

# RETAILMATH

*formulas*



## SALES

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**Sales** = Traffic x Conversion x ATV

**ATV** = Sales ÷ No. of Transactions

**IPC** = Total Quantity Sold ÷ No. of Transactions

**Conversion** = No. of Transactions ÷ Traffic x 100

**SPSF** = Sales ÷ Area in Square Feet

**LFL Growth (%)** = (TY - LY) ÷ LY x 100

## INVENTORY

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**Open to Buy:** Opening Stocks + Purchases - Sales = Closing Stocks

**GMROI** = Gross Profit (\$) ÷ Average Inventory Cost (\$)

**Sell Thru (%)** = No. of Units Sold ÷ No. of Units Received x 100

**Aging (%)** = Aging Inventory at Cost ÷ Total Stock at Cost x 100

**Inventory Turnover** = COGS ÷ Average Inventory at Cost

**DSI** = (Average Inventory at Cost ÷ COGS) x 365

**Shrinkage** = (Value of Lost Stock ÷ Sales) x 100

**Forward Stock Cover** = SOH ÷ Average Forward COGS

## FINANCIALS

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**Gross Margin (%)** = (Sales - Cost) ÷ Sales x 100

**Markdown (%)** = (Original Price - Sale Price) ÷ Original Price x 100

**Markup (%)** = (Sale Price - Cost Price) ÷ Cost Price x 100

**EBITDA** = Net Profit + Interest + Taxes + Depreciation + Amortization

**Net Profit Margin (%)** = (Net Income ÷ Revenue) x 100