**Diversifying Services – Retailers Product Mix Strategies**

Accountants can assist their retail clients by having an awareness of the various product mixes within the business and the markup rates that apply to those product mixes so there is a better understanding of what the business needs to achieve/earn its targeted profit.

Unfortunately, most retailers cannot rely on their “star” products to achieve 100% of their sales.

The retail analysis needs to consider the various product components, volume and markup percentage of those products, together with the business’ overhead costs and targeted profit, so a Projected Profit and Loss Account can be prepared to be compared to the targeted profit for the business.

In most cases, there will need to be some “adjustment” to the product mixes and the expected markup percentages to illustrate what the result could look like.

ESS BIZTOOLS contains a retail product package which assists in these calculations. Want to know more please visit - <https://www.essbiztools.com.au/index.php?option=com_content&view=article&id=2059&Itemid=1304>