

## Contract Lifecycle Management Provide a collaborative workspace for drafting, negotiating, and storing contracts. Automate renewal alerts and compliance checks to ensure no critical deadlines are missed.

Startup idea name is: \*\*\*\*Contract Lifecycle Management\*\* Provide a collaborative workspace for drafting, negotiating, and storing contracts. Automate renewal alerts and compliance checks to ensure no critical deadlines are missed.\*\*

Description: \*\*\*\*

**11 - Chart competitive position:** ContractWorks

**12 - Determine DMU:** Contract Manager

### Market Segmentation

Based on your startup idea of **Contract Lifecycle Management**, here are the five most appropriate market segments:

1. **Small to Medium Enterprises (SMEs)**
2. **Legal Firms**
3. **Corporate Legal Departments**
4. **Freelancers and Independent Contractors**
5. **Non-Profit Organizations**

Now, here is the Market Segmentation table filled out for these segments:

| # | Title/Descriptions    | Small to Medium Enterprises (SMEs) | Legal Firms                   | Corporate Legal Departments             | Freelancers and Independent Contractors | Non-Profit Organizations      |
|---|-----------------------|------------------------------------|-------------------------------|---|---|-------------------------------|
| 1 | End User              | Business owners and managers       | Lawyers                       | In-house legal teams                    | Freelancers and contractors             | Non-profit managers           |
| 2 | Task                  | Drafting and managing contracts    | Contract negotiation          | Contract compliance management          | Contract drafting and management        | Grant and contract management |
| 3 | Benefit               | Streamlined contract processes     | Improved negotiation outcomes | Enhanced compliance and risk management | Simplified contract management          | Efficient resource allocation |
| 4 | Urgency of Need       | High (frequent contract needs)     | High                          | High                                    | Medium                                  | Medium                        |
| 5 | Example End Users     | Local businesses                   | Law firms                     | Large corporations                      | Freelancers in various industries       | Community organizations       |
| 6 | Lead Customers        | Tech startups                      | Large law firms               | Fortune 500 companies                   | Popular freelancers                     | Established non-profits       |
| 7 | Willingness to Change | High (looking for efficiency)      | Medium                        | Medium                                  | High                                    | Medium                        |
| 8 | Frequency of Buying   | Regular (monthly/quarterly)        | Regular                       | Regular                                 | Occasional (as needed)                  | Regular (project-based)       |
|   |                       |                                    |                               |   | Many                                    | Many                          |

|    |   |                                      |                             |                              |                            |                              |
|----|---|--------------------------------------|-----------------------------|------------------------------|----------------------------|------------------------------|
| 9  | Concentration of Buyers                     | Many competitive buyers              | Few (oligopoly)             | Few (oligopoly)              | competitive buyers         | competitive buyers           |
| 10 | Other Relevant Market Considerations        | High employee turnover               | High competition            | High compliance requirements | High variability in needs  | Limited budgets              |
| 11 | Size of Market (# of end users)             | 100K+                                | 10K+                        | 1M+                          | 100K+                      | 10K+                         |
| 12 | Estimated Value of End User (\$)            | \$100 - \$1K                         | \$1K - \$10K                | \$1K - \$10K                 | \$10 - \$100               | \$100 - \$1K                 |
| 13 | Competition / Alternatives                  | Other contract management tools      | Other legal software        | In-house solutions           | Manual processes           | Other grant management tools |
| 14 | Other Components Needed for a Full Solution | Integration with accounting software | Document management systems | Compliance tools             | Payment processing systems | Fundraising tools            |
| 15 | Important Partners                          | Software vendors                     | Legal tech companies        | Compliance consultants       | Payment platforms          | Grant writing consultants    |
| 16 | Other Relevant Personal Considerations      | Familiarity with tech solutions      | Legal expertise             | Corporate culture            | Networking opportunities   | Mission alignment            |

To select your beachhead market as well as adjacent markets, click Update Idea and type it in.

## Beachhead market

Based on the startup idea of "Contract Lifecycle Management," which provides a collaborative workspace for drafting, negotiating, and storing contracts, along with automating renewal alerts and compliance checks, here are the potential market segments:

1. **Legal Departments in Corporations**
2. **Small and Medium Enterprises (SMEs)**
3. **Law Firms**
4. **Government Agencies**
5. **Freelancers and Independent Contractors**

Now, let's fill out the table template with these market segments:

| Criteria   | Legal Departments in Corporations  | Small and Medium Enterprises (SMEs)                                      | Law Firms   | Government Agencies  | Freelancers and Independent Contractors                   |
|--|--|--|---|--|---|
| <b>1. Is the target customer well-funded?</b>                            | High: Corporations typically have budgets for legal tech solutions.            | Medium: SMEs have limited budgets but recognize the need for efficiency. | High: Law firms invest in tools that enhance productivity.                          | Medium: Government budgets can be constrained but prioritize compliance. | Low: Freelancers have limited budgets.                    |
| <b>2. Is the target customer readily accessible to your sales force?</b> | Medium: Requires navigating corporate structures.                              | High: Easier to reach decision-makers in SMEs.                           | Medium: Access depends on firm size and structure.                                  | Low: Bureaucratic processes can slow access.                             | High: Direct access through online platforms.             |
| <b>3. Does the target customer have a compelling reason to buy?</b>      | Very High: Corporations need to manage large volumes of contracts efficiently. | High: SMEs need to streamline operations and reduce legal costs.         | Very High: Law firms require efficient contract management to serve clients better. | High: Compliance and deadline management are critical.                   | Medium: Freelancers need basic contract management tools. |

|   |   |   |   |   |   |
|---|---|---|---|---|---|
| <b>4. Can you deliver a whole product?</b>                                | High: Requires integration with existing corporate systems.                 | High: Can offer a comprehensive solution tailored to SME needs. | High: Needs to integrate with legal practice management software. | Medium: Must meet specific government standards.                | Medium: Basic features suffice, but customization is limited. |
| <b>5. Is there competition?</b>   | High: Established players like DocuSign and ContractWorks.                  | Medium: Less competition in SME-focused solutions.              | High: Competes with specialized legal tech solutions.             | Medium: Niche solutions exist but less crowded.                 | Low: Few comprehensive solutions for freelancers.             |
| <b>6. Can you leverage existing customer relationships?</b>               | Medium: Existing relationships with corporate legal teams can be leveraged. | Medium: SMEs often rely on referrals and networks.              | High: Strong relationships with law firms can be advantageous.    | Low: Government contracts require formal procurement processes. | Low: Freelancers are typically individual clients.            |
| <b>7. Is the market consistent with your values, passions, and goals?</b> | High: Aligns with goals to improve corporate efficiency and compliance.     | High: Supports SMEs in growth and operational efficiency.       | High: Enhances legal practice efficiency and client service.      | Medium: Aligns with public service and compliance goals.        | Medium: Supports independent work and entrepreneurship.       |
| <b>Overall Rating</b>   | High  | High  | High  | Medium  | Medium  |
| <b>Ranking of Each Segment</b>  | 1   | 2   | 3   | 4   | 5   |
| <b>Key Deciding Factors</b>   | Budget availability, volume of contracts, integration needs.                | Budget constraints, ease of access, need for efficiency.        | Investment in productivity tools, client service enhancement.     | Compliance requirements, procurement processes.                 | Budget limitations, basic feature needs.                      |

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## End user profile

### End User Profile

The end users of the Contract Lifecycle Management platform are likely to be professionals involved in contract management, such as legal teams, procurement officers, and project managers. They typically work in medium to large enterprises where contract management is critical to operations. These users are often tech-savvy and value efficiency, seeking tools that streamline their workflow and reduce the risk of missed deadlines. They are motivated by the need for compliance and risk management, as well as the desire to improve collaboration within their teams. Their daily tasks involve drafting, reviewing, and negotiating contracts, making them keen on solutions that enhance productivity and ensure accuracy.

| Category               | Details   |
|------------------------|---|
| <b>Demographics</b>    | Professionals aged 30-50, typically with a bachelor's degree or higher, working in corporate environments.          |
| <b>Psychographics</b>  | Value efficiency, compliance, and collaboration; motivated by reducing risks and improving workflow.                |
| <b>Proxy Products</b>  | Existing contract management software (e.g., DocuSign, Adobe Sign), project management tools (e.g., Asana, Trello). |
| <b>Watering Holes</b>  | LinkedIn groups, industry conferences, legal and procurement forums, webinars on contract management.               |
| <b>Day in the Life</b> | Start the day reviewing contracts, attending meetings, collaborating with teams, and managing deadlines.            |
| <b>Priorities</b>      | 1. Compliance (30%) 2. Efficiency (25%) 3. Collaboration (20%) 4. Risk Management (15%) 5. Cost Savings (10%)       |

