



# BOILER BARGAINS REPORT

MGMT 522: NPD

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## Executive Summary

BoilerBargains is a new coupon portal designed specifically to address the budget constraints and cost-conscious nature of college students at Purdue University. By consolidating exclusive local discounts and deals across key spending categories like dining, groceries, entertainment, and college supplies, this website makes saving money simpler for the 50,000+ Purdue students. Developed with the specific needs of Purdue students in mind, BoilerBargains consolidates numerous discounts into a single digital hub. BoilerBargains offers an array of deals in categories such as food & restaurants, banking, and college supplies. Its user-friendly interface encourages students to explore new deals and understand how to effectively utilize the platform.

Extensive market research confirms students' desire for such a platform. The website's seamless user experience, focus on mobile optimization, and integration with Purdue's digital ecosystems set BoilerBargains apart from traditional couponing platforms. Its user-friendly interface encourages students to explore new deals and understand how to effectively utilize the platform. Additionally, the website's focus on sectors crucial to student life ensures that the deals are both relevant and beneficial.

By negotiating with local businesses, BoilerBargains secures exclusive deals, ensuring that students enjoy significant savings. This not only aids students financially but also drives traffic to local businesses, creating a mutually beneficial ecosystem.

## Idea Generation & Necessity

BoilerBargains, designed for Purdue University's 50,000+ students, fills the gap for a centralized platform offering budget-friendly deals on essential items like dining, textbooks, and clothing. This platform, as a one-stop solution, simplifies the process of finding local discounts, tailored to the unique needs of students. It not only caters to students operating on tight budgets but also boosts local businesses by driving targeted student traffic. BoilerBargains capitalizes on the digitally-savvy student population and the university's large, continually renewing market. Seasonal events and campus activities further increase demand. In partnering with local vendors to secure Purdue-specific offers, BoilerBargains fosters a symbiotic relationship between the student community and local commerce, underpinning a vibrant campus economy.

## Concept Testing

The Concept survey was conducted with Purdue University students, revealing promising demand for the BoilerBargains platform. Results found that 71% of students want access to a diverse range of deals and discounts, with 93% desiring a convenient platform to easily discover these savings opportunities. Approximately half of students surveyed expressed interest in opting for alerts to receive ongoing notifications about new local coupons relevant to their spending interests.

In assessing the likelihood of regularly using a couponing app, 47.3% were very likely to utilize such a platform and 32.7% were quite likely to try it out at least initially. The most popular categories students would use potential discounts and coupons for included food and restaurants, which 94.5% expressed interest in, and clothing, which appealed to 72.7%. Analyzing their current shopping behavior, 45.5% of students actively hunt for bargains and deals often, while another 36.4% sometimes seek out savings. The survey results are compiled in **Exhibit 1**.

## Prototype Testing

The survey results indicate a positive user experience with the website, as most respondents (69%) rated navigation ease with the highest score, and all were able to quickly locate relevant coupons. The variety of coupons was highly rated, with over half (53.7%) giving it the top score, and no significant technical issues were reported. The clarity and comprehensiveness of product information were well received, with 66.7% rating it a perfect 5. The majority (65.9%) of users who tried to redeem coupons affirmed a straightforward and successful process. Users recommended adding expiration dates to the coupon information as an area for improvement. Overall, the website received accolades for its well-organized structure, appealing design, user-friendly navigation, and rapid loading speeds, with a strong consensus (95.2%) indicating trust in the validity of the deals offered. The detailed survey results are compiled in **Exhibit 2**.

## Market Analysis and Benchmarking

The digital coupon industry in the USA is marked by widespread coupon usage, with over 90% of households actively utilizing coupons. These coupons offer an average discount of 21.9%, and consumer behavior indicates a strong reliance on email marketing, as 80% of shoppers sign up for emails to access discounts. Coupon usage transcends income levels, with even affluent households participating, and social media, especially Facebook, plays a pivotal role in coupon discovery. Mobile optimization is essential, as 80% of coupon redemptions are expected to occur on mobile devices, and millennials and parents constitute a substantial user base. Overall, digital coupons offer significant savings and influence purchasing decisions, especially in categories like dining, personal care, and apparel.

BoilerBargains plans to enter this digital coupon industry by exclusively targeting Purdue University students and partnering with local businesses and university stores. We draw inspiration from DontPayFull.com, a multinational coupon business, which collaborates with major brands and universities, and monetizes through affiliate networks by taking variable percentage commissions. BoilerBargains aims to customize this model to Purdue's unique ecosystem, offering relevant deals that align with community engagement and local business support values. Monetization could involve commission-based systems or partnership agreements with local and university-affiliated businesses. The goal is to be differentiated from other websites and provide Purdue students with tailored, valuable discounts while contributing to the local economy.

## **STP Analysis**

### **Segmentation**

We segmented our target customers understanding the purchasing behavior of students, such as their sensitivity to price, frequency of availing discounts, online shopping habits, and preferences for certain types of products or services (e.g., food, books, entertainment). Based on the survey results, our behavioral segmentation analysis indicates that the propensity to purchase coupons varies significantly between clothing and food categories. Students demonstrate a monthly preference for clothing coupons, with 50.9% indicating this frequency, while weekly transactions are preferred by 29.1%, and daily by 20%. In contrast, food coupons are favored on a weekly basis by a substantial 70.9%, with monthly purchases at 18.2%, and daily at 10.9%. These insights into the frequency of coupon purchases for different categories enable us to tailor our offerings and communication strategy more effectively to meet the specific needs and behaviors of Purdue students.

## Targeting

Our targeting strategy centers on students who indicate frequent engagement with our top four categories (food, clothing, textbooks, and college supplies). Survey data show a significant inclination towards regular use, suggesting a robust market for weekly coupon users. This regularity aligns with the behavioral tendencies observed, particularly the strong weekly demand for food coupons. Our marketing will thus prioritize these active users, offering them tailored communication and deals to foster consistent portal usage and loyalty. These specific marketing strategies are described later on. (Refer to **Exhibit 10**)

## Positioning

We will position the campus coupon portal as the simplest, most convenient way for students to save money on their frequent local needs. Key messaging pillars include:

- Easiest access to exclusive student deals in one spot
- Customized offers based on campus needs
- Following the formula: More wallet savings = more funds for other priorities
- Allows small businesses to gain visibility through offering coupons
- Mutually beneficial for students and merchants

The portal aspires to build strong brand affinity with the student community as their trusted, go-to platform for maximizing savings locally. This positions us as partners enabling students to get more value out of their limited budgets.

