

Case Competition: Riverside Rolls

USI College of Business | High School Business Day

The Situation

Maya Torres started **Riverside Rolls** two years ago, a food truck in Evansville selling gourmet cinnamon rolls and breakfast sandwiches. She parks near downtown offices, a local farmers market, and outside a few events on weekends. Business is steady, but it has been flat for the last six months. Maya just received a **\$6,000 investment from a local small business grant**, and she needs your team's help deciding how to use it.

About Riverside Rolls

- Operates **20 days per month**
- Sells an average of **100 items per day** at **\$6.00 each**
- Ingredients and packaging cost **\$2.50 per item** (this is her *variable cost*, since it rises and falls with sales)
- Customer survey (100 customers): **60% are ages 16 to 25**, 70% found her through friends or walking by, only 15% follow her on social media, and the most common complaint was “I wish you had drinks.”

Maya's Current Monthly Numbers

	Amount
Revenue (2,000 items × \$6.00)	\$12,000
Variable costs (2,000 × \$2.50)	\$5,000
Gross Profit	\$7,000
Fixed costs: wages	\$3,200
Fixed costs: truck payment	\$900
Fixed costs: insurance and permits	\$300
Fixed costs: fuel and propane	\$400
Fixed costs: marketing	\$100
Total Fixed Costs	\$4,900
Net Profit	\$2,100

Maya's Three Ideas

She can't afford all three, since together they cost \$6,500 and she has only **\$6,000**.

	A. Add Drinks	B. Start Catering	C. Marketing Campaign
What it is	Buy a cooler and drink dispenser; sell coffee, lemonade, and hot chocolate	Sell bulk orders to schools, offices, and parties	Social media ads, a loyalty punch card, and local sponsorships
One-time cost	\$2,000	\$1,500	\$3,000
New monthly fixed cost	\$150	\$100	\$200
Price per unit	\$3.50 per drink	\$5.00 per item (bulk discount)	No change
Variable cost per unit	\$1.00 per drink	\$2.50 per item	No change
Maya's sales estimate	25 drinks per day	4 orders per month, 60 items each	15 more food items per day
Risk	Low: customers already asked	Medium: needs to find clients	Medium: results are uncertain

These are Maya's estimates, and she's not sure they're accurate. Part of your job is to decide how much you trust them.

Your Task

Prepare a 10-minute presentation that answers the following for Maya.

Part 1: Evaluate the Options (Accounting and Decision-Making)

1. For each option, calculate the **additional monthly profit** it would add (new sales minus variable costs minus new monthly fixed costs).
2. Calculate the **payback period** for each option (one-time cost ÷ additional monthly profit). Which pays for itself fastest?
3. Which **combination** of options should Maya choose with her \$6,000? Explain what she gives up by not choosing the third.

Part 2: Marketing

4. Who is Riverside Rolls's **target customer**, and what do they care about?
5. Create a **simple marketing plan** for your recommendation, including: one new slogan or tagline, two ways you'd reach your target customer (be specific about platform or location), and one way to measure whether it worked.

Part 3: Recommendation

6. Give Maya a clear recommendation, including **one risk** and how she can reduce it.

Rules and Tips

- Teams of 2 to 5 students. Everyone should speak.
- Bring your presentation on a USB drive.
- No outside research is required. Everything you need is in this packet, though you're welcome to use other resources if you'd like.
- Judges score reasoning, not just answers.