



H CCP Principles of Marketing
PRICING UNIT ASSESSMENT

The School Store has received a special one time waiver and you are going to be selling a baked good at the school store. Your job is to choose a baked item, calculate the cost, and price the good accordingly. The goal is to come up with a price and strategy to make the most profit in the class!

1. Find a recipe. Keep the recipe fairly simple. **Copy and paste a link to your recipe here:**
2. Calculate the cost of materials. Be sure to include labor! Luckily, our rent is free! **Show all calculations below.** *10 points*

Ingredients	Cost	Total Quantity	Quantity Per Unit	Unit Cost
Total Cost of Ingredients				
Labor (CT Min wage \$12/hr) <i>How many treats will you make in an hour? Divide to find a per unit cost.</i>				
Utilities \$100/month Approx \$.63 per hour. <i>How many treats will you make in an hour? Divide to find a per unit cost.</i>				
Total Cost				

3. Decide on a selling price. How did you come to this decision? What pricing strategy are you going to use? Why? *10 points*
4. Based on the selling price above, how many units will you need to sell to recoup your costs/break even? Show all work. *10 points*
5. Congrats! You sold 400 units your first month in the store. Show all work. *10 points*
 - a. What is your gross profit? (subtract cost of goods)
 - b. What is your net profit? (subtract monthly expenses! Wages \$240; Utilities \$100)
6. What adjustment would you make to your pricing in Month 2? Would you run any discount/markdown? Explain. *10 points*