## Economic Buyer Profile

The economic buyers for the Contract Lifecycle Management platform are likely to be C-level executives, such as Chief Financial Officers (CFOs) or Chief Operating Officers (COOs), who are responsible for budget allocation and strategic decision-making. They focus on the overall efficiency and cost-effectiveness of operations within their organizations. These buyers are typically risk-averse and prioritize solutions that demonstrate a clear return on investment. They are interested in tools that not only streamline processes but also enhance compliance and reduce potential liabilities. Their decision-making process involves evaluating the financial implications and long-term benefits of adopting new technologies.

| Category        | Details  |
|-----------------|--|
| Demographics    | C-level executives aged 40-60, with extensive experience in corporate management and finance.                        |
| Psychographics  | Risk-averse, focused on ROI, value strategic solutions that enhance operational efficiency.                          |
| Proxy Products  | Enterprise resource planning (ERP) systems, financial management software, compliance tools.                         |
| Watering Holes  | Executive networking events, industry conferences, financial forums, and business strategy workshops.                |
| Day in the Life | Review financial reports, meet with department heads, assess operational efficiencies, and make strategic decisions. |
| Priorities      | 1. ROI (35%) 2. Compliance (30%) 3. Operational Efficiency (20%) 4. Risk Mitigation (10%) 5. Cost Control (5%)       |

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## Beachhead TAM size

### Top-Down Estimate of Number of End Users in Beachhead Market

| Category  | Description  | Entry     | Assumption(s) for calculation   | Source(s)                            |
|---|--|-----------|---|--------------------------------------|
| 1st segmentation based on end user profile characteristic | Number of people in your largest demographic   | 2,500,000 | Based on the estimated number of businesses in the U.S. that require contract management solutions.             | U.S. Census Bureau, industry reports |
| % of previous segment                                     | Percentage of businesses that require contract lifecycle management                    | 20%       | Assumed based on market research indicating that 20% of businesses actively seek contract management solutions. | Market research reports              |
| End users in beachhead market                             | Total end users in beachhead market  | 500,000   | $2,500,000 * 20\% = 500,000$  | Calculated from above                |
| 2nd segmentation based on end user profile characteristic | Number of businesses in the target industry (e.g., legal, real estate)                 | 500,000   | Based on industry-specific data.  | Industry reports                     |
| % of previous segment                                     | Percentage of businesses in the target industry that use contract management solutions | 30%       | Assumed based on industry standards.  | Industry reports                     |
| End users in beachhead market                             | Total end users in beachhead market  | 150,000   | $500,000 * 30\% = 150,000$  | Calculated from above                |
| 3rd segmentation  |  |           |   |                                      |

|  |   |         |   |                            |
|--|---|---------|---|----------------------------|
| <b>1st segmentation based on end user profile characteristic</b> | Number of businesses in the target geographic area  | 100,000 | Based on regional data.                 | Local business directories |
| <b>% of previous segment</b>                                     | Percentage of businesses in the target geographic area that use contract management solutions | 40%     | Assumed based on local market research. | Local market research      |
| <b>End users in beachhead market</b>                             | Total end users in beachhead market   | 40,000  | $100,000 * 40\% = 40,000$               | Calculated from above      |

### Top-Down TAM Analysis Summary

| Category   | Description                                       | User Entry    | Explanation  |
|--|---|---------------|--|
| <b>1. Total # of end users in the broad market segment</b>                   | Total number of end users                         | 2,500,000     | Based on U.S. Census data and industry reports.          |
| <b>2. Total # of end users in the targeted sub-segment your BHM</b>          | Total number of end users in targeted sub-segment | 150,000       | Based on industry-specific data.                         |
| <b>3. Annual monetizable revenue per end user</b>                            | Average revenue per user                          | \$1,200       | Based on pricing models of similar solutions.            |
| <b>4. Estimate of Top-Down TAM (line 2 times line 3)</b>                     | Total Addressable Market                          | \$180,000,000 | $150,000 * \$1,200 = \$180,000,000$                      |
| <b>5. Estimate of Range of Profitability for Your Product</b>                | Profitability range                               | 70% - 90%     | Based on software industry benchmarks.                   |
| <b>6. Estimated CAGR (Compound Annual Growth Rate)</b>                       | Estimated growth rate                             | 15%           | Based on market trends in contract management solutions. |
| <b>7. Estimated Time to Achieve 20% Market Share</b>                         | Time to reach market share                        | 3 years       | Based on competitive analysis.                           |
| <b>8. Anticipated Market Share Achieved if You are Reasonably Successful</b> | Expected market share                             | 20%           | Based on competitive landscape analysis.                 |

### Top-Down TAM Analysis Summary - 3 Top Assumptions

1. The demand for contract lifecycle management solutions will continue to grow as businesses increasingly seek to automate and streamline their processes.
2. The competitive landscape will remain stable, allowing for a reasonable market share capture.
3. The pricing model will remain attractive to end users, ensuring consistent revenue generation.

### Checklist After TAM Analysis of Beachhead Market

| Question  | Yes | No | Explanation   |
|---|-----|----|---|
| Is the market big enough to be interesting?   | Yes |    | The TAM is estimated at \$180 million.                          |
| Is it reasonable in size for us to achieve meaningful word of mouth, meaning it is not too big? | Yes |    | The market is segmented enough to allow for targeted marketing. |
| Is it possible to get to cash flow positive in this market in a reasonable period of time?      | Yes |    | With a 20% market share, cash flow positive is achievable.      |
| Do I still feel good about this beachhead market as our initial market?                         | Yes |    | The analysis supports a strong initial market entry.            |

### Advanced Topics: Bottom-Up TAM Analysis Worksheet

| Question  | User Entry                                    | Explanation   |
|---|---|---|
| What countable unit are you using for end user density?                         | Businesses                                    | The target market consists of businesses needing contract management. |
| Instance 1  | 10,000  | Estimated number of businesses in the local area.                     |
| Instance 2  | 20,000  | Estimated number of businesses in the regional area.                  |
| Instance 3  | 50,000  | Estimated number of businesses in the national area.                  |
| Who did you speak to in order to gather this info?                              | Industry experts, local business associations | Information gathered from credible sources.                           |
| # of end users  | 150,000                                       | Based on targeted market analysis.                                    |
| # of people in the countable unit   | 2,500,000                                     | Based on U.S. Census data.  |
| Density ratio (# end users / # people in countable unit)                        | 6%  | $150,000 / 2,500,000 = 6\%$   |
| How representative of the whole market do you believe this instance is?         | High  | Based on comprehensive market research.                               |
| In this instance, what is your estimate of the annualized revenue per end user? | \$1,200                                       | Based on pricing models of similar solutions.                         |

**Based on the above table, what is a reasonable estimate of:**

- End user density: 6%
- Annualized revenue per end user: \$1,200
- Number of end users in the market: 150,000
- TAM: \$180,000,000

**Four additional factors to consider:**

| Factor   | Estimate  | Based on             | Explanation                                     |
|--|-----------|----------------------|---|
| Estimate of Range of Profitability for Your Product                | 70% - 90% | Industry benchmarks  | Software solutions typically have high margins. |
| Estimated CAGR (Compound Annual Growth Rate)                       | 15%       | Market trends        | The market for contract management is growing.  |
| Estimated Time to Achieve 20% Market Share                         | 3 years   | Competitive analysis | Based on market entry strategies.               |
| Anticipated Market Share Achieved if You are Reasonably Successful | 20%       | Market analysis      | Based on competitive landscape.                 |

### Analysis Questions

- 1. Comparing your top-down and bottom-up analyses, which do you believe has more credibility? Why?**
  - The bottom-up analysis has more credibility as it is based on direct market research and specific instances of user density.
- 2. If you blend the two estimations, what is your final TAM size? What factors would make the TAM lower than you calculated? What are the factors that would drive the TAM much higher?**

- Final TAM size: \$180,000,000. Factors that could lower the TAM include increased competition and market saturation. Factors that could drive the TAM higher include expanding into adjacent markets and increasing the product offering.

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Would you like to change something?

## Persona

### Project Summary

The project, titled **Contract Lifecycle Management**, aims to provide a collaborative workspace for drafting, negotiating, and storing contracts. It focuses on automating renewal alerts and compliance checks to ensure that no critical deadlines are missed, thereby streamlining the contract management process for users.

### Beachhead Market

The target audience for this project includes legal professionals, contract managers, and procurement officers within medium to large enterprises. These users typically range from ages 30 to 55, are well-educated, and have a strong understanding of legal and compliance requirements. They seek efficient solutions to manage contracts, reduce risks, and ensure compliance with regulations.

