

FREE SMALL-BUSINESS GUIDE

The Pricing Checklist

Know your costs. Price with confidence. Keep more of each sale.

USE THIS CHECKLIST BEFORE LAUNCHING OR REPRICING A PRODUCT

01 Capture every variable cost

- ☐ Product or landed cost per unit (including inbound freight)
- ☐ Packaging and shipping paid by your business
- ☐ Payment processing and marketplace fees (percentage + fixed)
- ☐ Advertising or customer acquisition cost per sale, if applicable

02 Calculate what each sale contributes

- ☐ Contribution per unit = selling price - variable costs per unit
- ☐ Contribution margin = contribution per unit / selling price x 100%
- ☐ Remember: contribution is not net profit; overhead still matters

QUICK EXAMPLE

\$35 selling price - \$23.80 variable costs = \$11.20 contribution

Contribution margin: 32% before fixed overhead and taxes.

MAKE THE NUMBERS WORK

From pricing to profit

Three checks to repeat as your costs and sales change.

03 Find your break-even sales volume

- ☐ List monthly fixed costs: subscriptions, rent, insurance, etc.
- ☐ Break-even units = fixed costs / contribution per unit; round up
- ☐ If contribution is zero or negative, sales cannot cover fixed costs

04 Stress-test your selling price

- ☐ Recalculate for discounts, returns, refunds, and fee changes
- ☐ Account for higher shipping on heavy or oversized orders
- ☐ Compare your actual margin against your target margin

05 Keep inventory from draining cash

- ☐ Check sales velocity and supplier lead time before restocking
- ☐ Reorder point = daily demand x lead time + safety stock
- ☐ Review slow-moving products that tie up cash

YOUR 10-MINUTE MONTHLY REVIEW

Update changed costs | Check top sellers | Review lowest margins

Revisit break-even sales | Look for cash tied up in inventory

PUT THE CHECKLIST INTO ACTION

Try the free calculators: aldervant.com

Optional Excel toolkit: aldervant.com/toolkit