A Spreadsheet Approach

KENT STATE UNIVERSITY

A spreadsheet approach

Q	P= 50 – (½)Q	R =PQ	MR	C = 5Q	MC	π
1						
2						
3						

KENT STATE UNIVERSITY   A Spreadsheet Approach

A spreadsheet approach

Q	P= 50 – (½)Q	R =PQ	MR	C = 5Q	MC	π
1	$49.50	$49.50	$49.50	$5	$5	$44.50
2						
3						

KENT STATE UNIVERSITY   A Spreadsheet Approach

A spreadsheet approach

Q	P= 50 – (½)Q	R =PQ	MR	C = 5Q	MC	π
1	$49.50	$49.50	$49.50	$5	$5	$44.50
2	$49.00	$98.0	$48.50			
3						

KENT STATE UNIVERSITY   A Spreadsheet Approach

A spreadsheet approach

Q	P= 50 – (½)Q	R =PQ	MR	C = 5Q	MC	π
1	$49.50	$49.50	$49.50	$5	$5	$44.50
2	$49.00	$98.0	$48.50	$10	$5	$88
3						

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A spreadsheet approach

Q	P= 50 – (½)Q	R =PQ	MR	C = 5Q	MC	π
1	$49.50	$49.50	$49.50	$5	$5	$44.50
2	$49.00	$98.0	$48.50	$10	$5	$88
3	$48.5	$145.5	$47.50	$15	$5	$130.5

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A spreadsheet approach

Q	P= 50 – (½)Q	R =PQ	MR	C = 5Q	MC	π
1	$49.50	$49.50	$49.50	$5	$5	$44.50
2	*$49.00*	*$98.0*	*$48.50*	$10	$5	$88
3	*$48.5*	*$145.5*	*$47.50*	*$15*	*$5*	*$130.5*
10	*45*	*$450.0*	*$40.50*	*$50*	*5*	*$400*

A spreadsheet approach

Q	P	R	MR	C	MC	π
1	$49.50	$49.50	$49.50	$5	$5	$44.50
2	*$49.00*	*$98.0*	*$48.50*	$10	$5	$88
3	*$48.5*	*$145.5*	*$47.50*	*$15*	*$5*	*$130.5*
44	*$28.00*	*$1232*	*$6.5*	*$220*	*$5*	*$1012*
45	*$27.50*	*$1237.5*	*$5.5*	*$225*	*$5*	*$1012.5*
46	*$27.00*	*$1242*	*$4.5*	*$230*	*$5*	*$1012*

A spreadsheet approach

Q	P	R	MR	C	MC	π
1	$49.50	$49.50	$49.50	$5	$5	$44.50
2	*$49.00*	*$98.0*	*$48.50*	$10	$5	$88
3	*$48.5*	*$145.5*	*$47.50*	*$15*	*$5*	*$130.5*
44	*$28.00*	*$1232*	*$6.5*	*$220*	*$5*	*$1012*
45	*$27.50*	*$1237.5*	*$5.5*	*$225*	*$5*	*$1012.5*
46	*$27.00*	*$1242*	*$4.5*	*$230*	*$5*	*$1012*

Which Should I Use?

- Some students are tempted to learn only one of the two techniques.

Which Should I Use?

- Some students are tempted to learn only one of the two techniques.
- That would not be wise.

Problem I

- Suppose

$$Q = 50 – P$$
$$TC = 5Q$$

Problem I

- Suppose

$Q = 50 – P$
$TC = 5Q$

Q	?
P	?
Revenue	?
Cost	?
Profit	?

Problem I

- Suppose

$Q = 50 – P$
$TC = 5Q$

Q	*22.5*
P	*27.5*
Revenue	*618.75*
Cost	*112.5*
Profit	*506.25*

Problem II

Problem II

Quantity	Price	Cost
0		6
1	15	11
2	13	16
3	11	21
4	8	26
5	7	31
6	**6**	**36**
7	**5**	**41**

Problem II

Q	?
P	?
Revenue	?
Cost	?
Profit	?

Problem II

Q	*3*
P	*11*
Revenue	*33*
Cost	*21*
Profit	*12*

End

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