# The optimal base price for startups



### The7bits

Ukraine-Netherland based Software Development & Consultancy company



CEO, studied computer's hardware and software in National Aerospace University Kharkov, developer, project manager and business manager for 20+ years



Ph.D. - CTO, graduated with Glyndwr University, UK, Poltava National Technical University, developer and technology director 7+ years

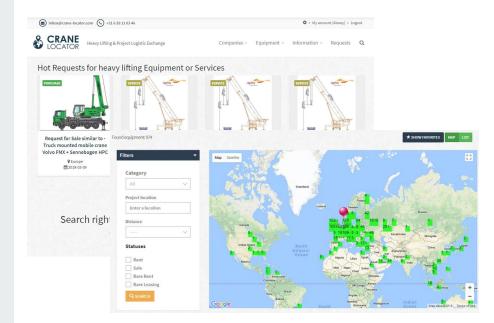


COO, graduated Poltava National Technical University, developer and operation manager 7+ years



#### **Crane-Locator**

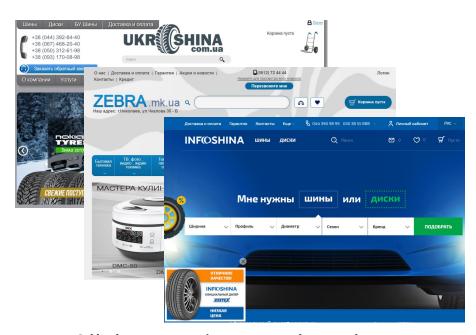
Projects we are proud of



The worldwide Project Logistics marketplace. Well-known usual tool for market Giants.

# Dozens of e-commerce projects

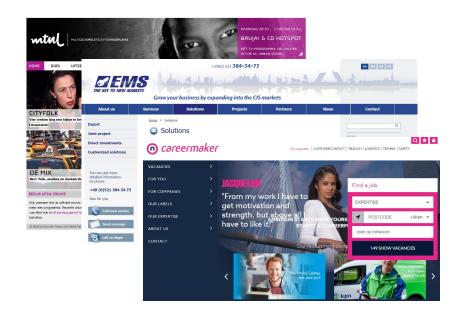
Projects we are proud of



- All these projects are based on our e-commerce framework.
- Some of them are top-3 for local Ukrainian market

# Variety of Dutch sites

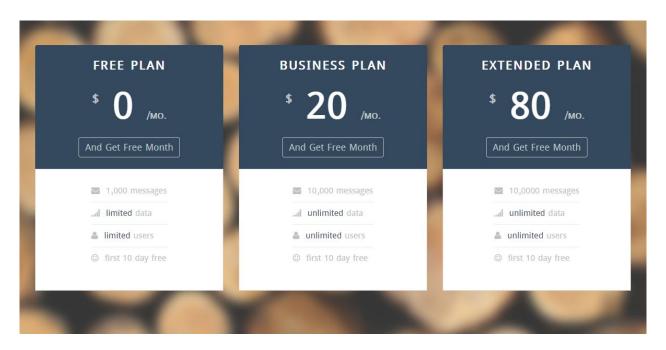
Projects we are proud of



#### Projects for different purposes:

- job-search,
- news portals,
- marketplaces,
- e-commerce.

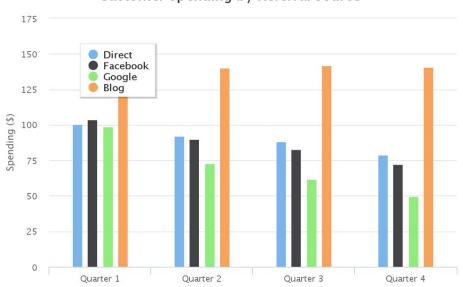
# Right pricing is a problem for startups





# **Cohort analysis**

#### Customer Spending by Referral Source



- By time
- By source
- By other parameters

### Rough maximal price & discount for 1-st month

€30 + 20% = €36 1-st month huge discount (90 - 97%) €36 -95% = €1.8

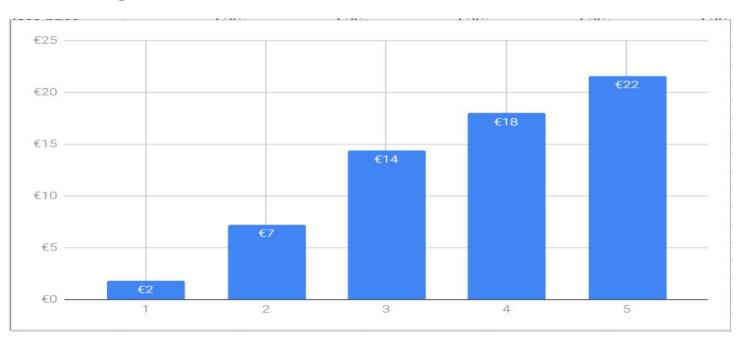
#### 2-nd month

Base price = €36 Discount 80% €36 -80% = €7.2

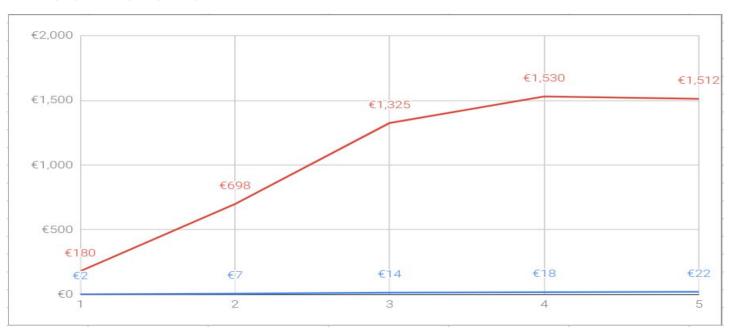
# **Pricing in time**

	1	2	3	4	5
Base price	€36	€36	€36	€36	€36
Discount	95%	80%	60%	50%	40%
Price	€2	€7	€14	€18	€22
Paid	100	97	92	85	70
Outgoing		3	5	7	15
Income	€180	€698	€1,325	€1,530	€1,512

# **Pricing chart**



#### **Income chart**



#### Press-release

"We are lowering our prices!" €18 €36

Reason for a marketing and PR campaign

#### **Start-up costs**

- Server, hosting, software improvement
- Support, employeers
- 3-rd part services

# **Different approach**

Month	1	2	3	4	5
Base price	€100	€120	€144	€173	€207
Increesing	20%	20%	20%	20%	20%
Paid	100	99	95	85	65
Outgoing		1	4	10	20
Income	€10,000	€11,880	€13,680	€14,688	€13,478



#### **BASE PRICE**



## **Used information from Ukrainian guys**



Denis Dovgopoliy • 1st

Entrepreneur, investor, adviser, Crypto-ICO realist, Founder at
GrowthUP Group



Dmitri (Dmytro) Rodenko • 1st Founder – SaaSFounders, IT Marketing Expert | Helping IT Owners to generate a consistent flow of sales opportunities

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