

Marketing and Profitability Activity: 9-12 A CED 3, K-12 MP.1, 3, 4 (among others)

The MORN (Math I Really Need) Snack Mix Company assigns you to a team whose goal is to oversee the “launch” of the company’s newest snack product.

MORN’s new snack product’s **proposed** batch ratios are:

- 1 part Pretzels
- 1 part Cheerios
- ½ part Candy Corn
- 1 part Corn Chex cereal
- 1 part Rice Chex cereal
- ½ part M&Ms



If we were to change the proposed batch ratio, any snack mixture we take to market must contain all of these ingredients. Each ingredient would have a minimum of .5 ounces in the 8 ounce bag while no ingredient could be more than 4 ounces.

1. Taste the product.
2. Brainstorm a name for the new product. _____

Packaging and Product Cost Data:

The product would be sold in 8-ounce packages.

Ingredient costs:

Pretzels	\$3.99/20 oz.
Cheerios	\$6.49/120 oz.
Candy Corn	\$2.99/20 oz.
Corn Chex Cereal	\$1.99/13 oz.
Rice Chex Cereal	\$1.99/13 oz.
M&Ms	\$8.49/42 oz.

3. Based on the proposed batch ratio, calculate each ingredient’s weight in an 8 ounce batch.

Pretzels	_____ oz.
Cheerios	_____ oz.
Candy Corn	_____ oz.
Corn Chex Cereal	_____ oz.
Rice Chex Cereal	_____ oz.
M&Ms	_____ oz.

Cost Considerations: Cost, Profit Margin, & Selling Price

4. What is the product cost of an 8-ounce package? _____
5. What would MORN charge for an 8-ounce package if they wanted a 20% profit margin (based on product cost)? _____
6. What other costs (expenses) are factored into the selling price of this snack product for us to accurately determine our profit margin & or set our price?
7. What is the least expensive mixture we could produce if we were to alter the proposed batch ratio?
8. Food for thought - Would the formula we find in question 7 be the most profitable for us to bring to market? Why or why not?

This IS higher level math and could go to even more complex levels if we were to incorporate nutrition labels, profit margins, sales data, etc...

More importantly: It is Relevant and Engaging for students. This is “Quadrant D” learning. It is CAREER READY MATH.