

When you increase margin, markups grow exponentially

Selling Price	Cost	Profit	Profit / Selling Price	Profit / Cost
			Margin %	Markup %
\$100	\$90	\$10	10%	11%
\$100	\$80	\$20	20%	25%
\$100	\$70	\$30	30%	43%
\$100	\$60	\$40	40%	67%
\$100	\$50	\$50	50%	100%
\$100	\$40	\$60	60%	150%
\$100	\$30	\$70	70%	233%
\$100	\$20	\$80	80%	400%
\$100	\$10	\$90	90%	900%

Note: This table is showing a constant **selling price**, but looking at what happens when **cost** decreases and **profit** increases
 When cost decreases but selling price stays the same Markup increases exponentially

When Margin Increases, Markup Increases Exponentially

(Selling Price Constant = \$100)

