The Loss Leader Dilemma

The manager of a supermarket is trying to decide which product to use as a loss leader for the upcoming promotion. Five different products are being considered: apples, bread, milk, cereal, and eggs. Each product has a different regular price and potential loss margin. The product with the highest potential loss margin would make the best loss leader. Can you help the manager determine which product would make the best loss leader?

1. The product with the highest regular price is not the one with the highest potential loss margin.
2. Milk, which has a regular price of $3.50, has a potential loss margin of 20%.
3. The product with a potential loss margin of 25% is not apples, which are priced at $2.00.
4. Bread is either priced at $2.50 or has a potential loss margin of 15%.
5. Cereal is either priced at $4.00 or has a potential loss margin of 10%.
6. Eggs, which are not priced at $3.00, have a potential loss margin of 30%.
7. The product with the highest potential loss margin is not bread.

Based on this information, deduce which product would make the best loss leader.

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Based on the given clues, we can deduce the following regular prices and potential loss margins for each product:

1. Apples: Regular price = $2.00, Potential loss margin = 25%
2. Bread: Regular price = $2.50, Potential loss margin = 15%
3. Milk: Regular price = $3.50, Potential loss margin = 20%
4. Cereal: Regular price = $4.00, Potential loss margin = 10%
5. Eggs: Regular price = $3.00, Potential loss margin = 30%

So, the answer key for the puzzle is:
1. Apples: $2.00 (Regular price), 25% (Potential loss margin)
2. Bread: $2.50 (Regular price), 15% (Potential loss margin)
3. Milk: $3.50 (Regular price), 20% (Potential loss margin)
4. Cereal: $4.00 (Regular price), 10% (Potential loss margin)
5. Eggs: $3.00 (Regular price), 30% (Potential loss margin)

Based on these values, **eggs** would make the best loss leader due to having the highest potential loss margin of 30%.