

Snowman Soup

A Lesson on
Economics &
Entrepreneurship

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This lesson is a hands-on activity for 7-12 grade students that allows students to make the decisions necessary to create a business. They must be flexible and make future decision based on the results of their prior choices.



PRICE LIST FOR SUPPLIES

Generic Hot Chocolate	.10
Brand Name Hot Chocolate	.20
Mini Marshmallows – per 5	.01
Ziploc Bags	.03
Candy Cane – each	.03
Label	.03
Scissors	.20
Markers	.10

Product Name:



SNOWMAN SOUP WORKSHEET



Cost per Number of Units	1	4	8	12
Hot Chocolate	.10			\$1.20
Marshmallows	.01		.08	
Bags	.03			
Candy Canes	.03			
Labels	.03			
Scissors	.20			.20
Markers	.10	.10		
Total Cost	.50			
Sale Price Per Unit				

1. How would you price your product if you expect to sell 1? 4? 8? 12?
2. Based on the sale price you set, what will your profit be if you sell 1? 4? 8? 12?
3. Why does the cost of markers and scissors stay the same versus the cost of stickers as you make more packets?

SNOWMAN SOUP CASH FLOW



MONEY OUT: Costs/Expenses

Cost for each product or service

\$ _____

How many products will you produce?

X _____

Total Cost of Supplies

for all Products & Services

\$ _____

MONEY IN: Revenue/Sales

Price for each product or service

\$ _____

How many do you expect to sell?

X _____

Total Expected Money In:

= _____

BOTTOM LINE:

Which is higher, Costs/Expenses or Revenue/Sales?

How many products would you need to sell:

To break even?

To make a profit?

SNOWMAN SOUP

Product Name Ideas

Winter Water

Joy Juice

Mistletoe Milk

Jingle Juice

Daily Doses

Snowman Surprise

Chimpy Chocolate

Liquid Beach

Cocoa-riffic

