2.5 Pricing Structure

Directions: Use the profit equation and pricing structure chart to set reasonable prices for your products that will guide your company to making a profit.

Profit Equation

_____ - _____ = _____

Total **REVENUE** Goal   Total Estimated **EXPENSES**   Estimated Profit/Loss

Price Structure Chart

Fill out the chart below with the price you intend to sell your app and the type of subscriptions you have designed, and how many downloads (sales) you are estimating to generate. This chart can be improved and modified as you learn more during the program.

Example: If you sell an item for $2BB and plan to produce 20 of these subscriptions, your estimated revenue will be $40BB

Product Category	Price Per Unit x Number of Units	Total Revenue ($)
	$_____BB x _____units	
	$_____BB x _____units	
	$_____BB x _____units	
	$_____BB x _____units	
	$_____BB x _____units	
Total Estimated Revenue ($)		

REMEMBER: Be sure your estimated revenue is HIGHER than your total expenses. If not, adjust the pricing to make sure that your company can make a profit.