

# Sales Maximisation Theory

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## Introduction :

- ✓ → Primary objective is sales maximisation
- ✓ → Producing more, keeping low price & investing in advertisement
- ✓ → Maximisation of sales revenue subject to minimum profit constraint

## Assumptions :

- Single time period.
- Oligopoly
- Sales Max objective
- cost curve U shaped.
- Demand curve downward
- Min Profit constraints are determined

$$P = TR - TC$$