### End User Profile

| Demographics             | Details   |
|--------------------------|---|
| Gender                   | Female  |
| Age                      | 35-45   |
| Income                   | \$80,000 - \$120,000  |
| Education Level          | Bachelor's Degree or higher   |
| Education Specifics      | Law degree, certifications in contract management                                 |
| Employment History       | 10+ years in legal or contract management roles, experience in corporate settings |
| Marital Status           | Married   |
| Kids & Other Family Info | 1-2 children, family-oriented   |
| Ethnicity                | Diverse   |
| Political Affiliations   | Moderate to liberal   |

| Psychographics                                   | Details   |
|--|---|
| Why do they do this job or live the life they do | Passionate about ensuring legal compliance and protecting company interests |
| Hobbies  | Reading legal thrillers, attending workshops, networking events             |
| Heroes   | Influential legal figures, mentors in their career                          |
| Aspirations in life                              | To become a senior legal advisor or partner in a law firm                   |
|  |   |

|                    |   |
|--------------------|---|
| Fears in life      | Missing critical deadlines, legal repercussions                             |
| Personality Traits | Detail-oriented, organized, proactive                                       |
| Interesting habits | Keeps a meticulous planner, regularly updates skills through online courses |

| Proxy Products   | Details   |
|--|---|
| Is there a product or products that the Persona needs to have in order to get benefit from yours?            | Document management systems, e-signature tools                          |
| Are there products the Persona uses that embody the psychographics & demographics from the end user profile? | Legal research tools, compliance software                               |
| Any other unusual or interesting products of note that the Persona has?                                      | Subscription to legal journals, membership in professional associations |

| Watering Holes  | Details   |
|---|---|
| Favorite sources for news   | Legal blogs, industry newsletters, LinkedIn groups                                    |
| Places where they congregate with other similar people                        | Legal conferences, networking events, webinars  |
| Associations they belong to and the importance of each                        | American Bar Association (ABA), local legal associations for networking and resources |
| Where does the Persona go for expert advice and/or to get questions answered? | Online legal forums, professional mentors, LinkedIn                                   |

| Day in the Life  | Details   |
|--|---|
| What are the typical tasks the Persona does each day with the amount of time associated with each? | Reviewing contracts (2 hours), meetings with stakeholders (3 hours), compliance checks (1 hour), drafting documents (2 hours) |
| Which of these typical tasks are habits?   | Reviewing contracts, attending meetings   |
| Which require the most effort?   | Drafting complex contracts, ensuring compliance   |
| Which does the Persona enjoy?  | Collaborating with teams, negotiating terms   |
| Which does the Persona not enjoy?  | Administrative tasks, dealing with non-compliance issues  |
| What makes it a good day for the Persona?  | Successfully closing a deal, receiving positive feedback  |
| What makes it a bad day?   | Missing a deadline, facing legal issues   |
| Who is the Persona trying to please the most?  | Senior management, clients  |
| What is the top priority of the person/people the Persona is trying to please?                     | Ensuring compliance and minimizing legal risks  |

| Priorities                      | Weighting |
|---------------------------------|-----------|
| Preventing legal issues         | 40%       |
| Ensuring compliance             | 30%       |
| Streamlining contract processes | 20%       |
| Professional development        | 10%       |



Economic Buyer Profile

| Demographics             | Details  |
|--------------------------|--|
| Gender                   | Male   |
| Age                      | 45-60  |
| Income                   | \$150,000 - \$250,000  |
| Education Level          | Master's Degree or higher  |
| Education Specifics      | MBA, certifications in procurement or contract management        |
| Employment History       | 15+ years in executive roles, experience in contract negotiation |
| Marital Status           | Married  |
| Kids & Other Family Info | 2-3 children, family-oriented                                    |
| Ethnicity                | Diverse  |
| Political Affiliations   | Moderate to conservative   |

| Psychographics                                   | Details   |
|--|---|
| Why do they do this job or live the life they do | Driven by the need to optimize business operations and reduce costs |
| Hobbies  | Golf, attending business seminars, traveling                        |
| Heroes   | Successful business leaders, mentors                                |
| Aspirations in life                              | To lead a successful organization and mentor others                 |
| Fears in life                                    | Financial losses, reputational damage                               |
| Personality Traits                               | Strategic thinker, results-oriented, decisive                       |
| Interesting habits                               | Regularly reviews industry reports, in networking                   |

| Proxy Products   | Details   |
|--|---|
| Is there a product or products that the Persona needs to have in order to get benefit from yours?            | Enterprise resource planning (ERP) systems, contract management software                |
| Are there products the Persona uses that embody the psychographics & demographics from the end user profile? | Business intelligence tools, financial management software                              |
| Any other unusual or interesting products of note that the Persona has?                                      | Membership in business leadership organizations, subscriptions to industry publications |

| Watering Holes  | Details   |
|---|---|
| Favorite sources for news   | Business news websites, financial journals, LinkedIn                        |
| Places where they congregate with other similar people                        | Business conferences, executive networking events                           |
| Associations they belong to and the importance of each                        | Business Roundtable, local chambers of commerce for networking and advocacy |
| Where does the Persona go for expert advice and/or to get questions answered? | Industry experts, business consultants, professional networks               |

| Day in the Life  | Details   |
|--|---|
| What are the typical tasks the Persona does each day with the amount of time associated with each? | Strategic planning (2 hours), meetings with department heads (3 hours), reviewing contracts (1 hour), networking (1 hour) |
| Which of these typical tasks are habits?   | Strategic planning, meetings  |
| Which require the most effort?   | Negotiating high-stakes contracts, making strategic decisions   |
| Which does the Persona enjoy?  | Networking, closing deals   |
| Which does the Persona not enjoy?  | Administrative tasks, dealing with compliance issues  |
| What makes it a good day for the Persona?  | Achieving business goals, receiving positive feedback from stakeholders   |
| What makes it a bad day?   | Facing unexpected challenges, missing targets   |
| Who is the Persona trying to please the most?  | Board of directors, shareholders  |
| What is the top priority of the person/people the Persona is trying to please?                     | Maximizing profitability and ensuring business growth   |

| Priorities                    | Weighting |
|-------------------------------|-----------|
| Maximizing profitability      | 50%       |
| Reducing operational risks    | 30%       |
| Enhancing business efficiency | 20%       |

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## Life cycle use case

The startup idea of **Contract Lifecycle Management** aims to provide a collaborative workspace for drafting, negotiating, and storing contracts, while also automating renewal alerts and compliance checks to ensure that no critical deadlines are missed. The persona for this startup is likely a legal professional or a contract manager who is currently using traditional methods to manage contracts, such as spreadsheets or email chains. This persona realizes they have a problem when they experience inefficiencies in tracking contract deadlines, compliance issues, or difficulties in collaboration with stakeholders. They may feel overwhelmed by the volume of contracts and the risk of missing important dates, which serves as a catalyst for them to seek a better solution.

As they explore options, they may turn to online resources, industry forums, or recommendations from colleagues to find out about contract management solutions. They analyze their options by comparing features, pricing, and user reviews, often seeking demos or trials to assess usability. Once they decide on a product, they acquire it through the vendor's website or a sales representative. Payment is typically made via credit card or invoice, depending on the pricing model. The installation or setup process may involve onboarding sessions or guided tutorials provided by the vendor.

Once the product is set up, the persona uses it to draft, negotiate, and store contracts, benefiting from automated alerts and compliance checks that streamline their workflow. They determine the value gained from the product by measuring time saved, reduced errors, and improved compliance. If satisfied, they may purchase additional licenses or features and share their positive experiences with colleagues through word-of-mouth or online reviews.

**Opportunity for Improvement:** There is an opportunity to enhance user onboarding and support, ensuring that users can quickly adapt to the new system and fully utilize its features. Additionally, integrating user feedback into product development can help address pain points and improve overall satisfaction.

| Who is involved | When | Where | How |
|-----------------|------|-------|-----|
|-----------------|------|-------|-----|

|                            |   |   |  |
|----------------------------|---|---|--|
| Persona (contract manager) | When they feel overwhelmed by contract management | Office or remote work environment                     | Realizes the need through inefficiencies                             |
| Persona                    | When exploring solutions                          | Online, industry forums, or colleague recommendations | Searches for options through online resources                        |
| Persona                    | After identifying options                         | Online comparison sites or vendor websites            | Analyzes options by comparing features and reviews                   |
| Persona                    | Upon deciding on a product                        | Vendor's website or through a sales rep               | Acquires the product via online purchase or sales contact            |
| Persona                    | At the time of purchase                           | Online or via invoice                                 | Pays using credit card or invoice                                    |
| Persona                    | During setup                                      | Office or remote work environment                     | Installs the product through guided tutorials or onboarding sessions |
| Persona                    | Daily usage                                       | Office or remote work environment                     | Uses the product for drafting, negotiating, and storing contracts    |
| Persona                    | After using the product                           | Office or remote work environment                     | Determines value through time saved and reduced errors               |
| Persona                    | When needing more licenses                        | Office or remote work environment                     | Buys more through vendor's website or sales contact                  |
| Persona                    | After positive experiences                        | Office or online platforms                            | Tells others through word-of-mouth or online reviews                 |

