

This spreadsheet helps determine the potential payoff of offering package deals to your sales channel.

Would you make more money by offering a bundle today for a discount...

than you would if you sold the products unbundled over time?

See also the "Bundle Pricing" worksheet to help determine what the bundle offer might look like.

This first section is for you to place your hard numbers.

The spreadsheet will then calculate your values as related to the proposed combinations.

The information in blue contains sample data you should replace with your own data.

On the right you will see information explaining what each of the rows mean to your deal.

Reseller Volume Purchase Incentive Calculator

Products/Services Included	SRP	Street	Cost		
Product 1	\$85	\$69	\$25		
Product 2	\$139	\$89	\$55		
Product 3	\$139	\$89	\$55		
Product 4	\$139	\$89	\$55		
Total	\$502	\$336	\$189		
Difference between SRP and Street Price	SAVE	\$303	off the SRP	Calculates difference between the packaged SRP and the total and the desired street price.	
Difference between Street Price & SRP	SAVE	\$137	off the street price		
Scenario					
Assumptions	Product 1	Product 2	Product 3	Product 4	
Desired Street Price	\$199	\$199	\$199	\$199	Price you want retailers to sell product for
Distributor Margin	7%	8%	8%	8%	Use the numbers you know your distributors use
Retailer Margin	30%	30%	25%	25%	Use the numbers you know your retailers use
Distributor Cost	\$130	\$128	\$137	\$137	Calculates the price to distributors needed to drive desired street price
Scenario					
Future Potential	\$164	\$164	\$164	\$164	Revenue from future sales of additional products in suite
Cost to Acquire Each Sale	\$25	\$25	\$25	\$25	Estimated marketing costs to promote additional products
Future Conversion Probability	30%	30%	30%	30%	Probability of customer buying an additional product
Cost of Money	8.50%	8.50%	8.50%	8.50%	Cost of borrowing (Interest Rate) -- Factors in time-value of money
NPV of Future Revenue	\$38	\$38	\$38	\$38	Present value of future sales you would have received otherwise
Proceeds from Sale of 1 Unit Today	\$25	\$25	\$25	\$25	Plus the revenue from selling just 1 unit today
Total Equivalent Revenue Today	\$63	\$63	\$63	\$63	Total revenue you would potentially make without suite
Scenario					
Revenue from Package Deal Sold Today	\$130	\$128	\$137	\$137	
Net Revenue Difference per Customer	\$66	\$65	\$74	\$74	Present value of offering suite today
Current Run-Rate	5,600	5,600	5,600	5,600	Number of units currently selling
Multiplied by Current Run-Rate	\$371,023	\$363,222	\$414,484	\$414,484	Cumulative revenue by offering package deal today
Business Reclaimed by Package Deal	Product 1	Product 2	Product 3	Product 4	
Existing Monthly Sales	\$400,000	\$400,000	\$400,000	\$400,000	Current total sales of separate products
Lost Sales of Existing Product Due to Package	20%	20%	20%	20%	Reduction in sales of individual products from offering a package deal
% Sales Reclaimed from Competitors	20%	20%	20%	20%	Increase in sales due to offering a package deal
Additional Business	\$0	\$0	\$0	\$0	Net additional business generated because you offered a package deal
Net Value of Offering Package Deal	\$371,023	\$363,222	\$414,484	\$414,484	

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