

Economic Feasibility “Cost–Benefit analysis”

Benefits	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Increased Sales		\$100,000	\$700,000	\$1,000,000	\$2,000,000	\$3,000,000	\$6,800,000
Times Of Download The App		\$30,000	\$90,000	\$110,000	\$136,000	\$428,000	\$794,000
Times Of Visiting The Website		\$15,000	\$29,000	\$85,000	\$168,250	\$236,000	\$533,250
Total Benefits		\$145,000	\$819,000	\$1,195,000	\$2,304,250	\$3,664,000	\$8,127,250
PV Total Benefits		\$131,818	\$744,545	\$1,086,364	\$2,094,773	\$3,330,909	\$7,388,409
Development Costs							
Android Developer	\$50,000	0	0	0	0	0	\$50,000
IOS Developer	\$50,000	0	0	0	0	0	\$50,000
Web Developer	\$60,000	0	0	0	0	0	\$60,000
Android Device	\$1,200	0	0	0	0	0	\$1,200
Iphone Device	\$1,200	0	0	0	0	0	\$1,200
4 laptops Devices @ \$1500	\$6,000	0	0	0	0	0	\$6,000
Sotfware Licenses	\$800	0	0	0	0	0	\$800
Server Software	\$6,000	0	0	0	0	0	\$6,000
Database Storage	\$3,351	0	0	0	0	0	\$3,351
Backup Storage	\$120	0	0	0	0	0	\$120
Total Development Costs	\$178,671	0	0	0	0	0	\$178,671
Operational Costs							
Hardware		\$500	\$500	\$500	\$500	\$500	\$2,500
Software		\$9,471	\$9,471	\$9,471	\$9,471	\$9,471	\$2,500
Total Operational Costs		\$9,971	\$9,971	\$9,971	\$9,971	\$9,971	\$49,855
Total Costs	\$178,671	\$9,971	\$9,971	\$9,971	\$9,971	\$9,971	\$228,526
Net Benefits							
(Total Benefits - Total Costs)	(\$178,671.00)	\$135,029	\$809,029	\$1,185,029	\$2,294,279	\$3,654,029	\$7,898,724
Cumulative Net Cash Flow	(\$178,671.00)	(\$43,642)	\$765,387	\$1,950,416	\$4,244,695	\$7,898,724	
Return on Investment (ROI)	34.56378705 %						
Break-Even Point (BEP)	1.053943678 Years						
PV Total Costs	\$178,671	\$9,064.55	\$8,240.5	\$7,491.36	\$6,810.33	\$6,191.21	\$216,469
NPV							
(PV Total Benefits - PV Total Costs)	\$7,171,940						

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