. Jimmy makes \$60,000 a year. He is paid semi-monthly. How much will Jimmy receive on each paycheck?

$$\frac{60,000}{24} = 2500$$

13. Two young entrepreneurs, Marla & Carla, open a cupcake stand in front of their house. It costs them \$0.75 to make one cupcake. They sell the cupcake for \$1.25. What is their return on investment? (**Return on Investment**)

$$\frac{1.25}{.50}$$

$$.50 / .75 = 66.7\%$$