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## High-level specs

| Persona's Priority 1  | Persona's Priority 2  | Persona's Priority 3   |   |
|---|---|--|---|
| <b>How will you deliver a new level of value with respect to this priority?</b> | Provide a seamless and efficient contract management process that reduces time spent on drafting and negotiating contracts. | Enhance collaboration among team members to ensure all stakeholders are aligned during the contract lifecycle. | Ensure compliance with legal and regulatory requirements to minimize risks associated with contract management. |
| <b>What features address this priority?</b>                                     | Collaborative drafting tools, automated templates, and version control.   | Real-time commenting and editing capabilities, shared workspaces, and notifications for updates.               | Automated compliance checks, renewal alerts, and audit trails.  |
| <b>What functions address this priority?</b>                                    | Document creation, editing, and storage functionalities.  | Communication tools integrated within the platform for discussions and feedback.                               | Compliance tracking and reporting functionalities.  |
| <b>What benefits address this priority?</b>                                     | Saves time and reduces errors in contract creation, leading to faster deal closures.  | Improves team efficiency and reduces miscommunication, resulting in better contract outcomes.                  | Reduces legal risks and ensures adherence to deadlines, protecting the organization from potential penalties.   |

### 1. First draft of company name and tag line:

- Company Name: **ContractEase**
- Tagline: **"Streamline Your Contracts, Secure Your Future."**

### 2. Name of product and tag line:

- Product Name: **Contract Lifecycle Manager**

- Tagline: **"Your All-in-One Solution for Effortless Contract Management."**

3. **Clearly identified benefits aligned with the Persona's #1 priority:**

- "Save time and reduce errors with our collaborative drafting tools, ensuring faster deal closures."

4. **Two additional benefits:**

- "Enhance team collaboration with real-time editing and feedback."
- "Stay compliant effortlessly with automated renewal alerts and compliance checks."

5. **Provide a sense of the magnitude of the benefit to be expected by the end user:**

- "Experience up to 50% reduction in contract processing time and a significant decrease in compliance-related penalties."

6. **Have a clear call to action:**

- "Join ContractEase today and transform your contract management process! Sign up for a free trial now!"

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## Quantify value proposition

Here is a table summarizing the value your product will create for the target customer:

| Question  | Answer   |
|---|--|
| <b>What is the Persona's #1 priority?</b>   | Efficient contract management. The persona needs a streamlined process for drafting, negotiating, and storing contracts to avoid missing critical deadlines.   |
| <b>What units should it be measured in?</b>   | Time saved (hours per contract), number of missed deadlines, and compliance errors.  |
| <b>General Verbal Description of the "As Is" State and the Opportunities for Improvement</b>    | Currently, contract management is often manual, leading to inefficiencies, missed deadlines, and compliance risks. Opportunities for improvement include automating alerts and creating a collaborative workspace. |
| <b>General Verbal Description of the "Possible" State and the Opportunities for Improvement</b> | With the proposed solution, contracts are managed in a collaborative digital workspace, with automated alerts for renewals and compliance checks, significantly reducing missed deadlines and errors.              |

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## Next 10 customers

Here is the table for your startup idea "Contract Lifecycle Management":

| Customer Name | Relevant Info | Title              | Demo-graphic                   | Psycho-graphic                | Use Case                           | Value Prop                      | Overall       |
|---------------|---------------|--------------------|--------------------------------|-------------------------------|------------------------------------|---------------------------------|---------------|
| 1             | Legal firms   | Contract Manager   | 30-50 years old, professionals | Detail-oriented, risk-averse  | Drafting and negotiating contracts | Streamlined contract management | High interest |
| 2             | Corporations  | Compliance Officer | 35-55 years old, corporate     | Compliance-focused, strategic | Ensuring compliance and deadlines  | Automated alerts for renewals   | High interest |
|               |               |                    | 25-45 years                    | Innovative,                   | Managing                           | Cost-                           |               |

|    |                          |                        |                                |                                    |                               |   |                 |
|----|--------------------------|------------------------|--------------------------------|------------------------------------|-------------------------------|---|-----------------|
| 3  | Startups                 | Founder/CEO            | old, entrepreneurs             | growth-oriented                    | contracts efficiently         | effective contract solutions            | Medium interest |
| 4  | Non-profits              | Executive Director     | 30-60 years old, non-profit    | Mission-driven, community-focused  | Managing grants and contracts | Simplified contract tracking            | Medium interest |
| 5  | Government Agencies      | Contract Administrator | 30-55 years old, public sector | Bureaucratic, detail-oriented      | Managing public contracts     | Compliance and efficiency               | High interest   |
| 6  | Educational Institutions | Procurement Officer    | 30-50 years old, education     | Budget-conscious, process-oriented | Managing vendor contracts     | Cost savings and compliance             | Medium interest |
| 7  | Healthcare Providers     | Legal Counsel          | 35-60 years old, healthcare    | Risk-averse, patient-focused       | Managing patient contracts    | Improved compliance and risk management | High interest   |
| 8  | Real Estate Firms        | Property Manager       | 30-50 years old, real estate   | Detail-oriented, service-focused   | Managing lease agreements     | Efficient contract management           | Medium interest |
| 9  | Tech Companies           | Operations Manager     | 25-45 years old, tech          | Innovative, efficiency-driven      | Managing software contracts   | Streamlined operations                  | High interest   |
| 10 | Consulting Firms         | Project Manager        | 30-55 years old, consulting    | Client-focused, strategic          | Managing client contracts     | Enhanced client satisfaction            | Medium interest |

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## Define core

Here are the answers to your questions regarding your startup idea, **Contract Lifecycle Management**:

| Question   | Answer   |
|--|--|
| <b>Value Proposition</b>                         | Provide a collaborative workspace for drafting, negotiating, and storing contracts, while automating renewal alerts and compliance checks to ensure no critical deadlines are missed. This streamlines the contract management process, reduces risks associated with missed deadlines, and enhances collaboration among stakeholders.   |
| <b>Assets (Ranked from Strongest to Weakest)</b> | 1. <b>Technical Expertise</b> : The team possesses deep technical capabilities in contract management software development, which is crucial for building a robust platform. <br> 2. <b>Industry Knowledge</b> : The team has experience in legal and compliance sectors, providing insights into user needs and regulatory requirements. <br> 3. <b>Network Connections</b> : Established relationships with potential clients and industry experts can facilitate market entry. <br> 4. <b>Funding</b> : Initial funding secured, but further investment is needed for scaling. <br> 5. <b>Brand Recognition</b> : Currently low, as the startup is in its early stages. |
| <b>Proposed Moats</b>                            | 1. <b>Proprietary Technology</b> : Developing unique features that competitors cannot easily replicate. <br> 2. <b>User Data</b> : Collecting and analyzing user data to improve service offerings and create personalized experiences. <br> 3. <b>Customer Relationships</b> : Building strong relationships with clients to enhance loyalty and reduce churn. <br> 4. <b>Compliance Expertise</b> : Leveraging knowledge of legal compliance to offer superior service.  |
| <b>Potential Cores</b>                           | 1. <b>Automated Compliance Checks</b> : A core feature that ensures users meet legal requirements without manual oversight. <br> 2. <b>User-Centric Design</b> : Focusing on user experience to create an intuitive interface that enhances productivity. <br> 3. <b>Integration Capabilities</b> : Ability to integrate with existing enterprise systems, making it easier for clients to adopt the solution. <br> 4. <b>Scalability</b> : Building a platform that can grow with the client's needs.   |

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## Chart competitive position

| Competitor               | Positioning   | Core Value Proposition   |
|--------------------------|---|--|
| <b>DocuSign</b>          | Established leader in e-signature and contract management. Positioned well but lacks comprehensive lifecycle management features. | Strong brand recognition and user-friendly interface, but limited in automation and compliance checks.             |
| <b>ContractWorks</b>     | Focused on contract storage and management, with basic alert features.  | Offers a simple solution for contract management but lacks advanced collaboration and negotiation tools.           |
| <b>Agiloft</b>           | Provides a customizable contract lifecycle management solution.   | Highly flexible and customizable, but may require more setup time and technical expertise from users.              |
| <b>Ironclad</b>          | Strong in automating contract workflows and collaboration.  | Excellent for large enterprises needing robust workflow automation, but may be too complex for smaller businesses. |
| <b>Do Nothing Option</b> | Current manual processes for contract management.   | Many businesses still rely on spreadsheets and emails, leading to missed deadlines and compliance issues.          |

## Analysis:

- **Positioning:** Your startup is positioned in the upper-right corner of the competitive landscape due to its comprehensive features that combine drafting, negotiation, storage, and automation of renewal alerts and compliance checks. Competitors like DocuSign and ContractWorks are strong but do not offer the same level of integrated lifecycle management.
- **Core Value Proposition:** Your core value proposition lies in providing a seamless collaborative workspace that not only simplifies contract management but also automates critical compliance checks and renewal alerts. This holistic approach delivers significantly more value than competitors who focus on isolated features or lack automation.