## SWOT Analysis

### Strengths:

- *Targeted Audience:* Focused specifically on Purdue University students, offering tailored deals that directly cater to their needs and interests. Existing coupons are also transferred online via digitalization. This can help for a cleaner and sustainable future.
- *Local Business Partnerships:* Collaborations with local businesses can provide exclusive deals, fostering community relationships.
- *Cost-Effectiveness:* Lower operational costs due to the digital nature of the platform.
- *Convenience:* Easy accessibility for students to find discounts and deals in one centralized online location.
- *Community Integration:* Strengthens the bond between the university, its students, and the local business ecosystem.

#### Weaknesses:

- *Limited Market Scope:* Restricted primarily to Purdue University students and the local area, limiting wider market reach.
- *Dependency on Business Participation:* Success heavily relies on the participation and cooperation of local businesses.
- *Scalability Concerns:* Potential challenges in scaling the business beyond the Purdue community.
- *Resource Limitations:* As a new venture, limitations in terms of marketing budget, manpower, and technological infrastructure might exist.

#### Opportunities:

- *Expansion Potential:* Potential to replicate the model for other universities or expand to include alumni.



- *Technological Advancements:* Incorporating advanced features like personalized recommendations or mobile app integration.
- *Partnership Expansion:* Opportunity to partner with a wider range of businesses, including online platforms.
- *Seasonal Promotions:* Leverage university events, holidays, and seasons to offer special deals.

#### Threats:

- *Competition:* Potential competition from other discount platforms or apps targeting students.
- *Changing Market Dynamics:* Variability in student spending habits or economic downturns affecting purchasing power.
- *Technological Disruptions:* Need to constantly update to stay technologically relevant and user-friendly.

## **Implementation Strategy**

### **Business Model**

Boiler Bargains leverages Osterwalder's Business Model Canvas (BMC) to meticulously structure its operations around essential business elements. It describes the various aspects of a business that needs to be addressed in order to have a structural base for building a foundation for the business. After having this foundation and goals set up and having our minimum viable product (MVP) ready, we plan to utilize social media, partnerships, and student ambassadors to drive user acquisition and engagement for Purdue's couponing platform. In 2024 we aim to follow the Lean methodology by continuously iterating through ideas that work, and those that do not. After

achieving the ideal mix, we plan to extrapolate our ideas to create other similar MVPs for other universities in Indiana. The detailed BMC can be found in **Exhibit 3**.

## **Product and Technology**

We were able to construct a website using the Wordpress CMS technology in which we set up a backend involving the couponing engine, that was structured to cater to the local Purdue Audience. We were able to use plugins that would allow the website to facilitate user data entry, dynamic templates, and other user registration systems. The website home page can be seen in **Exhibit 4** and can be found at: <https://boilerbargains.shop/>. The key features can be broadly classified into:

1. **Coupon Categories:** The site categorizes coupons for easier navigation, including categories like Food & Restaurants, Clothing & Accessories, College Supplies, Banking, and Textbooks.

### **Exhibit 5**

2. **Coupon Deals and Layout:** Users can browse top deals, popular and soon-to-expire offers. Each coupon, such as a 25% off deal from Papa Johns, provides detailed information and an option to reveal the coupon. **Exhibit 6**

3. **Easy Coupon Access:** A simple three-step process is outlined for users to obtain coupons: visiting the site, filtering by store, and enjoying the savings. **Exhibit 7**

4. **Top Merchants and Shops:** The website features prominent merchants and shops, highlighting their special offers and brief descriptions. **Exhibit 8**

5. **Blog Content:** The site includes a blog section discussing topics like the benefits of couponing and underrated shops around Purdue. **Exhibit 9**

The choice of hosting and domain is crucial for ensuring reliable access and fast loading times. A responsive design approach is adopted, using technologies like CSS media queries, to guarantee that the website is accessible and user-friendly across various devices, including smartphones and tablets. For analytics, tools like Analytics integrations are integrated to track user interactions and website traffic, providing valuable insights for continuous improvement. Security is a top priority, with measures such as SSL certificates implemented to protect user data and transactions. Lastly, the website's backend is supported by robust database management systems like MySQL, ensuring efficient handling of user data and coupon information, providing a seamless and secure user experience.

### **Pricing Strategy**

Following extensive negotiations with a diverse array of vendors and retail partners, we have established a commission structure, setting the rate at \$0.1, or 10 cents, per distributed coupon. This commission rate forms the basis of our projected revenue calculations, which are derived using an industry-standard conversion rate. Typically, this rate fluctuates between 5% and 10%, reflecting a standard variation in coupon redemption and associated sales projections.

To offer a detailed financial forecast, we have segmented our revenue projections into three distinct categories, reflecting varying degrees of market performance: Pessimistic, Realistic, and Optimistic (Refer to **Exhibit 13**). These categories are based on anticipated conversion rates, adhering to the industry benchmarks.

**Pessimistic Revenue Projection:** Assuming a lower-end conversion rate of 5%, we project revenues to be approximately \$91,083.

**Realistic Revenue Projection:** With a moderate conversion rate of 7%, our revenue estimate stands at \$127,516.

**Optimistic Revenue Projection:** In a scenario where the conversion rate reaches the upper limit of 10%, we anticipate revenues could ascend to \$182,166.

These projections take into account the prevailing market conditions and historical data, providing a comprehensive view of potential financial outcomes based on the implemented commission rate and expected coupon conversion performance. Projections of expenditure are also specified to estimate profits. (Refer to **Exhibit 11**)

### **Launch, Promotion and Marketing**

For the promotion and distribution aspect of BoilerBargains, we are using a multifaceted approach. Firstly, vendor onboarding and sign-up are key. This involves reaching out to local businesses and retailers, presenting the benefits of partnering with the platform, and simplifying the sign-up process to encourage their participation. The platform can offer merchants valuable exposure to the student market in exchange for exclusive discounts. We have also accounted for paid promotions in our financial projections.

For customer awareness, a combination of online and offline marketing strategies should be implemented. Digital marketing efforts could include targeted social media campaigns, email newsletters, and search engine marketing to reach students where they spend most of their time. Offline strategies might involve campus flyers, posters (**Exhibit 14**), and partnering with student organizations for word-of-mouth promotion. Keywords for the online Ads on Google can be seen in **Exhibit 15**. These keywords describe the top searches in the West Lafayette Population of

122,000 (Students can be targeted from this segment). (**Exhibit 16**). A mixture of these keywords along with experimentation on CPC's facilitated by our monthly financial budgets for advertising can aim to raise awareness about the platform and its benefits, thereby driving traffic and user engagement. Such a holistic approach ensures that both vendors and students are aware of and can easily access the platform.

