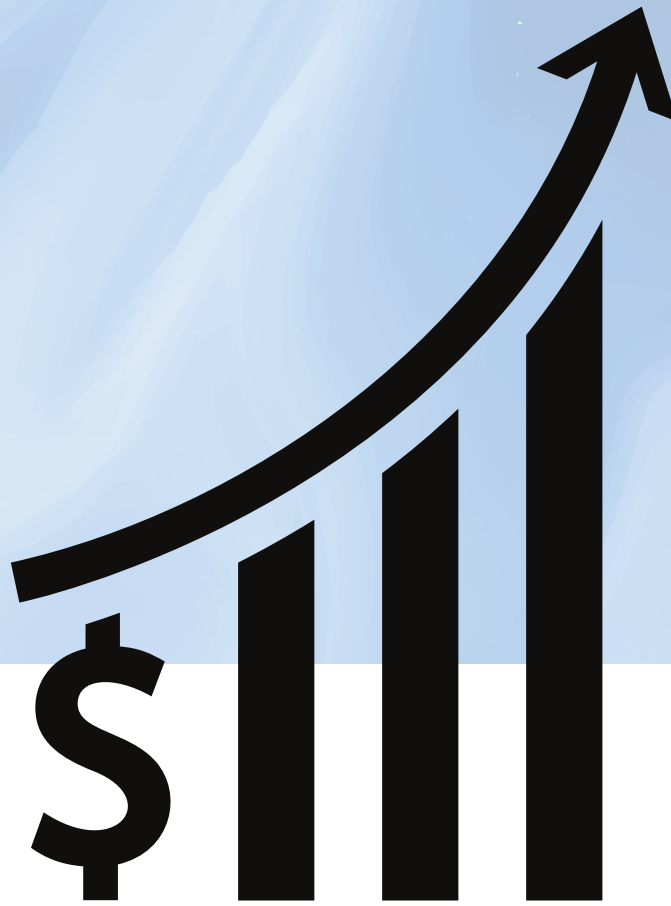




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REVENUE MODELS FOR IT STARTUPS

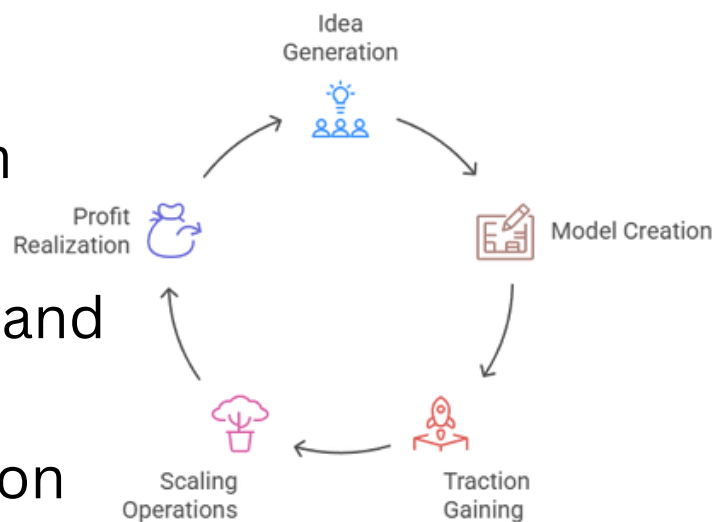


**How Startups Turn Innovation into
Income**

Startup rocket + dollar signs
+ business canvas icons

WHY REVENUE MODELS MATTER

1. How you'll earn from your idea
2. Shapes pricing, features, and strategy
3. Keeps your team and vision aligned



- A clear revenue model helps you plan cash flows and understand your financial future.
- It defines how your startup captures value from users.
- Investors care deeply about your revenue logic — it's a validation of business viability.
- A smart model lets you pivot easily based on market feedback.
- Real Insight: 90% of startups that fail do so because of a flawed business model – not a bad product.