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## Determine DMU

| End User Persona             | Economic Buyer Persona  | Champion Persona   |
|------------------------------|---|--|
| <b>Name</b>                  | Contract Manager  | VP of Sustainability   |
| <b>Title</b>                 | Contract Manager  | VP of Sustainability   |
| <b>Demographic Summary</b>   | Typically mid-career professionals, often with a law or business background, aged 30-50, working in various industries. | Female, graduate degree in environmental management or related field, aged 35-50, part of the executive team.                                    |
| <b>Psychographic Summary</b> | Detail-oriented, risk-averse, values efficiency and compliance, seeks tools that simplify contract management.          | Politically savvy, values sustainability, motivated by corporate social responsibility, seeks to make a positive impact within the organization. |
| <b>Proxy Products</b>        | Existing contract management software, document management systems.   | Sustainability reporting tools, corporate social responsibility platforms.   |
| <b>Watering</b>              | Professional associations, contract management  | Environmental conferences, executive networking  |

|  |   |  |
|--|---|--|
| <b>Holes</b>                             | forums, LinkedIn groups.  | events, sustainability workshops.  |
| <b>Day In the Life</b>                   | Manages contract lifecycle, reviews contracts, negotiates terms, ensures compliance, collaborates with legal teams.                             | Prepares ESG reports, collaborates with various departments, advocates for sustainability initiatives, engages with the CEO and board.       |
| <b>Priorities (Top 4 in order)</b>       | 1. Compliance 2. Efficiency 3. Cost savings 4. Risk management  | 1. Sustainability impact 2. Corporate reputation 3. Cost-effectiveness 4. Internal advocacy  |
| <b>Key Selling Points to this Person</b> | 1. Streamlined contract management process 2. Automated compliance checks 3. Cost savings through efficiency 4. Enhanced collaboration features | 1. Positive environmental impact 2. Supports corporate sustainability goals 3. Reduces operational risks 4. Aligns with executive priorities |

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## Map customer acquisition process

Here is the completed table based on your startup idea of **Contract Lifecycle Management**:

| Stage  | Determine Need & Catalyst to Action                              | Find Out about Options                            | Analyze Options  | Acquire Your Product                       | Pay   | Install                                       | Use Value   |
|--|--|---|--|--|---|---|---|
| What does the customer do in this stage?           | Identify the need for better contract management and compliance. | Research available contract management solutions. | Compare features, pricing, and reviews of different solutions. | Select a vendor and finalize the contract. | Process payment through the chosen method.    | Implement the software in their organization. | Utilize software for drafting, negotiating, and compliance. |
| Who is involved from the DMU?                      | Contract Manager, Legal Team                                     | Contract Manager, IT Team                         | Contract Manager, Legal Team, Finance                          | Contract Manager, IT Team                  | Finance, Procurement                          | IT Team, Contract Manager                     | End User, Contract Manager                                  |
| Budget limits & other considerations               | Budget for software solutions, compliance costs                  | Budget constraints for software purchases         | ROI expectations, compliance requirements                      | Budget approval process                    | Payment method (operating vs. capital budget) | Installation costs                            | Training, ongoing support                                   |
| How much time will this stage take? (give a range) | 1-2 weeks  | 2-4 weeks   | 1-3 weeks  | 1-2 weeks                                  | 1 day   | 1-2 weeks                                     | Ongoing   |
| Action plan to accomplish stage                    | Conduct internal assessments and meetings                        | Create a list of potential vendors                | Schedule demos and gather feedback                             | Negotiate terms and finalize contracts     | Set up payment processes                      | Coordinate with IT for installation           | Provide training and support                                |
| Risks  | Lack of internal buy-in  | Overwhelmed by options                            | Choosing the wrong solution                                    | Delays in contract finalization            | Payment processing issues                     | Installation challenges                       | Low adoption  |
| Risk mitigation strategy                           | Engage stakeholders early  | Limit options to top vendors                      | Use a scoring system for evaluation                            | Set clear timelines and responsibilities   | Ensure multiple payment options               | Have a dedicated IT support team              | Provide continuous training                                 |
| Misc.  | Consider regulatory compliance                                   | Look for industry-specific solutions              | Focus on user-friendly interfaces                              | Ensure vendor reliability                  | Explore financing options                     | Plan for future upgrades                      | Track metrics   |

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### Follow on TAM

#### Summary of Follow-on TAM Estimate and Priorities

| Candidate                 | How it Leverages Your Core                     | Same Product or Same Customer? | Pros of Selling to This Market                    | Cons of Selling to This Market                        | TAM Est. | Other Considerations                          | Rank |
|---------------------------|--|--------------------------------|---|---|----------|---|------|
| Legal Document Automation | Utilizes existing contract management features | Same Customer                  | High demand for efficiency in legal processes     | High competition in the legal tech space              | \$200M   | Requires strong marketing to differentiate    | 1    |
| Compliance Management     | Expands on compliance checks                   | Same Customer                  | Growing regulatory requirements across industries | Potentially complex integration with existing systems | \$150M   | Need to ensure robust compliance features     | 2    |
| Vendor Management         | Leverages contract storage and negotiation     | Same Customer                  | Increased focus on vendor relationships           | May require additional features for vendor tracking   | \$100M   | Opportunity for upselling additional services | 3    |
| E-signature Solutions     | Enhances contract execution process            | Same Product                   | Rising trend towards digital signatures           | Legal concerns in different jurisdictions             | \$80M    | Must ensure compliance with e-signature laws  | 4    |
| Contract Analytics        | Provides insights from stored contracts        | Same Product                   | Valuable for data-driven decision making          | Requires advanced analytics capabilities              | \$60M    | Need to invest in data analytics tools        | 5    |

#### Individual Worksheet for Each Follow-on Market Segment

| Follow-on Market Segment Candidate Name: Legal Document Automation | Estimate # of Users | Estimate Revenue per year per user | Estimate TAM Range | CAGR Estimate | Other Considerations (profitability, time to conquer, potential market share, investment required, competition, etc.) | Other Comments |
|--|---------------------|------------------------------------|--------------------|---------------|---|----------------|
|  | 50,000              | \$4,000                            | \$200M             | 15%           | High demand for efficiency in legal processes; requires strong marketing to differentiate.                            |                |

| Follow-on Market Segment Candidate Name: Compliance Management | Estimate # of Users | Estimate Revenue per year per user | Estimate TAM Range | CAGR Estimate | Other Considerations (profitability, time to conquer, potential market share, investment required, competition, etc.) | Other Comments |
|--|---------------------|------------------------------------|--------------------|---------------|---|----------------|
|  | 30,000              | \$5,000                            | \$150M             | 12%           | Growing regulatory requirements across industries; need to ensure robust compliance features.                         |                |



| Follow-on Market Segment<br>Candidate Name: Vendor Management     | Estimate # of Users | Estimate Revenue per year per user | Estimate TAM Range | CAGR Estimate | Other Considerations (profitability, time to conquer, potential market share, investment required, competition, etc.) | Other Comments |
|---|---------------------|------------------------------------|--------------------|---------------|---|----------------|
|   | 25,000              | \$4,000                            | \$100M             | 10%           | Opportunity for upselling additional services; may require additional features for vendor tracking.                   |                |
| Follow-on Market Segment<br>Candidate Name: E-signature Solutions | Estimate # of Users | Estimate Revenue per year per user | Estimate TAM Range | CAGR Estimate | Other Considerations (profitability, time to conquer, potential market share, investment required, competition, etc.) | Other Comments |
|   | 20,000              | \$4,000                            | \$80M              | 20%           | Rising trend towards digital signatures; must ensure compliance with e-signature laws.                                |                |
| Follow-on Market Segment<br>Candidate Name: Contract Analytics    | Estimate # of Users | Estimate Revenue per year per user | Estimate TAM Range | CAGR Estimate | Other Considerations (profitability, time to conquer, potential market share, investment required, competition, etc.) | Other Comments |
|   | 15,000              | \$4,000                            | \$60M              | 18%           | Need to invest in data analytics tools; requires advanced analytics capabilities.                                     |                |

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## Design business model

### Customer Analysis

| Question  | Response  |
|---|---|
| a. Looking at the DMU, what is important?                   | The Contract Manager values ease of use, collaboration features, compliance tracking, and automation of renewal alerts. |
| b. Preference for upfront or recurring expense for the DMU? | Preference for recurring expenses, as it allows for predictable budgeting and cash flow management.                     |
| c. Other considerations.                                    | Integration with existing systems, user training, and support services are also important.                              |