### **Future Scope**

In the future, BoilerBargains could expand its services by introducing personalized features and premium tiers. Integrating Purdue University ID (PUID) accounts could enable personalized recommendations based on individual shopping habits and preferences. For the moment we have kept a placeholder 'Submit Deal' tab that could eventually be launched after verifying the feasibility against any regulations set by the Office of Research in terms of intellectual property. This would enhance the user experience by offering more relevant deals, quick updates to the coupon repository, and a wider selection of shops to avail coupons at. We are also looking to expand in the coming by replicating the same business model in other universities in Indiana.

In the future, BoilerBargains could enhance its business model by allowing shops to pay a nominal fee to be featured at the top of search results. This approach would provide shops with increased visibility and prominence on the platform, potentially driving more traffic and sales to their businesses. It's a win-win situation where shops benefit from prime placement, thus reaching more potential customers, and BoilerBargains generates additional revenue. This model could be tiered, with different pricing options offering varying levels of visibility and promotional features, catering to the marketing budgets and needs of diverse businesses.

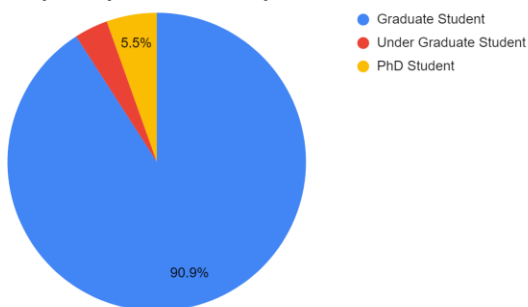
## EXHIBITS

### Exhibit 1: Concept Testing Survey Results (Total Responses = 55)

Question: Have you used any local couponing websites on campus before?

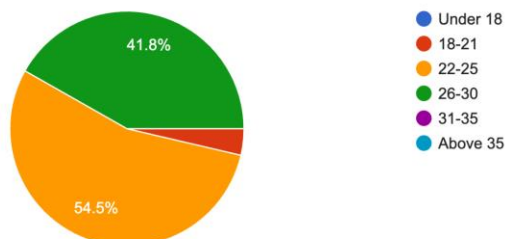
Responses: No (N = 53 or 96.4%)

What do you study at Purdue University?



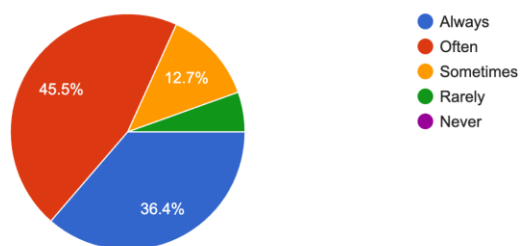
Please select your age group

55 responses



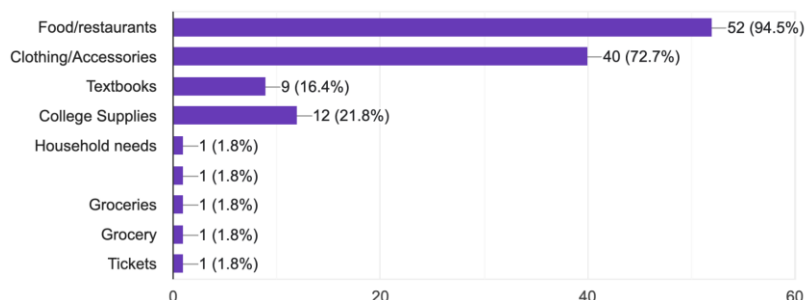
How often do you look for coupons or discounts when making purchasing decisions as a student?

55 responses



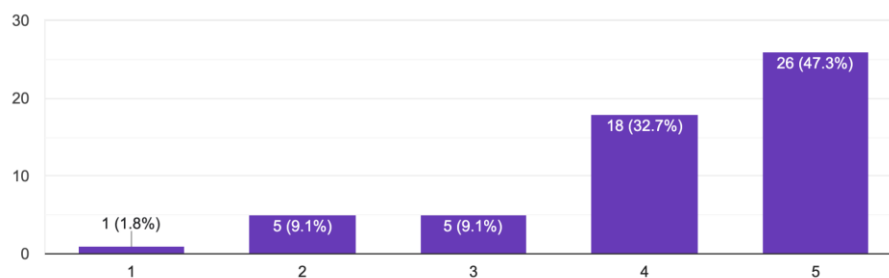
What types of products or services would you be most likely to use coupons for if available? (Select all that apply)

55 responses



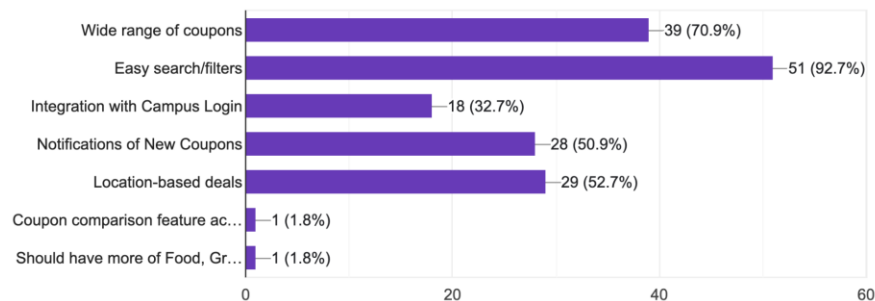
How likely would you be to use a website or app that consolidated coupons and discounts for businesses around campus? (1 being very unlikely and 5 being very likely)

55 responses



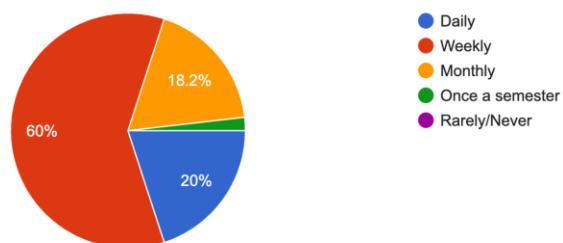
What features would be most important to you in a campus coupon website/app? (Check all that apply - Wide range of coupons, easy search/filters, i...gin, mobile friendly, notifications of new coupons,

55 responses



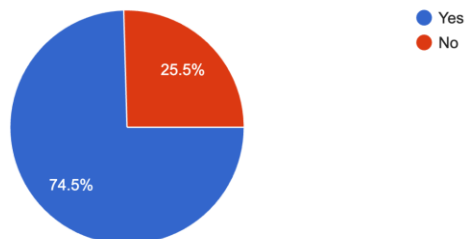
How often would you expect to use a campus coupon portal if it were available?

