- **Price = *f* (Product system, Target Market, Delivery model)**
  - **Product system**: Each product carries a price tag that increases with number and type of components; "*ceramic pan with tiled slab*," is the highest, while "*Sato® pan*" is the lowest
  - **Target Market**: Selecting a ***primary*** customer segment introduces a premium or a discount—targeting "*high income*" customers sets the highest price while targeting "*low income*" customers sets the lowest price for **all** customers.
  - **Delivery model** decides the ***share of the Product system*** sold by the enterprise. "*Network*" model sells only some components from the Product system, while "turnkey solution provider (TSP)" sells all components with installation. Therefore, price realized by the enterprise is limited to only the items and services it sells; increases from the "network" model to the "TSP" model

- **Quantity = *f* (Product system, Target Market, Sales & Marketing)**
  - **Product system:** Demand for each product varies by customer segment; "*Ceramic pan with tiled slab*" has highest demand among high income customers and least among low income customers; Sato® pan has the opposite.
  - **Target Market:** Demand across customer segments reduces with higher prices, which are set in part by the Target Market chosen (see above)
  - **Sales & Marketing**: "*Self-marketing*" doubles while "*Sales agents*" triple the quantity sold by an enterprise compared to a "*Passive marketing*" approach, i.e., Entrepreneur relies on walk-in customers

- **Cost = Cost of Goods Sold (COGS) + Other costs**
  - **COGS = *f* (Product system, Delivery model)**
    - The enterprise has to spend on **raw material and labor** to manufacture and/or procure toilet components and installation services (under the TSP model)
    - These costs are the highest for "Ceramic pan with tiled slab" and lowest for "Sato® pan"
    - The delivery model **determines package components and services** offered by the enterprise, thus impacting costs. **Costs are the lowest under the "network" model** and the highest under the "TSP" model.
  - **Other costs = *f* (Product system, Entrepreneur, Sales & Marketing)**
    - Include the **cost of delivery** and the **commissions paid to sales agents**
    - **Cost of delivering larger packages is higher** compared to packages with fewer components
    - **Delivery cost is higher for mason** as he does not own a vehicle
    - Sales & Marketing impacts costs as the enterprise needs to pay commissions if it uses sales agents

Invalid combination(s): A **"concrete block producer (CBP)" selling a Sato® pan under the network model** is **not a valid option** and 12 such instances out of 432 possible combinations exist. The P&L sheet will **display an error message** if this combination is selected. Participants should be explained that a CBP is unlikely to stock and sell only a Sato® pan (an assumption).