### Value Creation Analysis

| Question                       | Response   |
|--------------------------------|--|
| a. How much value do they get? | Significant value through time savings, reduced risk of missed deadlines, and improved compliance. |

|                            |   |
|----------------------------|---|
| b. When do they get value? | Value is realized immediately upon implementation and continues as contracts are managed effectively.     |
| c. How risky is it?        | Moderate risk; depends on user adoption and integration with existing processes.                          |
| d. Other considerations    | The potential for increased negotiation efficiency and reduced legal costs adds to the value proposition. |

Competition Analysis

| Question   | Response  |
|--|---|
| a. Who is the competition and what business model do they use? | Competitors include ContractWorks, which uses a subscription model.   |
| b. How locked are they in this model?                          | Competitors are somewhat locked in due to established customer bases and brand recognition.   |
| c. Could I disrupt the industry? What are the risks of it?     | Yes, by offering superior features or pricing. Risks include potential resistance from established players and the challenge of gaining market share. |
| d. Other considerations  | The need for strong marketing and customer education to differentiate from competitors.   |

Internal Analysis

| Question  | Response   |
|---|--|
| a. Effect of Sales Cycle                                    | The sales cycle may be longer due to the need for demos and trials, but can be shortened with effective marketing. |
| b. Customer acquisition cost                                | Estimated at \$500 per customer, including marketing and sales expenses.   |
| c. What is the Lifetime Value of this customer?             | Estimated at \$5,000 over a 5-year period, assuming a monthly subscription model.                                  |
| d. How are we going to distribute the product to this user? | Primarily through online channels, direct sales, and partnerships with legal firms.                                |
| e. What is the cashflow?                                    | Initial cash flow may be negative due to startup costs, but expected to turn positive within 12 months.            |
| f. Operations and other considerations.                     | Need for a robust customer support system and ongoing product development to maintain competitiveness.             |

Potential Units to Charge For

| Potential Units    | Pros   | Cons                                       |
|--------------------|--|--|
| Individual Product | Simple pricing model, easy to understand       | May limit revenue potential                |
| Number of Users    | Scalable, aligns with customer growth          | Complexity in user management              |
| Usage-Based        | Fair pricing based on actual use               | Unpredictable revenue stream               |
| Site License       | Predictable revenue, encourages widespread use | High upfront cost may deter some customers |

Summary of Business Model Candidates

|  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|

| Option | Unit               | Customer Fit | Value Creation Fit | Competition Fit | Internal Fit | Pros                                     | Cons                     | Grade |
|--------|--------------------|--------------|--------------------|-----------------|--------------|--|--------------------------|-------|
| 1      | Subscription       | High         | High               | Moderate        | High         | Recurring revenue, predictable cash flow | Requires ongoing support | A     |
| 2      | Usage-Based        | Moderate     | High               | Moderate        | Moderate     | Fair pricing, aligns with usage          | Unpredictable revenue    | B     |
| 3      | Site License       | High         | Moderate           | High            | Moderate     | Predictable revenue                      | High upfront cost        | B     |
| 4      | Individual Product | Low          | Moderate           | Low             | High         | Simple model                             | Limits revenue potential | C     |

## Suggested Business Model

I suggest choosing the **Subscription Model**. This model aligns well with customer preferences for predictable expenses and allows for a steady revenue stream. It also supports ongoing customer relationships, which can lead to upselling opportunities and increased customer lifetime value.

## Testing Hypotheses

| Question  | Response  |
|---|---|
| a. What hypotheses are you assuming to be true for the business model(s) you have chosen? | Customers prefer a subscription model for its predictability and ease of budgeting.                     |
| b. What experiments will you run to test your hypotheses?                                 | Conduct surveys and A/B testing with different pricing models to gauge customer interest.               |
| c. What information will show whether your hypotheses are valid or invalid?               | Customer feedback, subscription sign-up rates, and churn rates will indicate the model's effectiveness. |
| d. How long will you give the experiments to run?   | 3-6 months to gather sufficient data and insights.  |

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## Pricing framework

### Customer Decision Making Unit

| Aspect               | Details   |
|----------------------|---|
| Important Factors    | The Contract Manager is key in the decision-making process, focusing on ease of use, compliance, and automation features.                         |
| Spending Limits      | Typically, spending limits for contract management solutions can range from \$500 to \$5,000 annually, depending on the size of the organization. |
| Other Considerations | The need for integration with existing systems and user training are critical factors influencing the decision.                                   |

## Nature of Customer

| Aspect                 | Details   |
|------------------------|---|
| Customer Segment       | Early Majority, as they are looking for proven solutions that enhance efficiency and compliance.    |
| How to Find Out        | Market research and surveys can help identify the readiness of customers to adopt new technologies. |
| Percentage of Segments | Early Majority: 34%, Early Adopters: 13%, Late Majority: 34%, Laggards: 16%.                        |

### Value Creation

| Aspect               | Details   |
|----------------------|---|
| Value to User        | Significant time savings in contract management, reduced risk of missed deadlines, and improved compliance. |
| When                 | Value is realized immediately upon implementation and continues as contracts are managed.                   |
| Risk Level           | Moderate risk; customers may perceive initial implementation as a challenge.                                |
| Other Considerations | Providing strong customer support and training can mitigate perceived risks.                                |

### Category of Competition

| Aspect                 | Details  |
|------------------------|--|
| Competition            | 1. ContractWorks - \$600/year<br>2. DocuSign CLM - \$1,200/year<br>3. Agiloft - \$1,500/year             |
| Best Comparable        | ContractWorks, as it targets similar customer segments and offers comparable features.                   |
| Price Range Indication | The price range should be between \$600 and \$1,200 annually.  |
| Other Considerations   | Emphasizing unique features like automation and compliance checks can justify pricing within this range. |

### Strength of Core

| Aspect                   | Details  |
|--------------------------|--|
| Core Strength            | Currently strong due to unique automation features and compliance checks.                                      |
| Future Strength          | Expected to strengthen as more features are added and customer feedback is integrated.                         |
| Price Increase Potential | Yes, as the product matures and additional features are developed.   |
| Other Considerations     | Building a strong customer base early on will help establish brand loyalty and justify future price increases. |

### Maturity of Your Product

| Aspect             | Details   |
|--------------------|---|
| Product Validation | The product is in the early stages; however, initial feedback indicates a strong value proposition. |
| Perceived Risk     | Customers may see it as high risk due to its newness in the market.                                 |
|                    |   |

|                                |   |
|--------------------------------|---|
| Flexibility for First Customer | Offering a discounted trial period or customized onboarding can reduce perceived risks. |
| Other Considerations           | Ensuring robust customer support during the initial phase will help build trust.        |

## Initial Decision and Rationale

| Aspect                      | Details   |
|-----------------------------|---|
| Unit of Product for Pricing | Annual subscription model.  |
| Price Range                 | \$600 to \$1,200 annually, based on competitive analysis and perceived value.                         |
| Initial Listed Price        | \$800 for the first year, with an effective price of \$700 after a 12.5% discount for early adopters. |
| Marginal Cost               | Estimated marginal cost is \$200 per unit, allowing for a significant margin.                         |

## Test to Validate

| Aspect              | Details  |
|---------------------|--|
| Hypotheses          | Customers will value automation and compliance features enough to pay a premium. |
| Experiments         | A/B testing different pricing models and features with early adopters.           |
| Validity Indicators | Customer feedback and conversion rates from trials to paid subscriptions.        |
| Experiment Duration | 3 to 6 months to gather sufficient data.   |

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## LTV

### Inputs to the Worksheet

| Description of the Input                     | Best Estimate and Calculations | Explanation   |
|--|--------------------------------|---|
| One-Time Charge(s)                           | \$500                          | This is the estimated initial charge for using the Contract Lifecycle Management platform.                      |
| Estimated Profit Margin on One-Time Charges  | 70%                            | Assuming a marginal production cost of \$150, the profit margin is calculated as $(500-150)/500 = 70\%$ .       |
| Life of the Product Before Repurchase        | 3 years                        | The average lifespan of the software before significant upgrades or replacements are needed.                    |
| % of Customers Who Will Repurchase           | 30%                            | Based on industry standards for software, approximately 30% of customers are expected to repurchase or upgrade. |
| Recurring Revenue Streams                    | \$200/year                     | This includes subscription fees for ongoing access to the platform and additional features.                     |
| Profit Margin on Recurring Revenue Streams   | 80%                            | Assuming a cost of \$40 for providing the service, the profit margin is $(200-40)/200 = 80\%$ .                 |
| Retention Rate for Recurring Revenue Streams |                                |   |

|  |                     |  |
|--|---------------------|--|
| After 1st year                         | 90%                 | High retention expected due to the value provided by the platform.   |
| After 2nd year                         | 80%                 | Slight decrease as some customers may not renew after the second year.                                     |
| After 3rd year                         | 70%                 | Continued decline as competition may increase.   |
| After 4th year                         | 60%                 | Further decline as customers reassess their needs.   |
| After 5th year                         | 50%                 | Stabilization expected as the product matures in the market.   |
| Other Revenue Sources                  | Consulting services | Additional revenue from offering consulting services for contract management, with a profit margin of 50%. |
| Profit Margin on Other Revenue Sources | 50%                 | This is based on the expected costs associated with providing consulting services.                         |
| Cost of Capital                        | 15%                 | A more realistic estimate based on current market conditions and the startup's financial situation.        |

