

Pretest – Margins

How much do you know about your store's merchandise profitability? Answer the following questions regarding your store's inventory and current sales activity.

1. What does the term margin refer to in dealing with pricing and your inventory?
2. What is a \$ mark-up?
3. What specific apparel item do you feel creates the greatest margin in your clothing inventory?
4. What specific food item do you feel creates the greatest margin?
5. What category grouping of merchandise (within a department) creates the greatest margin?
6. What activity does any retail store need for the potential for profit (margin) to be converted into actual gross profit?
7. List 5 food items you feel were the best sellers last month.
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8. Of the 5 listed, which one do you feel created the most gross profit for your store last month?
9. List 5 clothing items you feel were the best sellers last month.
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10. Of the 5 listed, which one do you feel created the most gross profit for your store last month?