

5 “P’s” to a Lemonade Stand

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Supporting a youth-run lemonade stand can build the confidence of a child, help them understand the value of money, and learn important lessons about running a small business. Not only are youth earning cash, they are learning and practicing the important principles centered around the five Ps of marketing a successful stand or any business. The more time and effort youth can put towards promoting and marketing their stand before opening for business, the more likely they are to be successful. While Lemonade stands are usually available in the summer and early fall, with colder weather starting to show up, it creates different and new opportunities of turning a lemonade stand into a Hot Chocolate stand instead!

The 5 “Ps” of business marketing play a crucial part of if a business is going to be successful or if it will struggle to keep afloat. The 5 P’s, Product, Price, Promotion, Place and People all help individual businesses differentiate from their competitors.

Product-The most important aspect of any lemonade stand is the product. This is a fantastic opportunity for the young entrepreneur to explore product development. Things to consider include:

- How does it look and taste? Will they make it from a powder, use fresh ingredients or have a special recipe?
- Have they considered temperature? Keeping the lemonade cold can boost sales and bring return customers. Youth may consider floating a large piece of ice in their pitcher or serving it in a cup of ice.
- Can they diversify their product line? Some possible preferences may include low calorie, pulp-free, or even a flight of rainbow-colored Lemonade! Many enthusiastic entrepreneurs also sell additional products at their lemonade stand. These could include a tasty treat or even a handmade item.

Price- When thinking about price it is important to know who your customers may possibly be and what they might be willing to pay. A few other things to consider might include:

- Look at what other stands are charging and where they may be set up. Also consider if they offer additional items that you may not.
- If you are planning on setting up in a location where a lot of foot traffic is available, you may look at wanting to charge more.

Promotion- How will you get the word out about your lemonade stand? The more time and effort you can put towards promoting and marketing your stand before opening for business, the more likely you are to be successful.

- Think about where you could hang signs up around your community to tell people where you will be located.
- Think about who else you could partner with. Maybe a friend or family member makes delicious cookies and already have customers that buy from them often. Ask them to join you in a partnership to bring already established customers to your stand.
- Don’t be afraid to tell your neighbors, family and friends that you are opening your lemonade stand and where it will be located. Invite them to share with their family or friends as well.

Place- The location of your stand may make the difference on if you meet or exceeding your overall goal. Make sure to find a safe location to hold your lemonade stand, and always make sure to ask for permission if setting up in a public place.

A few things to ask yourself in determining where to set up:

- What day will you operate your stand?
- What time of day will you run your stand?
- If people have to drive to your location, will there be adequate parking available?

People- People refers to who is selling the lemonade to the customers and how the customers may perceive the worker. People usually base their decisions around the customer service that is provided by the seller. Things to think about:

- Are you friendly to your customers as they approach and when they are buying your products?
- Are you dressed nicely and clean clothes?

Be on the lookout for upcoming “Lemonade Day” workshops for youth in grades 3rd- 6th from Southwind Extension District and NetWork Kansas. Through “Lemonade Day” youth work through a four-session curriculum learning about setting Goals, making a business plan, learning cost breakdown, setting and following a budget, and taking a loan out all while developing a plan to have a successful Lemonade Stand.

For more information on Lemonade Day or money management for youth, please contact Amanda Clasen, Community Vitality Agent, at amclasen@ksu.edu or at 620-244-3826.