

AI-01321 Espresso Machine Break Even

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I bought a \$500 espresso machine, what month is my break even point instead of going to Starbucks everyday

Here's how to estimate your break-even point:

1. Determine your daily Starbucks spending:

- **Calculate the average cost of your daily Starbucks drink.**
 - Consider the price of the drink itself, any customizations, and tax.
- **Multiply this daily cost by the number of days per month you typically buy Starbucks.**

2. Estimate monthly coffee costs with the espresso machine:

- **Consider the cost of coffee beans:**
 - Calculate the average cost per pound of your preferred beans.
 - Estimate how much coffee you'll use per month.
- **Account for any other costs:**
 - This might include milk, cream, sugar, syrups, and occasional filter replacements.

3. Calculate monthly savings:

- **Subtract your estimated monthly coffee costs with the espresso machine from your monthly Starbucks spending.**

4. Divide the cost of the espresso machine by your monthly savings:

- This will give you the number of months it will take to break even.

Example:

- **Let's say:**
 - You spend \$6 per day on average at Starbucks.
 - You buy Starbucks 20 days per month.
 - Your monthly coffee costs with the espresso machine are \$50.
- **Monthly Starbucks spending:** $\$6/\text{day} * 20 \text{ days/month} = \$120/\text{month}$
- **Monthly savings:** $\$120/\text{month} - \$50/\text{month} = \$70/\text{month}$
- **Break-even point:** $\$500 / \$70/\text{month} \approx 7.14 \text{ months}$

Important Notes:

- **This is a simplified calculation.**
 - It doesn't account for factors like the lifespan of the espresso machine, the enjoyment of making your own coffee, and potential increases in coffee prices.
- **Consider your coffee consumption habits.**
 - If you only occasionally go to Starbucks, the break-even point will be significantly longer.
- **Factor in the cost of maintenance and repairs.**
 - Espresso machines can require occasional maintenance or repairs.

By carefully considering these factors, you can get a better idea of whether investing in an espresso machine is a financially sound decision for you.