

Business model – Lemonade stand



Overview

- A lemonade stand business idea is a small business venture activity that involves selling lemonade to customers in a local area. It is a popular entrepreneurial activity for children, as it allows them to learn about business, marketing, and finance in a fun and engaging way. Starting a lemonade stand is a great way for participants to develop important skills like communication, problem-solving, and creativity as well.

This activity is also about a social mission because it stimulates participants to donate a portion of the profits to organizations trying to save honeybees.

Lemonade stand activity will activate their background knowledge and allow them to complete the Business Model referring to the concept of social entrepreneurship.



Learning objectives

- Utilize the lemonade stand activity to apply the basic concept of social entrepreneurship by incorporating a social mission into the business model.
- To understand the different parts of a business model including product creation, customer identification, marketing, and financial aspects.
- Learn about the positive impact of business that can have on the community and environment through social initiatives.
- Develop communication and problem-solving skills and stimulate business creativity.





Age

Participants 6 to 11 years old.



Time

60-90 minutes.



Group Size

Up to 20.



Materials

- Picture of a lemonade stand (one per group).
- Business Model Handout (one per group).
- Business Model Handout (for facilitators).
- Pencils.
- Laptop, projector.
- Screen for the projector.
- Flipchart paper.





Preparation

Read through the entire activity.

Print copies of:

- Picture of a Lemonade stand (one per group).
- Business Model Handout (1 copy per group).
- Business Model Handout (for facilitators) 1 copy.
- Prepare for projection or write on flipchart paper questions for the Business model.



Description

1. Engage Participants with Discussion on Experiences:

- Begin by asking the participants about any experiences they might have had in selling things, whether it's selling cookies, toys, fruits, or anything else. Encourage them to share why they did it, what motivated them, and if they had a plan related to making a profit, investing, or addressing a social problem in their community.
- Encourage an open discussion where participants can express their thoughts, feelings, and experiences related to selling goods or services. This sets the stage for understanding the context and relevance of the lemonade stand business activity.



2. Group Formation:

- Form small groups of 3–4 participants.
- Ask the group: Have you ever thought about owning your own business? Explain to the participants that people who start a business are often called entrepreneurs and are responsible for making many choices about their businesses every day. They must decide what to sell, the price to sell it, how many to order, how to market or advertise, and what resources they need to sell their products.

3. Introduction to the Lemonade Stand Image

- Give each group a picture of the lemonade stand (the picture is in the handouts)
- Ask the groups to closely examine the image and discuss it in their small groups.
- Ask them: What do you see in this picture? Is there anything that this image reminds you of? What do you think is going on in this image? Which elements of the business you are recognizing in the picture? - 10 minutes. Ask each group to briefly present their conclusions.

4. Business Model Creation

- Explain to participants that now their task is to envision and develop a business model for their very own lemonade stand, focusing on not only providing a refreshing product but also making a positive impact on their community by saving honeybees through donating a portion of the profits to related organizations.



- Tell the participants that in this phase, they will learn about the resources needed to open a neighborhood lemonade stand and how to create a business plan. Explain that resources include natural resources, human resources, capital resources, and entrepreneurship used to make goods and services.

Distribute the Business Model Handout (one per group) and explain what the business model is. (For every business, we need a plan). Explain each question from the business model and give to participants some examples.

- Use the following questions to guide their thinking and fill out the Business Model Handout. Project or display the questions for guidance; without answers (flipchart paper or on a shared screen).

1. What product is being sold? (product/service)

- Answer: Lemonade.

2. What makes this unique and different? (competitive advantage)

- Answer: It's fresh-squeezed juice with fair-trade honey.

3. Why would they buy this and not something else? (competitive advantage)

- Answer: It's made from natural ingredients.

4. Where do people buy it? (distribution channel)

- Answer: A stand or temporary place where people pass by, on the street, or in the park.

5. What is needed to offer it? (resources)

- Answer: Lemons, cups, jug, ice, honey, sign (and other things possibly too!)