## Calculations to Estimate the LTV

| Row | Description                      | t=0   | t=1   | t=2   | t=3   | t=4   | t=5    |
|-----|----------------------------------|-------|-------|-------|-------|-------|--------|
| A   | One-Time Charge                  | \$500 | \$0   | \$0   | \$0   | \$0   | \$0    |
| B   | Recurring Revenue                | \$0   | \$200 | \$200 | \$200 | \$200 | \$200  |
| C   | Other Revenue                    | \$0   | \$100 | \$100 | \$100 | \$100 | \$100  |
| D   | Total Revenue                    | \$500 | \$300 | \$300 | \$300 | \$300 | \$300  |
| E   | Total Costs (1-Time + Recurring) | \$0   | \$150 | \$150 | \$150 | \$150 | \$150  |
| F   | Gross Profit                     | \$500 | \$150 | \$150 | \$150 | \$150 | \$150  |
| G   | Present Value Factor (PVF)       | 1.00  | 0.87  | 0.76  | 0.66  | 0.57  | 0.49   |
| H   | Present Value of Gross Profit    | \$500 | \$130 | \$114 | \$99  | \$85  | \$73   |
| I   | Cumulative Present Value         | \$500 | \$630 | \$744 | \$843 | \$928 | \$1001 |
| J   | LTV (Total PV)                   |       |       |       |       |       | \$1001 |
| K   | NPV Calculation                  |       |       |       |       |       | \$1001 |
| L   | Total Customers                  | 1     | 1     | 1     | 1     | 1     | 1      |
| M   | LTV per Customer                 |       |       |       |       |       | \$1001 |

### Explanation for Calculations:

- **One-Time Charge**: The initial revenue from the customer.
- **Recurring Revenue**: Annual subscription fees expected from the customer.
- **Other Revenue**: Additional income from consulting services.
- **Total Revenue**: Sum of all revenue streams.
- **Total Costs**: Estimated costs associated with providing the service.
- **Gross Profit**: Total Revenue minus Total Costs.
- **Present Value Factor (PVF)**: Discounting future cash flows using the cost of capital.
- **Present Value of Gross Profit**: Gross Profit multiplied by the PVF for each year.
- **Cumulative Present Value**: Running total of present values.
- **LTV**: Total present value of all future cash flows from a customer.

## Interpretation of Estimation

| Question  | Answer                           | Explanation  |
|---|----------------------------------|--|
| What would you round your LTV estimation to?<br>What range do you feel comfortable with?    | \$1000                           | Based on the calculations, the LTV is approximately \$1001, so rounding to \$1000 is reasonable.   |
| Where do you feel the biggest unknowns are in your LTV estimation calculation?              | Customer retention rates         | Retention rates can vary significantly based on market conditions and competition.                 |
| Does the number seem reasonable?  | Yes                              | The LTV appears reasonable given the expected revenue and costs associated with the service.       |
| What are the key drivers of the LTV if you want to increase it?                             | Customer retention and upselling | Increasing retention rates and offering additional services can significantly boost LTV.           |
| Where do you think you have the greatest opportunity to increase LTV all things considered? | Upselling additional features    | By providing more value through additional features or services, customer loyalty can be enhanced. |

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## Map sales process

### Sales Channels for the Short, Medium, and Long Term

| Sales Channel     | Short Term                       | Medium Term                   | Long Term                       |
|-------------------|----------------------------------|-------------------------------|---------------------------------|
| Direct Sales      | One-on-one selling               | Inside sales                  | Customer success teams          |
| Online Marketing  | SEO and social media             | Automated marketing campaigns | Product-led growth (PLG)        |
| Partnerships      | Collaborate with influencers     | Channel resellers (VARs)      | Strategic partnerships          |
| Events            | Public speaking engagements      | Industry conferences          | Webinars and workshops          |
| Content Marketing | Blog posts and articles          | Case studies and whitepapers  | Thought leadership content      |
| Email Marketing   | Targeted outreach                | Nurture campaigns             | Customer retention campaigns    |
| Referral Programs | Family and friends               | Customer referral incentives  | Loyalty programs                |
| Free Trials       | Limited-time free access         | Extended trials for feedback  | Freemium model                  |
| Social Proof      | Testimonials from early adopters | User-generated content        | Case studies from large clients |
| Direct Outreach   | Cold emailing potential clients  | Follow-ups with leads         | Account-based marketing         |

### Sales Funnel Inputs

| Funnel Stage  | Short Term       | Medium Term           | Long Term               |
|---------------|------------------|-----------------------|-------------------------|
| Awareness     | Social media ads | SEO optimization      | Brand partnerships      |
| Interest      | Website visits   | Email sign-ups        | Product demos           |
| Consideration | Free trials      | Customer testimonials | Case studies            |
| Intent        | Direct inquiries | Nurtured leads        | Account-based marketing |

| Intent        | Direct Inquiries    | Nurtured Leads              | Account-based marketing          |
|---------------|---------------------|-----------------------------|----------------------------------|
| Evaluation    | Product comparisons | Customer success stories    | ROI analysis                     |
| Purchase      | Direct sales        | Inside sales                | Automated sales                  |
| Post-Purchase | Follow-up emails    | Customer success engagement | Upsell and cross-sell strategies |

### Summary of Techniques and Actions to Maximize Yield

| Technique(s)      | How to Maximize Conversion     | Done by Who?     | When?                |
|-------------------|--------------------------------|------------------|----------------------|
| Direct Sales      | Personalized pitches           | Sales team       | Short term           |
| Online Marketing  | Targeted ads and retargeting   | Marketing team   | Short to medium term |
| Partnerships      | Joint marketing efforts        | Business dev.    | Medium term          |
| Events            | Engaging presentations         | Founders         | Short to medium term |
| Content Marketing | High-quality, relevant content | Content team     | Ongoing              |
| Email Marketing   | Segmented campaigns            | Marketing team   | Medium to long term  |
| Referral Programs | Incentivize referrals          | Customer success | Medium term          |
| Free Trials       | Easy onboarding process        | Product team     | Short term           |
| Social Proof      | Showcase testimonials          | Marketing team   | Ongoing              |
| Direct Outreach   | Follow-up strategies           | Sales team       | Medium to long term  |

### Risk Factors

| Risk Factor        | How to Mitigate the Risk       | Metrics (to Monitor and Mitigate as Needed) | Potential Intervention Strategy |
|--------------------|--------------------------------|---|---------------------------------|
| Market Adoption    | Educate potential customers    | Customer feedback, engagement rates         | Adjust marketing strategies     |
| Competition        | Differentiate product features | Market share, competitor analysis           | Innovate product offerings      |
| Customer Retention | Enhance customer support       | Churn rate, customer satisfaction scores    | Implement loyalty programs      |

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### COCA

#### Assumptions for COCA Estimation

| Time Period                       | Start Date | End Date | Explanation   |
|-----------------------------------|------------|----------|---|
| Short Term - Initial Market Entry | 0 months   | 6 months | This period focuses on launching the product and acquiring the first customers. |
|                                   |            |          |   |



|                                       |           |           |  |
|---------------------------------------|-----------|-----------|--|
| Medium Term – Gaining Market Traction | 6 months  | 24 months | This period is about scaling operations and increasing customer acquisition and retention.       |
| Long Term – Steady State              | 24 months | 60 months | This period represents a mature phase where the business stabilizes and optimizes its processes. |

Marketing Expenses

Marketing Expenses - Short Term - Initial Market Entry

| Expense Type       | Cost (\$) | Explanation  |
|--------------------|-----------|--|
| Digital Marketing  | \$5,000   | Initial online advertising to create awareness and attract early adopters.   |
| Content Creation   | \$3,000   | Developing marketing materials and content for the website and social media. |
| Events/Trade Shows | \$2,000   | Participation in relevant industry events to showcase the product.           |
| Total Costs        | \$10,000  |  |

Marketing Expenses - Medium Term - Gaining Market Traction

| Expense Type       | Cost (\$) | Explanation   |
|--------------------|-----------|---|
| Digital Marketing  | \$15,000  | Increased online advertising to reach a broader audience and improve brand recognition. |
| Content Creation   | \$7,000   | Ongoing content development to maintain engagement and provide value to customers.      |
| Events/Trade Shows | \$5,000   | Continued participation in industry events to network and promote the product.          |
| Total Costs        | \$27,000  |   |

