

Determination of the profit margin in foreign trade and the price fixing of a textile company

Responsible researcher: Eng. José Raul

Engineering Department - Industrial Engineering Section

The price is a very important variable in marketing. Thus, this work research shows the calculation to determine the profit margin in order to set prices for textile articles that are competitive abroad.

For this, a method of reverse, adapted to the advantages of the ATPDEA and the Free Trade Agreements, is used looking for the fixed price reaches a certain return on investment or sales.

The intention of the proposal is to maximize profits in long term and the total production. In that regard, prices are differentiated for local and foreign markets following two methods: the cost plus-pricing and the marginal cost.