55 responses

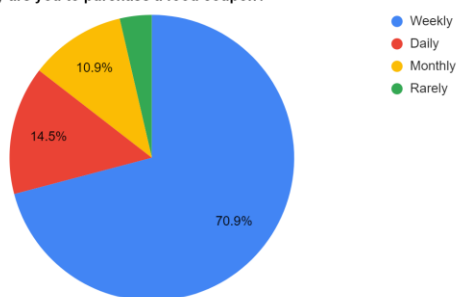


Would you be willing to provide your university email address or login credentials to access customized coupons through this portal?

55 responses

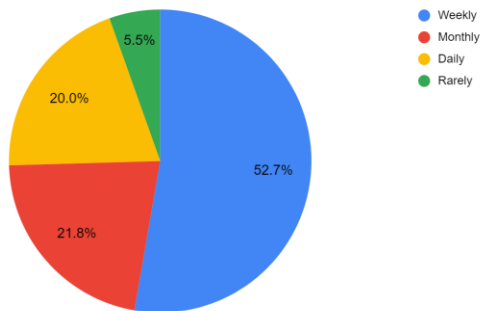


How likely are you to purchase a food coupon?

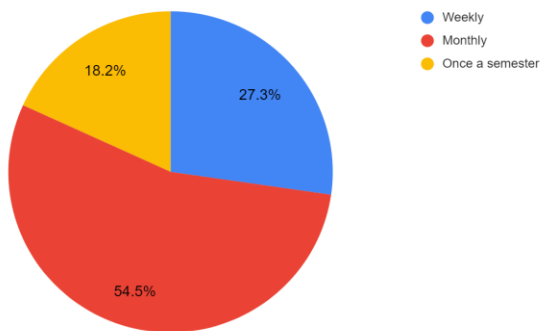




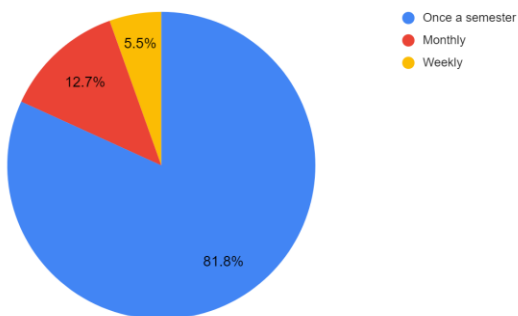
How likely are you to purchase a clothing coupon?



How likely are you to purchase a coupon for college supplies??



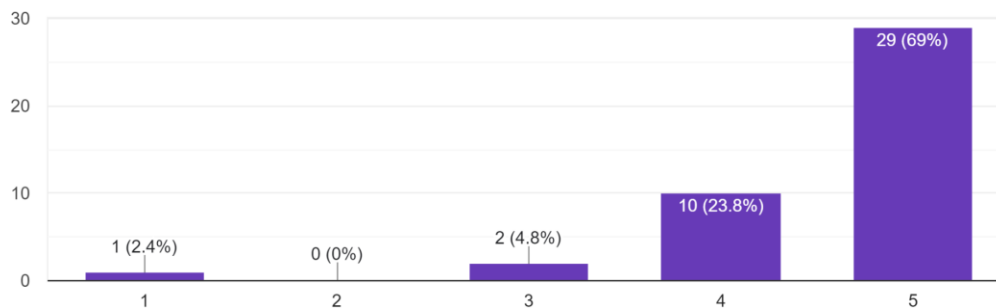
How likely are you to purchase a coupon for textbooks?



## Exhibit 2: Prototype Testing Survey Results

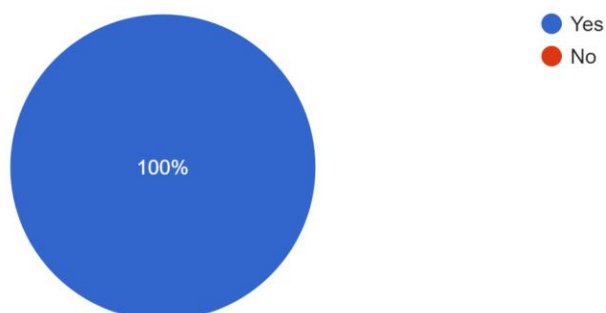
How easy was it to navigate through the website? (1 - Very difficult, 5 - Very easy)

42 responses



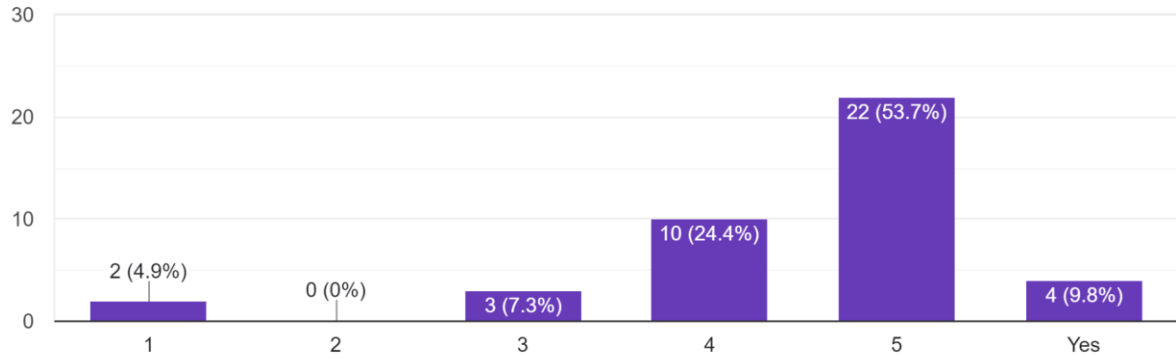
Were you able to find coupons relevant to your needs quickly?

42 responses



How do you rate the variety of coupons available on the website? (1- Less variety, 5- More variety)

41 responses



Did you encounter any technical issues while using the website (e.g., slow loading, broken links)? If Yes, please provide your issue.

20 responses

No

No. No technical issues faced

none, website was lovely

No, but I haven't explored all the links. The sample set works fine!

No, everything works perfectly!