6. How much does it cost to make or offer? (expenses)

- Answer: Resources, staff salary (employee).

7. How do customers pay for it? How do you bring in money? (revenue model)

- Answer: Direct Sales of lemonade, honey and food to customers.



What will you do with the money left over after you pay expenses? (profit) - social concepts of business - Answer: to donate a portion of the profits to organizations to save honeybees, etc.

5. Presentation and Sharing:

- Ask each group to present and share their business plan. Allocate 2–4 minutes for each question for groups to discuss and share their thoughts with the whole group.
- Ask a different person from each small group to share their group's answers after discussing each question.
- By initiating the activity with a discussion about their personal experiences and feelings related to business and selling, participants will feel more connected and engaged with the subsequent activities, enhancing their learning, and understanding of entrepreneurship, social entrepreneurship and business planning.



Tips for facilitators

- Be aware that this activity is intended for children from 6 to 11 years old. When explaining technical terms, keep that in mind, and try to explain in simple words and constantly check with them if they understand and if can they give specific examples of their own.
- The participants may have questions and express confusion about some of the vocabulary and concepts. This is normal and expected.



- When they are working in small groups, you need to observe each group and try to support those groups by providing additional information and or providing answers to potential their questions.



Debriefing and Reflection

- What did you learn about running a business from this activity?
- Can you share one thing that surprised you about how a lemonade stand operates?
- Did you encounter any challenges while planning your lemonade stand? How did you overcome them?
- What adjustments did you make to your plan during the activity?
- How does having this business model help the owners of the lemonade stand?
- How do you think your lemonade stand could positively impact your community?
- What other social or environmental issues could a business like a lemonade stand help address?
- How can small actions, like a lemonade stand, make a big difference in our community?
- How did donating a portion of the profits to save honeybees make you feel?
- Are you now more aware of the differences between entrepreneurship and social entrepreneurship? What are the main differences?



Variations

In this activity, we introduce the business model Canvas, but you can introduce other business models.



- In step 4 one handout of the Business model can be provided to each participant instead of one handout per group (you do not need to divide participants into groups).
- Beside the Lemonade stand you can sell other things and services in the community (cookies, dog sitting services, jewelers' selling, etc.).



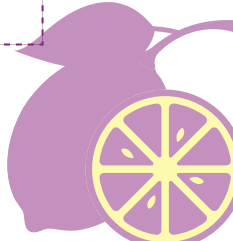
HANDOUT

Business Model



By: _____

<p>Product or Service:</p>	<p>Competitive Advantage <i>This is different from other products because...</i></p>	<p>Target Market or Customer <i>The people who buy this product are mostly...</i></p>	<p>Distribution Channels <i>This product is sold in/on...</i></p>	<p>Resources <i>The resources needed to make this product are...</i></p>
<p>Expense (Money spent on resources and people) <i>I will spend money on...</i></p>		<p>Revenue (Money earned) <i>I will make money by...</i></p>		<p>Profit (Revenue - Cost - Profit) <i>I will spend my profit...</i></p>



LEMONADE	
<p>Product or Service:</p> <p>Competitive Advantage <i>This is different from other products because...</i></p> <p>It's sold with food. It's fresh squeezed juice.</p>	<p>Target Market or Customer <i>The people who buy this product are mostly...</i></p> <p>People walking by the sandt.</p>
<p>Distribution Channels <i>This product is sold in/on...</i></p> <p>A stand or temporary place where people pass by.</p>	<p>Resources <i>The resources needed to make this product are...</i></p> <p>Lemons Cups Pitches Sugar Ice Sign Markers</p>
<p>Revenue (Money earned) <i>I will make money by...</i></p> <p>Direct sales of lemonade to customers</p>	<p>Profit (Revenue - Cost - Profit) <i>I will spend my profit...</i></p> <p>Buying more resources to make more lemonade.</p>
<p>Expense (Money spent on resources and people) <i>I will spend money on...</i></p> <p>Resources, Staff salary</p>	