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SUBSCRIPTION MODEL

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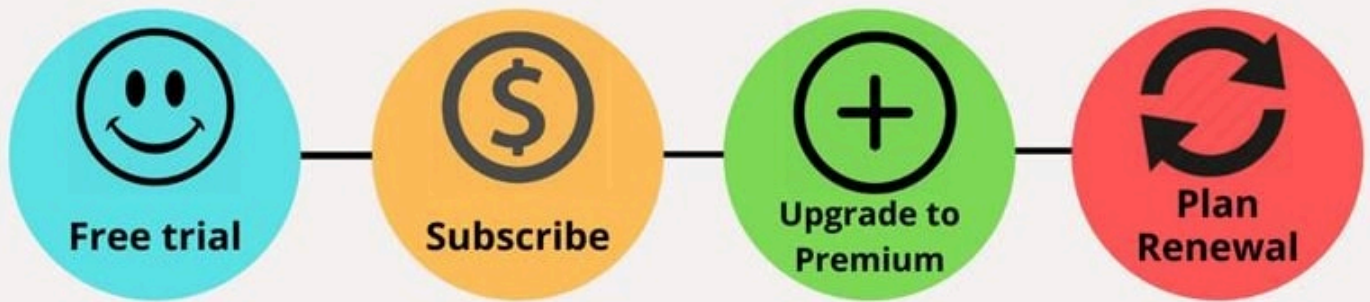
SUBSCRIPTION-BASED REVENUE

- Users pay a recurring fee (monthly/annually)
- Predictable and steady income
- Ideal for SaaS, media, and digital platforms
- Examples: Netflix, Spotify, Adobe

Key Benefits

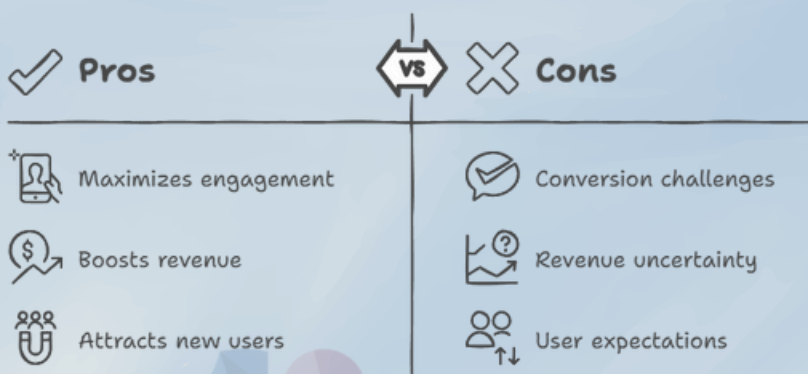
- Steady and forecastable income
- Strong user retention
- Higher customer lifetime value

FREEMIUM BUSINESS MODEL



Freemium + Paid Upgrades

Freemium model

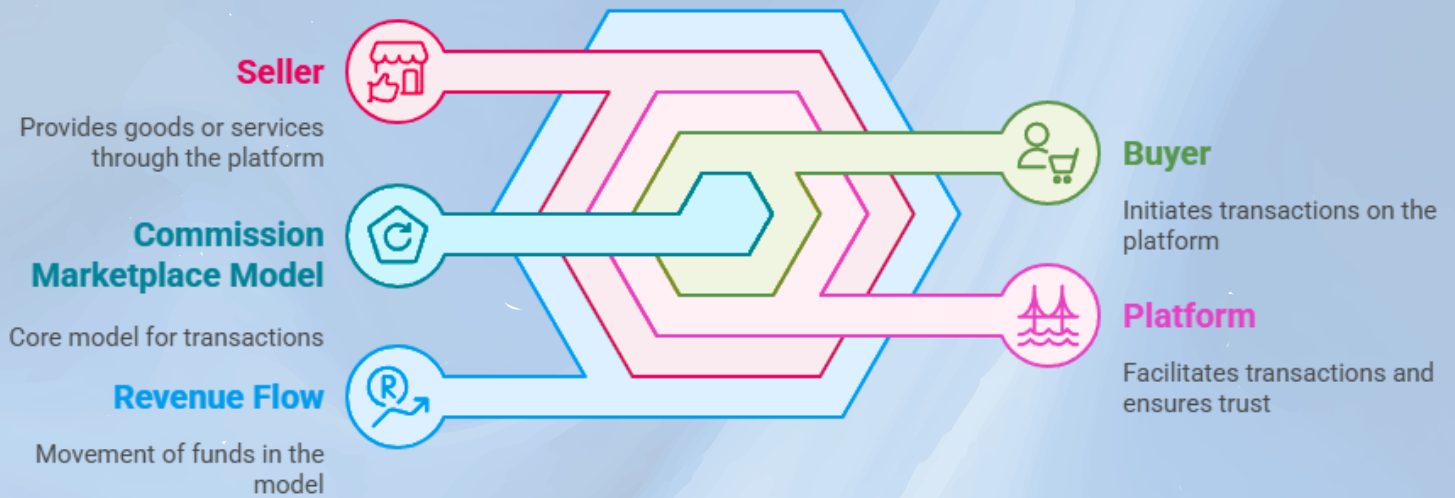


Key Benefits

- Low entry barrier
- Rapid user growth
- Easy upgrade path

OFFER FREE TO MANY, CHARGE A FEW

Commission / Marketplace Model



How It Works

Connect buyers & sellers → take a % commission.