No issues

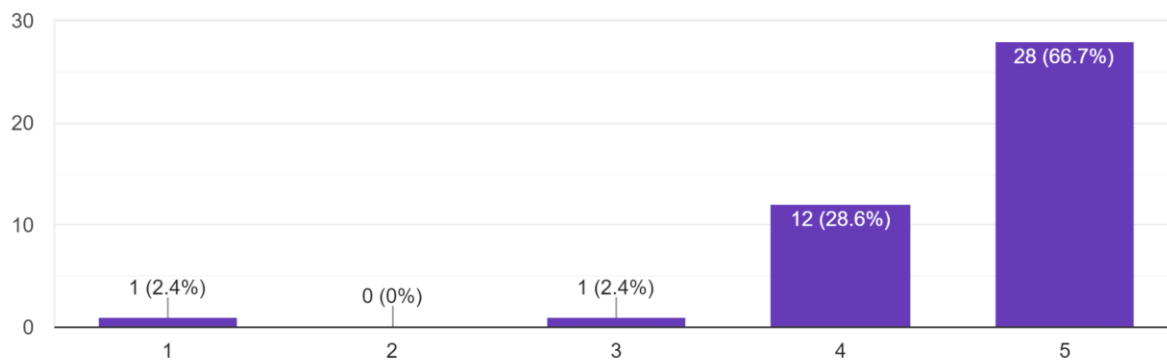
None. Faster the boilerkey

Loaded fast

nothing at all

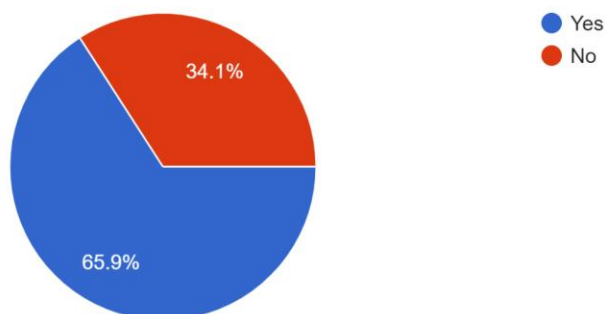
How clear and comprehensive is the product information provided?

42 responses



Did you try redeeming any of the coupons? If yes, was the process straightforward and successful?

41 responses



Is there any additional information you would like to see for each coupon?

12 responses

No

Validity of the coupon/expiry

Expiry date

expiry date.

Expiry Date

Validity

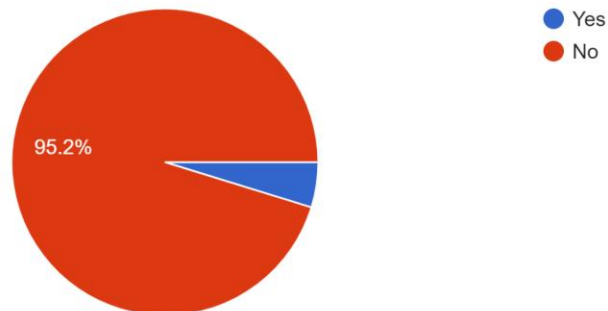
Expiry

Maybe clothes coupons

None

Did you feel any deals were fraudulent or suspicious?

42 responses



Is there anything about the website that you found particularly unique or beneficial?

14 responses

Well organised because of which it was easy to sort through different varieties and the coupons within them.

Navigation adapted to phone

Likes for each coupon

Website design

Very Clean

Relevant to Purdue and West Lafayette

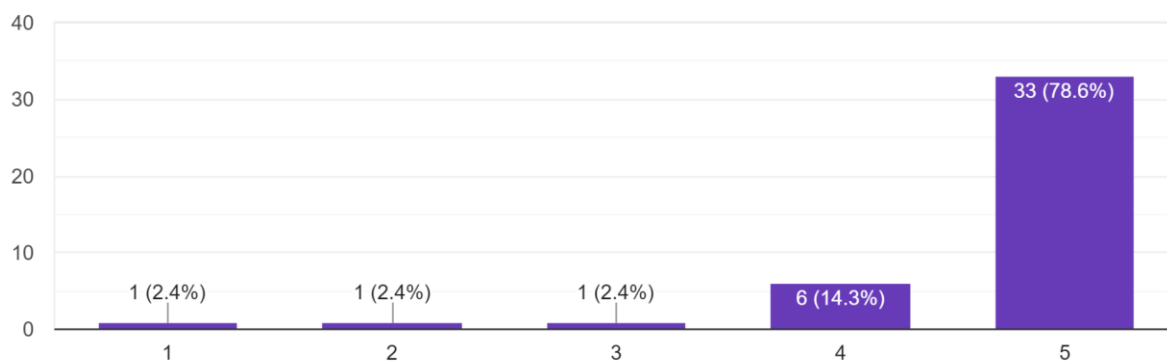
Easy navigation

Organized

Not encountered a similar website in Lafayette

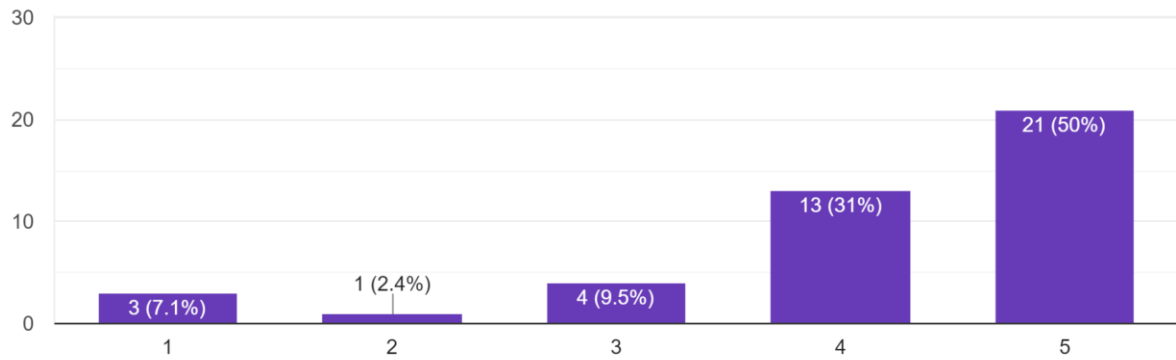
How would you rate the loading speed of the website pages?

42 responses



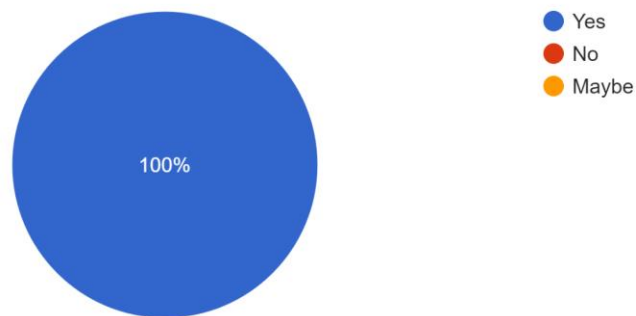
How secure do you feel about your personal information while using the website? (1 being very less secure, 5 being most secure)

42 responses



Would you recommend this couponing website to other Purdue students?

