

# What does one cookie box cost?

One selling unit = a box of six cookies. This example makes 24 sellable cookies, or four boxes. Replace these assumptions with your own costs.

|                              |                             |
|------------------------------|-----------------------------|
| Ingredients for the batch    | \$4.3464461                 |
| Ingredient allowance         | 5% of ingredient cost       |
| Entered labor                | 0.75 hours x \$20 = \$15.00 |
| Overhead per batch           | \$2.00                      |
| Packaging per six-cookie box | \$1.20                      |

## 1 / Allocate the cost to the selling unit

$(\$4.3464461 \times 1.05 + \$15 + \$2) / 4 \text{ boxes} + \$1.20 \text{ packaging}$   
 Cost per box before selling fees = \$6.5909421, displayed as \$6.59.

## 2 / Compare the price you intend to charge

Model fees at 3% of price + \$0.30. This example assumes one box per transaction. At a \$9 price:  $\$9 - \$6.5909421 - (\$9 \times 3\% + \$0.30) = \$1.84$  planned profit per box, or 20.4% margin. Profit is after entered labor and before personal tax.

## 3 / Work backward from a target margin

For a 30% target margin:

Price =  $(\text{cost} + \text{fixed fee}) / (1 - \text{percentage fee} - \text{target margin})$

$(\$6.5909421 + \$0.30) / (1 - 0.03 - 0.30) = \$10.2849882$ .

Rounded upward to the next \$0.25: \$10.50 per box, with \$3.29 planned profit and 31.4% margin.

## Try it with your own bake

How many sellable boxes does your recipe make? What is your labor time? What fees apply to each transaction? Allocate shared charges appropriately. Keep batch, item and selling-unit quantities separate. Round the final price; keep full precision in calculations.

See the complete example: 77-second captioned demonstration. The optional \$15 Bakery Pricing Spreadsheet supports manual cost and price planning in desktop Google Sheets. These figures illustrate arithmetic, not a recommended market price or a guaranteed result.