

# A Full House? (Solution)

Assessing how successful a business idea might be can be a challenge, since it is usually based on estimates. However, appropriate research can help to make your estimations more accurate!



To illustrate this, you are asked to estimate how much revenue your favourite football club can expect to receive from the next three home games. Complete the steps below to estimate the revenue that the club might receive:

Name of Your Chosen Team:

**WALSALL**

1. Obtain a fixture list for your chosen club to discover which teams they will be playing in the next 3 home fixtures.



Write the name of the visiting teams in the space below:

Team 1	Team 2	Team 3
<b>Oxford United</b>	<b>Southend United</b>	<b>Peterborough United</b>

2. Calculate the average price of a ticket for a home game.



Find out the different ticket prices that are available and record them. Then add them up, and divide by the number of prices you've found to get an average ticket price:

Ticket prices	Total of all Ticket prices	Number of Prices	Average Price Per Ticket
£15.50 (Junior) £17.00 (Junior) £17.50 (Junior) £18.50 (Senior) £19.50 (Adult) £21.50 (Senior) £23.50 (Adult) £24.00 (Adult)	<b>£157.00</b>	<b>8</b>	$\frac{£157}{8}$ <b>= £19.63</b>



### 3. Estimate the likely attendance for each game.



This should be based on research, for example the same fixture last year, the average home game etc

Estimated Attendance Match 1	Estimated Attendance Match 2	Estimated Attendance Match 3
5,000	4,000	6,000

### 4. Calculate the estimated revenue for each game.



Using the formula for revenue (Selling Price x Number of Sales) use your figures for the average price of a ticket and your estimated attendance to estimate the revenue for each match

Estimated Revenue Match 1	Estimated Revenue Match 2	Estimated Revenue Match 3
$5,000 \times \text{£}19.63$ = <b>£98,150.00</b>	$4,000 \times \text{£}19.63$ <b>£78,520.00</b>	$6,000 \times \text{£}19.63$ <b>=£117,780.00</b>

### 5. Calculate the total estimated revenue for all 3 games.



Add your estimations for each match together

**£98,150.00+£78,520.00+£117,780.00 = £294,450.00**

### 6. What should the football club consider when using estimates like this?

**It is an estimate, and may not be accurate, so they shouldn't rely on receiving this amount. For example, it assumes that there are the same number of each type of ticket sold, whereas the reality is that there would be more adult tickets sold than child tickets**