41 responses



Are there any features you feel are missing from the website? What improvements would you suggest for a better user experience?

14 responses

However logo is mid

Reviews of coupons and last redeemed info

No

none. Looks fantastic

All's good!

none

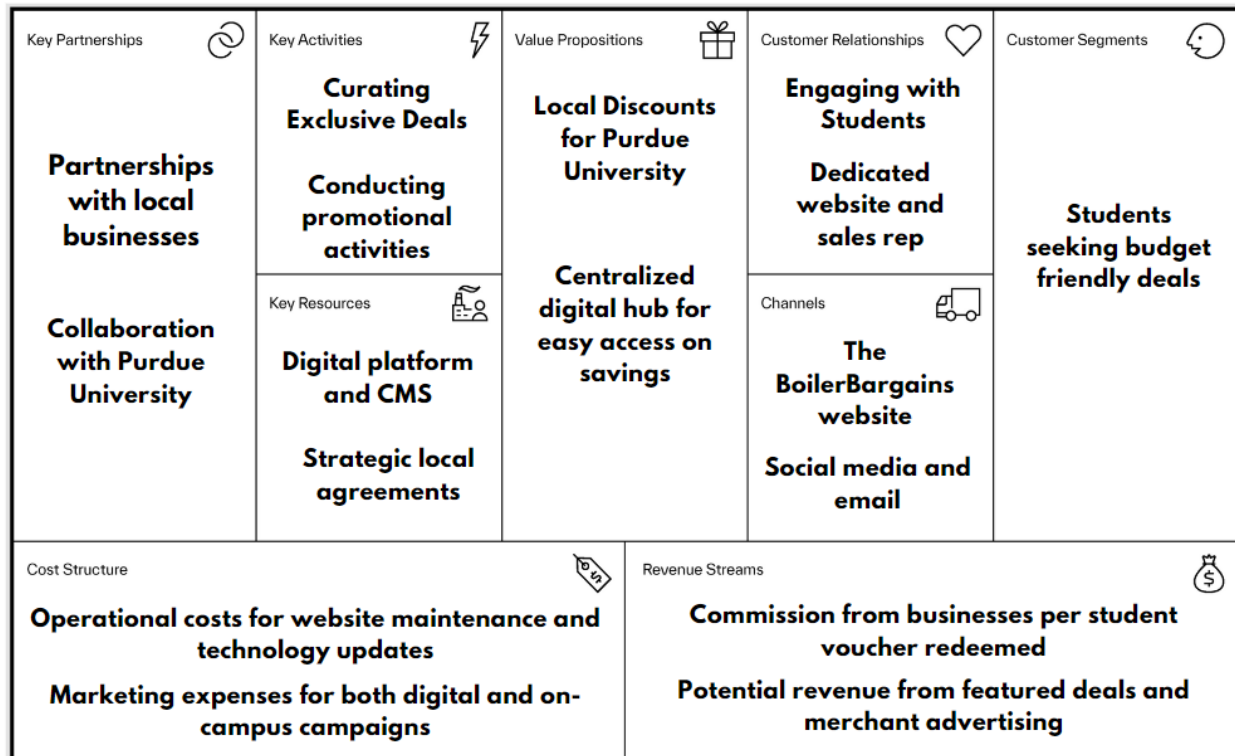
Expiration date with the coupons

No clothes coupons

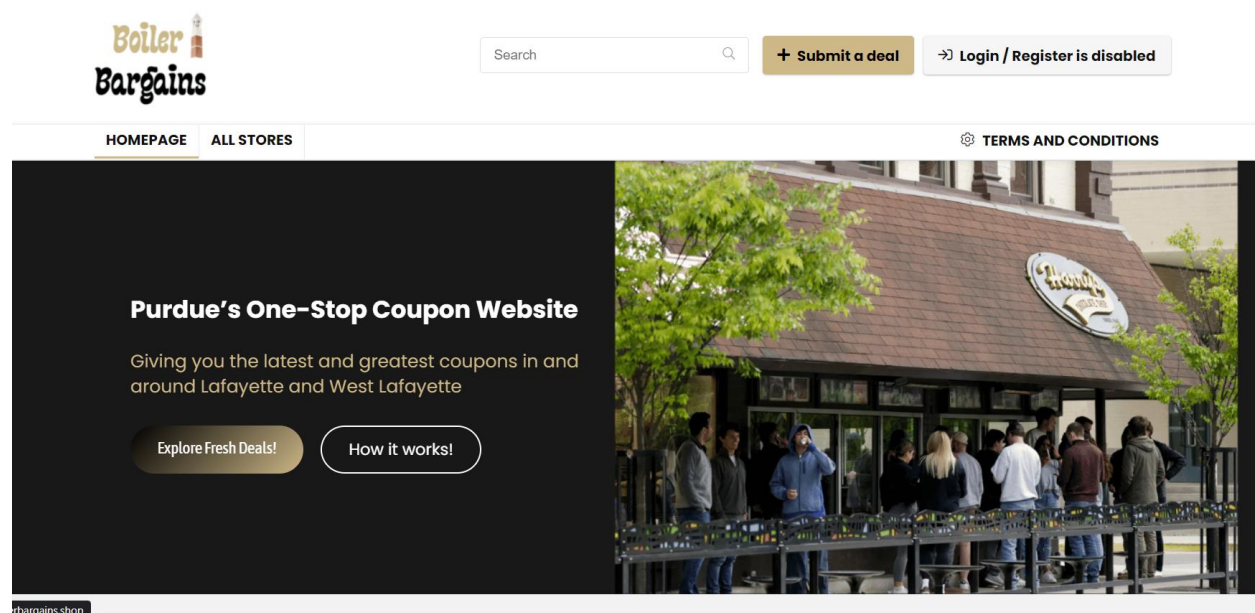
Login feature not working

**Exhibit 3:** Osterwalders business model for BoilerBargains.










**Exhibit 4:** Boiler Bargains Home Page




**Exhibit 5:** Boiler Bargains Categories

<b>Banking</b> 1 item 	<b>Categories – All</b> 0 items 	<b>Clothing &amp; Accessories</b> 0 items 	<b>College Supplies</b> 0 items 
<b>Food &amp; Restaurants</b> 8 items 	<b>Textbooks</b> 0 items 		

## Exhibit 6: Boiler Bargains Deals

**Top deal**
Show all
Popular
Hottest
Expired soon
Choose category +



Papa Johns

**Get 25% off your entire order when you order online**

Affordable Pizzas from the best!