Best For

Marketplaces, delivery apps, gig platforms.

Examples

Uber | Swiggy | Amazon

Pros

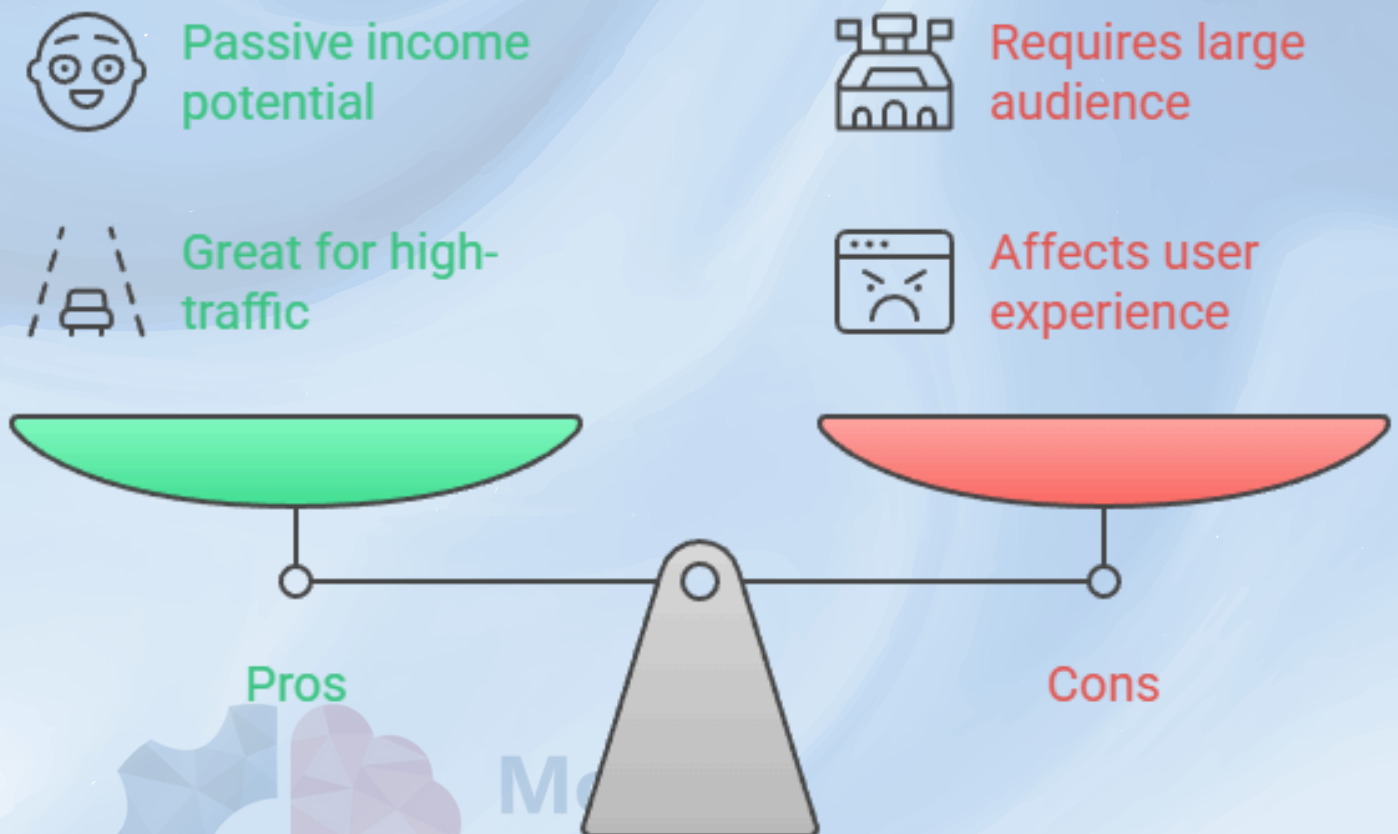
- Scalable with users
- No inventory needed

Cons

- Needs high volume
- Trust & quality control

Advertising & Affiliate Revenue

Weighing Ads & Affiliate Model Benefits and Drawbacks



Pros

Cons

MINISTRY OF INNOVATION CELL
(GOVERNMENT OF INDIA)

Key Takeaways:

- Earn from views, clicks, or referrals
- Best for content-rich or high-traffic platforms
- Keep ads relevant to maintain user trust
- Combine with other models for extra revenue

Conclusion + Call to Action



Made with Napkin

Final Thought:

Your revenue model isn't just about making money – it's about how you deliver value and grow sustainably.