



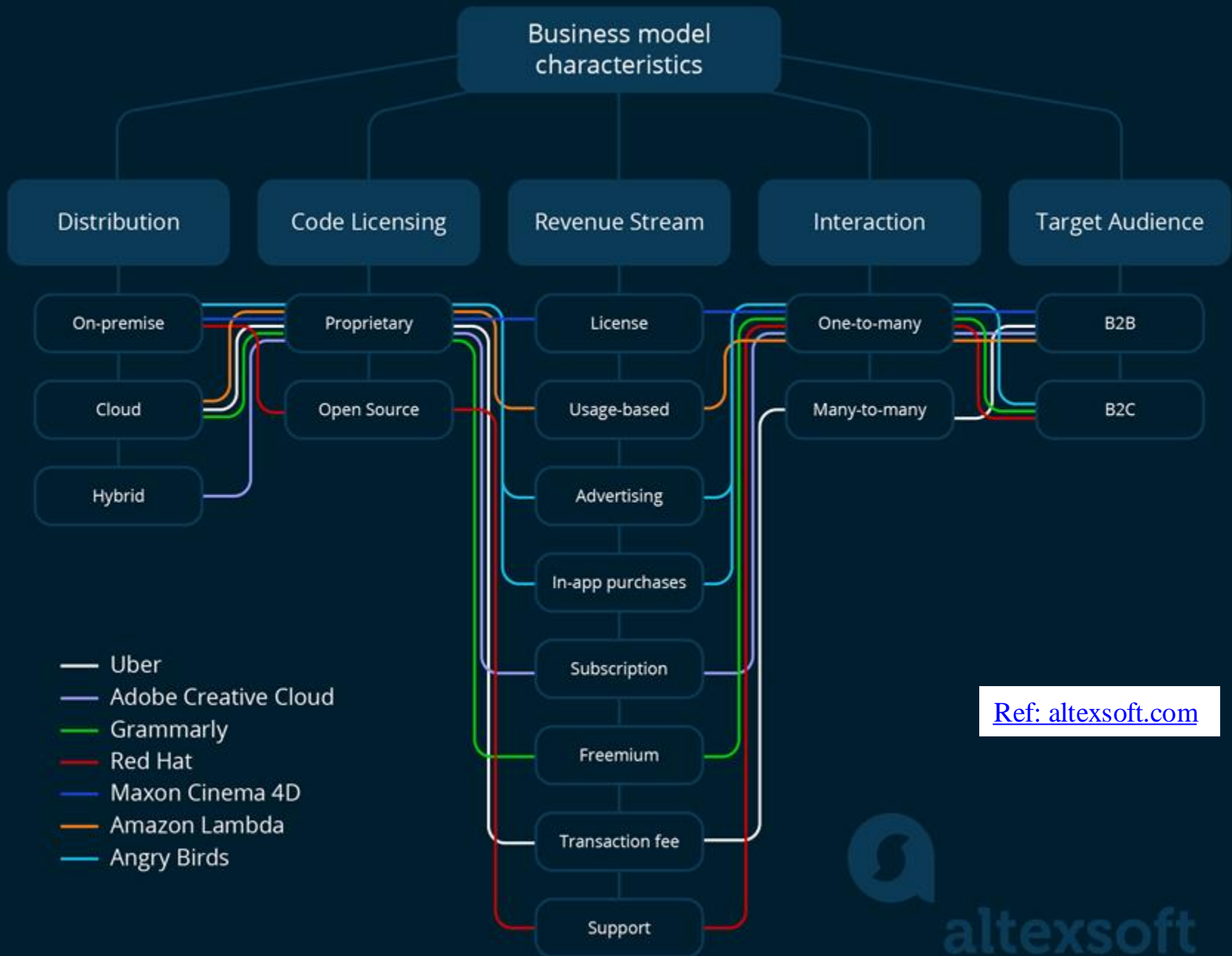
Software Product Management

Business models

(How is revenue generated?)

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Revenue streams



Type	Description / Example
Licenses	One-time upfront license fee + fee for upgrades and support
Subscriptions	Salesforce, Financial Times, Spotify
Usage based	AWS, AWS Lamda, MailChimp, Shutterstock.
Freemium	Free & Premium versions: Grammarly, Tinder, Zapier
Transaction fee	AirBnB, Uber, eBay, Payment Gateway
Advertising	Google Search, Angry Birds, Facebook, Twitter. Google
In-app purchase	VSCO, Meet Me
App store	Commission on app sold: SAP EcoHuub, Microsoft solution finder
IP licensing	Google leasing Chrome browser & Android OS for purpose built device

Exercise



What revenue stream model would do you recommend for this product business and why?

- a) Online children stories
- b) Online library of BE student books
- c) Product recommendation & consulting business