

In-Class Activity: Revenue Layer Sort

Digital Finance, BSc Course

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Day 5A companion (Follow the Money) | 15 min | Pairs

Setup. The Day 5A framework sheet defines three revenue layers in digital finance.

Infrastructure (Layer 1): fees paid to run the underlying network. Example: Ethereum validators earn gas + MEV.

Protocol (Layer 2): fees embedded in protocol rules. Example: Uniswap LP fee (0.30% per swap).

Application (Layer 3): fees from the user-facing product. Example: Coinbase trading fees, Coinbase One subscription.

Your task. For each of the 8 real revenue lines below, write the layer letter in the right-hand column: **(I)** Infrastructure, **(P)** Protocol, or **(A)** Application. Then circle the 3 items you found **most ambiguous** and be ready to defend the call.

#	Company	Revenue line (2024)	Layer	Ambig?
1	Coinbase	Retail trading spread (1.49 to 3.99% above mid-market on buys/sells)		<input type="radio"/>
2	Circle	USDC reserve float, T-bill yield (about 5.3%) on circulating USDC supply		<input type="radio"/>
3	Robinhood	Payment for order flow (PFOF): market makers pay for retail order routing		<input type="radio"/>
4	Visa	Network interchange fee on every card swipe (about 0.10 to 0.15%)		<input type="radio"/>
5	Uniswap LPs	0.30% swap fee distributed to liquidity providers on every pool swap		<input type="radio"/>
6	Ethereum validator	Gas fees + MEV + staking yield (about 3 to 5% APY on staked ETH)		<input type="radio"/>
7	Coinbase	USDC float share: Circle remits about 50% of T-bill income to Coinbase		<input type="radio"/>
8	Stripe	2.9% + \$0.30 card-acceptance fee charged to the merchant (online checkout)		<input type="radio"/>

Debrief prompts (2 min each). (a) Which item exposes the firm to interest-rate risk first? (b) Which two items are structurally identical but earned by different firms? (c) Pick any Application-layer item and name the cost line that scales with it.

Reminder: the locked taxonomy comes from `content_day5_framework_sheet.tex`. Many real firms span multiple layers (Coinbase appears twice on purpose).