**SMARTBITE**

**AI-POWERED HEALTH RATINGS FOR PROCESSED FOOD**

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**Business Model of SmartBite**

SmartBite is an AI-powered app designed to empower users with instant health ratings of processed foods, providing transparency about hidden ingredients and their long-term health impacts. By combining advanced AI analysis with a user-friendly interface, SmartBite helps consumers make informed dietary choices.

This business model outlines how SmartBite plans to create value for its customers and generate revenue from various sources while managing its costs and key activities.

**Revenue Streams for Smartbite :**

**1. Premium Services**

Monthly/Yearly subscription model.

Advanced health tracking and personalized dietary recommendations.

In-depth ingredient analysis with insights into long-term health effects.

Cognitive health tracking related to food choices (mood and mental health impact).

Access to expert advice and nutritional consultations.

**2. In-App Purchases:**

**Personalized Diet Plans:** Users can purchase custom diet plans based on their health goals.

**Wellness Programs:** Special programs for managing chronic health conditions such as obesity, diabetes, and hypertension.

**3. Affiliate Marketing**

Partnering with health-focused brands (organic food companies, fitness equipment sellers, etc.) to offer exclusive deals within the app.

**4.White-Label Licensing**

Licensing the app to corporate wellness programs or insurance companies to enables businesses to adopt SmartBite for wellness initiatives, maximizing economic potential.

**Financial Assumptions:**

Number of Users : 10,000 users

Number of Subscribed Premium Users: 5000 users

No of In-App Purchases = 3000.

1. Subscription fee for premium users : Rs 200/-

2. In-App Purchase fee per User : Rs 400/-

3.Commission Percentage: Smartbite earns a 2% commission on each Partnering Brand Product sale through its app.

4. Initial White-Label Licensing fee for a Corporate Company : 200000/-

Marketing Costs: ₹40,000

Salaries for Employees: ₹400,000

Office Rent: ₹40,000

Utilities: ₹10,000

**Operating Expenses:**

Total Operating Expenses = Marketing Costs + Salaries + Rent + Utilities

Total Operating Expenses = ₹40,000 + ₹400,000 + ₹40,000 + ₹10,000 = ₹490,000 (₹4.9 lakhs)

**Financial Equation for Smartbite App:**

Total Revenue = product cost per unit x Total number of sales - Operating Expenses.

**1.Revenue on Premium Subscription:**

Monthly Subscription Fee per User: ₹200/-

Premium Subscription Revenue = Monthly Subscription Fee per User x Number of Subscribed Users

Premium Subscription Revenue = ₹200 x 5000 = ₹10,00,000 (₹10 lakhs).

**2.Revenue on In-App Purchases :**

In-App Purchase fee per User : ₹400/-

In-App Purchase Revenue = In-App Purchase fee per User x Number of Subscribed Users

In-App Purchase Revenue = ₹400 x 3000 = ₹12,00,000(₹12 lakhs).

**3.Affiliate Partnerships Revenue:**

Affiliate Commission Rate: 2%

Total Affiliate Sales Generated: ₹3,000,000 (₹3 crores)

Affiliate Commission Revenue = Total Affiliate Sales Generated x Affiliate Commission Rate

Affiliate Commission Revenue = ₹3,000,000 x 2% = ₹6,00,000

(₹6 lakhs)

**4.Revenue on White-Label Licensing :**

Initial White-Label Licensing fee for a Corporate Company = ₹2,00,000/-

Total Companies Purchasing the License = 5.

Revenue on White-Lebel Licensing Sale = 5 x ₹2,00,000 = ₹10,00,000/-

**Total Revenue:**

Total Revenue = Sum of all Revenues - Operating Expenses.

Total Revenue = Revenue on Premium Subscription + Revenue on In-App Purchases + Affiliate Partnerships Revenue + Revenue on White-Label Licensing - Operating Expenses

Total Revenue = ₹10,00,000 + ₹12,00,000 + ₹6,00,000 + ₹10,00,000 - ₹490,000 = ₹33,10,000 /-