Papa Johns 3 days ago

**REVEAL COUPON**

1 0

**FACTOR\_**

Factor\_

**Get \$175 OFF!**


Meals delivered to your doorstep!

Factor\_ 3 days ago

**REVEAL COUPON**

3 0

**BEST VALUE**



Garbanzo

**\$3 OFF on orders of \$15 or more**


Your favourite Mediterranean place

Garbanzo 3 days ago

**REVEAL COUPON**

2 0

**BEST VALUE**



Garbanzo

**Free Regular Fries with the purchase of any Entree**

Your favourite Mediterranean place

Garbanzo 3 days ago

**REVEAL COUPON**

2 0


## Exhibit 7: Boiler Bargains Website Coupon Process

### How to get your coupon?

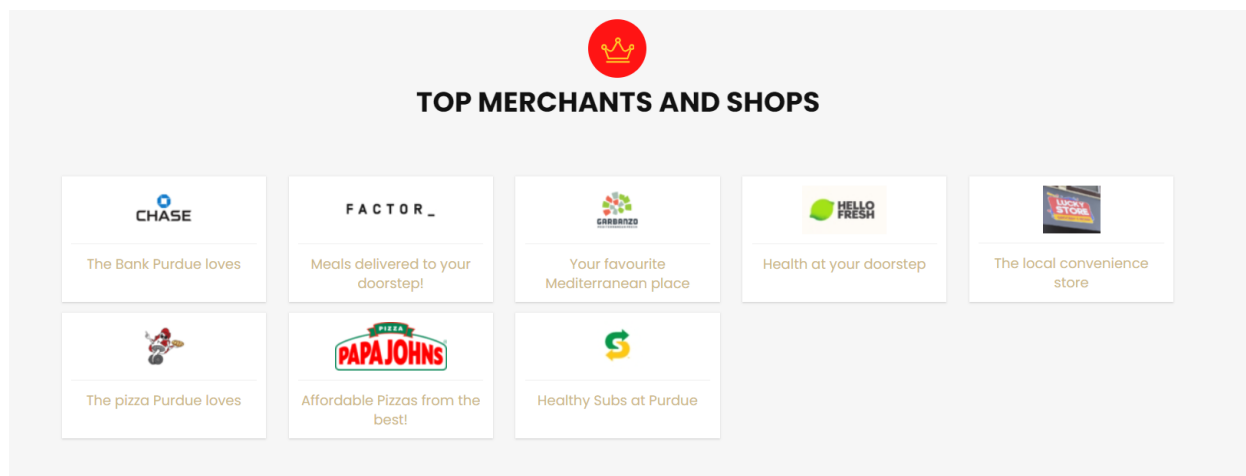
3 Easy Steps

1
Visit Our site
This is only 2 seconds of your time

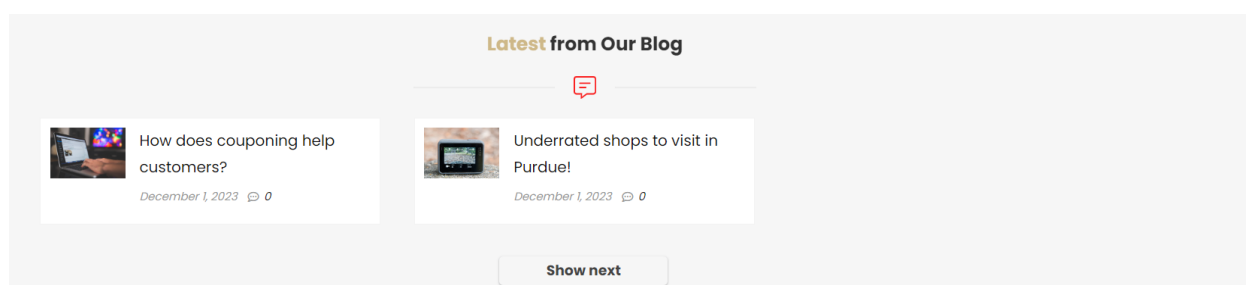
2
Filter by store
Find what you love


Get your coupon!
Enjoy!

**Exhibit 8: Top Merchants and Shops for Boiler Bargains.**



**Exhibit 9: Blogs on Boiler Bargains.**



**Exhibit 10: Target Market Potential**

*(All results are extrapolated from survey results, considering survey as a sample population truly representing population)*

**Total Student Population at Purdue (Fall 2023): 52,211**

<https://www.admissions.purdue.edu/academics/enrollment.php>

Segment Profiles	Groups	Percentage	Target Population/ Potential Market
Previous use of a Purdue Couponing Website	Response: “NO”	96.4%	50,331
Graduate Percentage	Undergraduate	75%	37,748

	Graduate	23%	11,576
	Professional	2%	1006
<b>Utilization Scale: 1 - 5</b>	Level 5	47.3%	24,696
	Level 4	32.7%	17,073
<b>Usage Frequency</b>	Daily	20%	10,442
	Weekly	60%	31,327
	Monthly	18.2%	9502

### Exhibit 11: Capital and Operational Expenditure (2023 - 2024)

	Unit Cost	Units/ Qty./ Sub-Totals	Total
<b>Technology</b>			
Website running costs	\$22/ month	12 months	\$264
Website R&D	\$50 (One time)	-	\$50
<b>Marketing/ Promotions</b>			
Promotion (Flyers)	\$130/ month	12 months	\$1,560
Promotion (Online Ads)	\$200/ month	12 months	\$2,400
<b>Salaries</b>			
Sales rep (\$15/hr) (8 hrs/ day)	\$2400/ month	12 months	\$28,800
Website rep (\$15/hr) (4 hrs/ day)	\$1200/ month	12 months	\$14,400
<b>TOTAL</b>			<b>\$47,474</b>

