

1.4 REVENUE STREAMS AND COST STRUCTURE (ALONSO and ALEX)

Revenue streams: Determine the types of revenue and their channels (sale of assets, usage fee, subscription fees, loan, rental, leasing, commissions, advertising, etc.)

You must also take into account the payment methods that the company will accept (cash, card, bizum, paypal, etc.)

START INNOVA CRITERIA:

-SOURCES OF INCOME: Define in a prudent and reasonable manner what are the main sources of income for this project

Our main source of income is going to be selling our clothes and bags, we're estimating a share of 40% bag sales and 60% clothes, we're considering accepting payment methods of: cash, credit or debit card, paypal or bizum.

-WEIGHTING: Weight what will be the percentage participation of each source of income of

-INITIAL INVESTMENTS: Prudently estimate what the financing channels will be (banks, own savings, sale of shares, etc.) intended for the initial investment.

Cost structure: All the elements that make up the business model generate costs and these must be identified and budgeted, in order to estimate a sufficient amount of income that can cover them. It is interesting to talk about: direct and indirect costs, fixed or variable, unrecoverable costs, opportunity cost, environmental and social costs, etc.

START INNOVA CRITERIA

- COSTS: Specify all costs including direct and indirect, fix and variable, economic and/or social

costs (by stands): silk, table, decorations, blenders, oranges, workers, machines (to sew), energy (to produce orange juice and use the machines)

direct costs: silk, machines, energy, table

indirect costs: workers, decorations, oranges, blenders, energy

fix costs: table, machines, workers

variable costs: oranges, blenders, silk, decorations, energy

social costs: marketing

- *INITIAL INVESTMENT*: Estimate total initial investment and its costs

Investment:

To be able to kickstart our business we'll need financing, we're sell part of our company in return for capital that we'll use for starting our operations, we're estimating around 30 000€, and we're planning on using this mainly to buy and manufacture our products and also all of the expenses related to selling our products like stands and permits.