Calculating profits from selling lemonade

Student guide

In this activity, you will each set up and run your own business—a lemonade stand. You will make all the business decisions about materials, costs, and how to make the lemonade. You will run the lemonade stand, record your data, and then analyze how much money you made or lost.

**Step 1**   
**Run your lemonade stand and record your data**

Read all the directions in this Student Guide carefully before you begin.

On the Internet, go to the Web site: <http://www.coolmath-games.com/lemonade/>. Read the Introduction and make sure you understand the decisions you will have to make about pricing, quality control, inventory control, purchasing supplies, and weather to run your stand.

Open the Office [Excel data collection sheet](http://download.microsoft.com/download/d/7/8/d78cc600-8ff5-431e-a1a0-11a4238b548d/DataCollectionSheet.xls) your teacher has saved to your classroom computer. You will use this spreadsheet to record the decisions you make about how to run your lemonade stand, the data you collect, and the outcomes of your game. Name the spreadsheet (include your name in the spreadsheet name) and save it.

Before you begin collecting your data, you might want to experiment with how the lemonade stand runs for a few days. This will give you an idea of how the decisions you make affect how much lemonade you sell each day. You can click the **Help** button at any time for advice on how to buy supplies, adjust the lemonade recipe, and so on. When you are ready to stop experimenting and start collecting data, click the **Bankrupt**! button to see your results. Once you have seen the results of your experiment, start the game over and start recording your decisions and data.

In your Office Excel spreadsheet, record:

* All of the decisions you are making (about supplies, quality control, and so on)
* Your results

Run your stand and record your data for 7, 14, or 30 days.

* Make sure that you record all the data for each day.
* Make sure that you record the decisions you made each day as well as the results.

After the final day, click the **Bankrupt!** button to see your final results. Did you make a profit?

Save your Office Excel spreadsheet.

**Step 2**   
**Analyze your profits and losses**

Open a new Microsoft Office Word document. Write the answers to the following questions, and be sure to use mathematical terms in your answers:

* How did you do? Do you think your lemonade stand was successful?
* List several reasons why you made a profit or why you did not make a profit.
* What did you learn from playing the game?
* Look over your data. Do you see any patterns?
* What advice would you give to someone who wants to be successful at playing this game?

Save your Office Word document.