# **Exhibit 12:** Estimated Coupon Utilization and Spread across Category type

*Considering industry standard conversion rates, ranging from 5 - 10%*

*Pessimistic Rate: 5%*

*Realistic Rate: 7%*

*Optimistic Rate: 10%*

## Calculations for Monthly Total:

*Daily = Total Users \* Conversion Rate \* 30*

*Weekly = Total Users \* Conversion Rate \* 4*

*Monthly = Total Users \* Conversion Rate \* 1*

*Once a semester = (Total Users \* Conversion Rate)/6*

Top Categories	Response Rate (From Exhibit 1)	Total Users	Monthly Total (Pessimistic - 5%)	Monthly Total (Realistic - 7%)	Monthly Total (Optimistic - 10%)
<b>Food/ Restaurants</b>					
Daily	18.20%	9,502	14254	19955	28507
Weekly	70.90%	37,018	7404	10365	14807
Monthly	10.90%	5,691	285	398	569
<b>TOTAL</b>			<b>21942</b>	<b>30718</b>	<b>43883</b>
<b>Clothing/ Accessories</b>					
Daily	20%	10,422	15663	21929	31327
Weekly	50.90%	26,575	5315	7441	10630
Monthly	29.10%	15,193	760	1064	1519
<b>TOTAL</b>			<b>21738</b>	<b>30433</b>	<b>43476</b>
<b>College Supplies</b>					
Weekly	27%	14,306	21459	30042	42917

Monthly	54.60%	28,507	5701	7982	11403
Semester	18.00%	9,398	78	110	157
<b>TOTAL</b>			<b>27238</b>	<b>38134</b>	<b>54477</b>
<b>Textbooks</b>					
Weekly	4%	2,245	3368	4715	6735
Monthly	12.00%	6,265	1253	1754	2506
Semester	83.60%	43,648	364	509	727
<b>TOTAL</b>			<b>4984</b>	<b>6978</b>	<b>9969</b>
<b>TOTAL ESTIMATED UTILIZATION</b>			<b>75,903</b>	<b>1,06,264</b>	<b>1,51,805</b>

### Exhibit 13: Revenue Forecast based on Business Models

#### Primary Strategy: Pay-Per-Use

Vendors are charged a nominal amount each time a customer reveals a coupon on a pro-rata basis for the duration of the coupon/ voucher itself.

#### Revenue Estimates

*Price per unit: 10 cents on a voucher or \$0.1*

Top Categories	Estimate (Pessimistic - 5%)	Estimate (Realistic - 7%)	Estimate (Optimistic - 10%)
Food/ Restaurants	2,194	3,072	4,388
Clothing/ Accessories	2,174	3,043	4,348
College Supplies	2,724	3,813	5,448
Textbooks	498	698	997
<b>MONTHLY ESTIMATES</b>	<b>\$ 7,590</b>	<b>\$ 10,626</b>	<b>\$ 15,181</b>

YEARLY ESTIMATES	\$ 91,083	\$ 127,516	\$ 182,166
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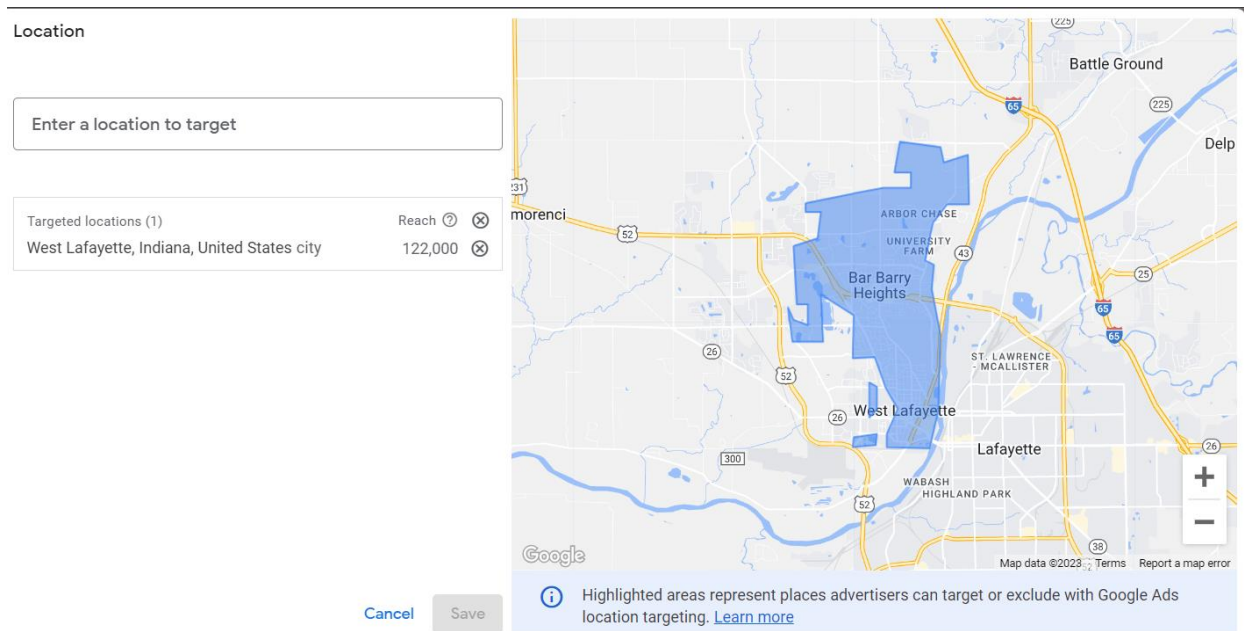
**Exhibit 14:** Posters for Boiler Bargains



**Exhibit 15:** Top Keywords bidding for online Ads in West Lafayette

Keyword	Avg. monthly searches	Competition	Top of page bid (low range)	Top of page bid (high range)
coupons	50	Low	\$1.04	\$4.35
discount	50	Low	-	-
doordash promo code	500	Low	\$0.12	\$8.87
papa johns promo code	50	Medium	\$0.82	\$2
hellofresh promo code	50	Medium	\$0.25	\$1.02

## Exhibit 16: Targeting users in West Lafayette on Google Ads



## Exhibit 17: Break Even Analysis

- **Contribution Margin Ratio**

*Calculation = (Price per Unit - Variable Cost per Unit) / Price per Unit*

Contribution Margin Ratio =  $(\$0.1 - 0) / \$0.1 = 1$

- **Break-Even Point (Sales Revenue)**

*Calculation = Expenditure / Contribution Margin Ratio*

Break-Even Point (Sales Revenue) =  $\$47,474 / 1 = \mathbf{\$47,474}$

- **Break-Even Time**

*Calculation = Yearly Expenditure / Monthly Revenue*

**1. Pessimistic Estimate:** Break-Even Time =  $\$47,474 / \$7,590 = \mathbf{6 \text{ Months } 8 \text{ Days}}$

**2. Realistic Estimate:** Break-Even Time =  $\$47,474 / \$10,626 = \mathbf{4 \text{ Months } 15 \text{ Days}}$