

PROBLEMS INVOLVING PERCENT INCREASE AND DECREASE

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([more mathematical cats](#)).

Here, you will practice solving problems involving percent increase and decrease.

You may use a calculator for these exercises.

EXAMPLES:

Question:

Suppose an item costs \$50.

If the price increases by 19%, and then decreases by 30%, the new price is:

Solution:

$$(0.7)(1.19)(\$50) = \$41.65$$

Why?

To increase *any* amount by 19%, just multiply by 1.19:

$$x + 0.19x = 1x + 0.19x = 1.19x$$

Notice that when you *increase*, you multiply by a number greater than 1.

If you decrease *any* amount by 30%, then 70% remains:

$$x - 0.3x = 1x - 0.3x = 0.7x$$

Thus, to decrease *any* amount by 30%, just multiply by 0.7.

Notice that when you *decrease*, you multiply by a number less than 1.

Combining these ideas:

\$50	(original amount)
$(1.19)(\$50)$	(new amount, after the 19% increase)
$(0.7) \cdot (1.19)(\$50)$	(new amount, after the 30% decrease)
$(0.7)(1.19)(\$50) = \41.65	(round dollar amounts (as needed) to two decimal places)

What if we switch the order of applying the increase/decrease?

\$50	(original amount)
$(0.7)(\$50)$	(new amount, after the 30% decrease)
$(1.19) \cdot (0.7)(\$50)$	(new amount, after the 19% increase)
$(1.19)(0.7)(\$50) = \41.65	(round dollar amounts (as needed) to two decimal places)

Same result!

Since $(1.19)(0.7) = (0.7)(1.19)$, you can do the multiplication in whatever order you prefer.

Question:

Suppose an item costs x .

If the price decreases by 38%, and then increases by 85%, the new price is:

Answer:

$$(1 + 0.85)(1 - 0.38)(x) = (1.85)(0.62)x = 1.15x$$

In this exercise, all answers are rounded to two decimal places.

Question:

Suppose an item costs x .

If the price decreases by 50%, and then increases by 50%, the new price is:

Answer:

$$(1.5)(0.5)(x) = 0.75x$$

Question:

Suppose an item costs x .

If the price increases by 50%, and then increases by 50%, the new price is:

Answer:

$$(1.5)(1.5)(x) = 2.25x$$

Question:

Suppose an item costs \$100.

If the price decreases by 50%, and then decreases by 50%, the new price is:

Answer:

$$(0.5)(0.5)(x) = \$25.00$$