Pricing and freight calculator

Fill the inputs, follow the formula, get landed net and a defensible price.

Inputs

Item	Value	Notes
Unit goods cost		At your actual order quantity, not the sample price
Inbound freight per unit		Total freight ÷ units in the shipment
Packaging per unit		Box, filler, label, insert
Target selling price		Start at the category median
Marketplace commission %		Category-specific; check, do not assume
Ad spend per order		Total ad spend ÷ orders, not per click
Return rate %		Real figure from the category, or your own after 30 orders
Return cost per return		Refund + return shipping + unsellable loss
Days to sell		Inventory days, honest number
Cost of capital % / yr		What the money costs you, even if it is your own

Formula

Line	Calculation
Landed cost	goods + inbound freight + packaging
Commission	price × commission %
Returns	return rate % × return cost per return
Capital cost	landed × cost of capital % × (days ÷ 365)
Net	**price − landed − commission − ad spend − returns − capital**
Net margin %	net ÷ price

Worked example

Line	Value
Goods + freight + packaging	4.20
Price (at median)	15.90
Commission 15%	2.39
Ad spend per order	2.10
Returns 6% × 9.00 cost	0.54
Capital 8%/yr × 60 days	0.06
Net	**6.61** (41.6%)

The same SKU at 9.90 — the 25th percentile — would net 1.05, or 10.6%. Both are "profitable". Only one survives a bad month.

Three break-even questions

1. What is the **lowest** price at which net is still positive? That is your floor, never a target.
2. How many orders per month to cover fixed costs at the median price?
3. If the return rate doubles, does net stay positive? If not, the price is too low.

> **Check the real fee after the first ten orders.** Most sellers discover a category fee they did not model. Re-run this sheet with the actual deduction rather than the published rate.