

Profit Margin Calculator & Industry Benchmark Sheet

From Holdings — AI-native business banking

getholdings.com/tools/profit-and-loss

How to Use This Sheet

- Fill in your numbers in Section 1
- Your margins auto-calculate in Section 2
- Compare against your industry benchmarks in Section 3
- Use Section 4 to identify your biggest improvement levers

Section 1: Your Numbers

Fill in for any period (monthly, quarterly, or annual — just be consistent).

Line Item	Amount
Total Revenue	\$ _____
Cost of Goods Sold (COGS)	
Raw materials / inventory	\$ _____
Direct labor (production/service delivery)	\$ _____
Subcontractor costs	\$ _____
Shipping / freight (to you)	\$ _____
Manufacturing / production costs	\$ _____
Total COGS	\$ _____

Operating Expenses	
Rent / lease	\$ _____
Utilities	\$ _____
Payroll (non-production staff)	\$ _____
Marketing & advertising	\$ _____
Software & subscriptions	\$ _____
Insurance	\$ _____
Office supplies	\$ _____
Professional services (legal, accounting)	\$ _____
Travel & meals	\$ _____
Vehicle expenses	\$ _____
Depreciation	\$ _____
Other operating expenses	\$ _____
Total Operating Expenses	\$ _____
Non-Operating Expenses	
Interest on loans	\$ _____
Income taxes	\$ _____
Other non-operating expenses	\$ _____
Total Non-Operating Expenses	\$ _____

Section 2: Your Profit Margins

Calculate each using the formulas below.

Gross Profit Margin

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Gross Profit = Revenue – COGS

Gross Margin = (Gross Profit ÷ Revenue) × 100

Your Gross Profit: \$ _____

Your Gross Margin: _____%

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Operating Profit Margin

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Operating Profit = Revenue – COGS – Operating Expenses

Operating Margin = (Operating Profit ÷ Revenue) × 100

Your Operating Profit: \$ _____

Your Operating Margin: _____%

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Net Profit Margin

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Net Profit = Revenue – COGS – Operating Expenses – Non-Operating Expenses

Net Margin = (Net Profit ÷ Revenue) × 100

Your Net Profit: \$ _____

Your Net Margin: _____%

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Section 3: Industry Benchmarks (2026)

Find your industry and compare your margins.

Service-Based Industries

Industry	Gross Margin	Operating Margin	Net Margin
Management Consulting	55–75%	20–35%	15–25%
IT Consulting / MSPs	50–65%	15–25%	12–20%
Marketing Agencies	50–65%	12–20%	10–18%
Accounting Firms	60–75%	25–35%	20–30%

Legal Services	55–70%	20–35%	15–25%
Staffing / Recruiting	25–40%	5–10%	3–7%
Cleaning Services	40–55%	15–25%	10–20%
Landscaping	45–55%	10–18%	8–15%
Auto Repair	50–65%	10–18%	8–14%
Freelance / Solo Professional	70–90%	40–60%	35–55%

Construction & Trades

Industry	Gross Margin	Operating Margin	Net Margin
General Contracting	20–35%	5–12%	3–8%
Specialty Trades (Elec/Plumb/HVAC)	30–45%	8–15%	5–10%
Residential Remodeling	30–40%	8–15%	5–10%
Heavy Construction	15–25%	3–8%	2–5%

Retail & E-Commerce

Industry	Gross Margin	Operating Margin	Net Margin
E-Commerce (General)	40–60%	8–15%	5–12%
E-Commerce (Dropship)	15–30%	5–10%	3–8%
Brick-and-Mortar Retail	30–50%	3–8%	2–5%
Specialty / Boutique Retail	45–65%	8–15%	5–10%
Digital Products / Courses	80–95%	40–60%	35–55%

Food & Beverage

Industry	Gross Margin	Operating Margin	Net Margin
Full-Service Restaurants	55–65%	5–12%	3–9%
Fast Casual / QSR	60–70%	8–15%	5–10%
Food Trucks	55–65%	8–15%	6–12%
Bars / Breweries	65–80%	10–20%	7–15%

Catering	35–45%	8–15%	5–10%
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Technology

Industry	Gross Margin	Operating Margin	Net Margin
SaaS	70–85%	15–30%	10–25%
Mobile App Development	55–70%	15–25%	10–20%
Managed IT Services	50–65%	15–25%	10–18%
Cybersecurity	60–75%	15–25%	12–20%

Healthcare & Wellness

Industry	Gross Margin	Operating Margin	Net Margin
Dental Practices	60–75%	15–25%	10–20%
Medical Practices	55–70%	10–20%	8–15%
Fitness / Gyms	40–55%	10–20%	5–12%
Mental Health / Therapy	60–75%	20–35%	15–25%

Real Estate

Industry	Gross Margin	Operating Margin	Net Margin
Property Management	30–45%	10–20%	5–12%
Real Estate Brokerage	15–25%	5–12%	3–8%
Commercial Real Estate	40–60%	15–25%	10–20%

Section 4: Margin Improvement Worksheet

Your Margin vs Benchmark

Margin Type	Your Number	Industry Low	Industry Mid	Industry High	Gap
Gross	___%	___%	___%	___%	___%
Operating	___%	___%	___%	___%	___%

Net	___%	___%	___%	___%	___%
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If Your Gross Margin Is Below Benchmark

Your pricing or COGS needs attention.

Action	Potential Impact	Priority (1-3)
Raise prices 5–10% on new customers		
Renegotiate supplier/vendor rates		
Reduce material waste or rework		
Productize services (packages vs hourly)		
Outsource lower-skill production work		

If Your Operating Margin Is Below Benchmark (But Gross Is Fine)

Your overhead is too high relative to revenue.

Action	Potential Impact	Priority (1-3)
Audit software subscriptions		
Review insurance quotes (3 brokers)		
Evaluate office space needs		
Reduce marketing spend on low-ROI channels		
Switch to no-fee business banking		
Consolidate tools with overlapping features		

If Your Net Margin Is Below Benchmark (But Operating Is Fine)

Your non-operating costs need attention.

Action	Potential Impact	Priority (1-3)
Refinance high-interest debt		
Review tax strategy with CPA		
Optimize estimated tax payments		
Evaluate equipment lease vs buy		

Section 5: Monthly Tracking

Track your margins monthly to spot trends early.

Month	Revenue	COGS	Gross Margin	OpEx	Operating Margin	Net Profit	Net Margin
Jan			%		%		%
Feb			%		%		%
Mar			%		%		%
Apr			%		%		%
May			%		%		%
Jun			%		%		%
Jul			%		%		%
Aug			%		%		%
Sep			%		%		%
Oct			%		%		%
Nov			%		%		%
Dec			%		%		%

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