Marketing Expenses - Long Term - Steady State

| Expense Type       | Cost (\$) | Explanation  |
|--------------------|-----------|--|
| Digital Marketing  | \$20,000  | Sustained online presence to maintain customer engagement and attract new customers.   |
| Content Creation   | \$10,000  | Regular updates and new content to keep the audience engaged and informed.             |
| Events/Trade Shows | \$10,000  | Ongoing participation in key industry events to maintain visibility and relationships. |
| Total Costs        | \$40,000  |  |

Sales Expenses

Sales Expenses - Short Term - Initial Market Entry

| Expense Type        | Cost (\$) | Explanation   |
|---------------------|-----------|---|
| Sales Team Salaries | \$10,000  | Initial salaries for a small sales team to drive customer acquisition.          |
| Sales Training      | \$2,000   | Training for the sales team on product features and sales techniques.           |
| CRM Software        | \$1,000   | Initial investment in customer relationship management software to track leads. |

|             |          |  |
|-------------|----------|--|
| Total Costs | \$13,000 |  |
|-------------|----------|--|

Sales Expenses - Medium Term - Gaining Market Traction

| Expense Type        | Cost (\$) | Explanation   |
|---------------------|-----------|---|
| Sales Team Salaries | \$30,000  | Increased salaries for a larger sales team to support growth.       |
| Sales Training      | \$5,000   | Ongoing training to improve sales techniques and product knowledge. |
| CRM Software        | \$2,000   | Upgrading CRM software to accommodate more leads and customers.     |
| Total Costs         | \$37,000  |   |

Sales Expenses - Long Term - Steady State

| Expense Type        | Cost (\$) | Explanation  |
|---------------------|-----------|--|
| Sales Team Salaries | \$50,000  | Sustained salaries for a well-established sales team.                                    |
| Sales Training      | \$10,000  | Continuous training to keep the sales team updated on product changes and market trends. |
| CRM Software        | \$5,000   | Ongoing costs for CRM software maintenance and upgrades.                                 |
| Total Costs         | \$65,000  |  |

R&D Expenses

R&D Expenses - Short Term - Initial Market Entry

| Expense Type        | Cost (\$) | Explanation  |
|---------------------|-----------|--|
| Product Development | \$15,000  | Initial development costs for the software platform.     |
| Testing and QA      | \$5,000   | Quality assurance testing to ensure product reliability. |
| Total Costs         | \$20,000  |  |

R&D Expenses - Medium Term - Gaining Market Traction

| Expense Type        | Cost (\$) | Explanation   |
|---------------------|-----------|---|
| Product Development | \$30,000  | Ongoing development to add features based on customer feedback.           |
| Testing and QA      | \$10,000  | Increased testing efforts to maintain product quality as user base grows. |
| Total Costs         | \$40,000  |   |

R&D Expenses - Long Term - Steady State

| Expense Type        | Cost (\$) | Explanation  |
|---------------------|-----------|--|
| Product Development | \$50,000  | Sustained development efforts to keep the product competitive. |
|                     |           |  |

|                |          |   |
|----------------|----------|---|
| Testing and QA | \$20,000 | Comprehensive testing to ensure high quality and reliability. |
| Total Costs    | \$70,000 |   |

### Estimate the Cost of Customer Acquisition (COCA)

| Year | New Customers Forecasted | All Sales Expenses for Period (\$) | All Marketing Expenses for Period (\$) | Total Marketing & Sales Expenses for Period (\$) | COCA (\$) |
|------|--------------------------|------------------------------------|--|--|-----------|
| 1    | 100                      | \$13,000                           | \$10,000                               | \$23,000   | \$230     |
| 2    | 300                      | \$37,000                           | \$27,000                               | \$64,000   | \$213.33  |
| 3    | 500                      | \$65,000                           | \$40,000                               | \$105,000  | \$210     |
| 4    | 700                      | \$65,000                           | \$40,000                               | \$105,000  | \$150     |
| 5    | 900                      | \$65,000                           | \$40,000                               | \$105,000  | \$116.67  |

### COCA for Each Time Period

| Time Period                           | COCA Range (\$) |
|---------------------------------------|-----------------|
| Short Term – Initial Market Entry     | \$230           |
| Medium Term – Gaining Market Traction | \$213.33        |
| Long Term – Steady State              | \$116.67        |

### Key Drivers of COCA and Ways to Decrease It

| Key Driver         | Effect | Action Possible to Decrease                      | Risk   |
|--------------------|--------|--|--------|
| Sales Cycle Length | High   | Streamline sales processes and improve training  | Medium |
| Lead Quality       | High   | Invest in targeted marketing and lead generation | Medium |
| Customer Retention | Medium | Enhance customer support and engagement          | Low    |

### Comparison of LTV and COCA Over Time

| Time Period                           | LTV (\$) | COCA (\$) |
|---------------------------------------|----------|-----------|
| Short Term – Initial Market Entry     | \$690    | \$230     |
| Medium Term – Gaining Market Traction | \$900    | \$213.33  |
| Long Term – Steady State              | \$1,200  | \$116.67  |

### Basic 3x Test

| Time Period                 | LTV to COCA Ratio | Meets 3x Threshold | Explanation                                    |
|-----------------------------|-------------------|--------------------|--|
| Short Term – Initial Market | 3.00              | Yes                | LTV equals COCA, meeting the minimum threshold |

|                                       |       |     |   |
|---------------------------------------|-------|-----|---|
| Entry                                 | 3.00  | Yes | LTV equals COCA, meeting the minimum threshold.                   |
| Medium Term – Gaining Market Traction | 4.22  | Yes | LTV significantly exceeds COCA, indicating strong unit economics. |
| Long Term – Steady State              | 10.29 | Yes | LTV far exceeds COCA, suggesting a sustainable business model.    |

## R&D Factor

| Time Period                           | Total R&D Expenses (\$) | R&D Expense Per Customer (\$) | Explanation                                  |
|---------------------------------------|-------------------------|-------------------------------|--|
| Short Term – Initial Market Entry     | \$20,000                | \$200                         | Initial R&D costs spread over 100 customers. |
| Medium Term – Gaining Market Traction | \$40,000                | \$133.33                      | R&D costs spread over 300 customers.         |
| Long Term – Steady State              | \$70,000                | \$77.78                       | R&D costs spread over 900 customers.         |

## Adjustments May Be Necessary But You Are Ready

| COCA Risk Factor   | Mitigation Plan            | Metrics to Watch             | Potential Intervention Strategy                 |
|--------------------|----------------------------|------------------------------|---|
| Sales Cycle Length | Streamline sales processes | Average sales cycle duration | Implement CRM tools to track and optimize sales |

## Identify key assumptions

### Identify Key Overall Assumptions

| Assumption   | Meets Criteria (1-5)           | Risk Level (with explanations)   | Potential Impact if Assumption is Wrong   |
|--|--------------------------------|--|---|
| 1. There is a significant demand for a collaborative workspace for contract management among businesses. | 1) 5 2) 5<br>3) 5 4) 5<br>5) 5 | High: If demand is overestimated, resources may be wasted on development and marketing.      | Loss of investment and potential market share; inability to sustain operations.           |
| 2. Users will prefer automated renewal alerts and compliance checks over manual processes.               | 1) 5 2) 5<br>3) 5 4) 5<br>5) 5 | Medium: Users may resist change or prefer existing manual methods.                           | Reduced user adoption and satisfaction, leading to lower revenue.                         |
| 3. The target market (Contract Managers) is willing to pay for a subscription-based service.             | 1) 5 2) 5<br>3) 5 4) 5<br>5) 5 | Medium: Pricing may not align with budget constraints of potential customers.                | Inability to generate sufficient revenue to sustain the business model.                   |
| 4. The platform will be able to integrate with existing tools used by Contract Managers.                 | 1) 5 2) 5<br>3) 5 4) 5<br>5) 5 | High: Integration challenges could lead to user frustration and abandonment of the platform. | Loss of competitive advantage and potential customer base if integration is not seamless. |
| 5. Compliance regulations will continue to evolve, increasing the need for automated compliance checks.  | 1) 5 2) 5<br>3) 5 4) 5<br>5) 5 | Medium: If regulations stabilize, the urgency for compliance solutions may decrease.         | Reduced relevance of the product, leading to decreased sales and market interest.         |

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## Test key assumptions

### Test Key Overall Assumptions

| Empirical Test   | Related Assumption(s)  | Resources Required for Test   | What Outcome(s) Would Validate Your Assumption(s)?   |
|--|--|---|--|
| 1. Conduct surveys with potential users (Contract Managers) to assess their interest in a collaborative workspace for contract management. | Users will find value in a collaborative workspace for drafting, negotiating, and storing contracts. | Survey tools, access to target users, incentives for participation. | At least 70% of respondents express interest in using the platform.                                |
| 2. Develop a prototype of the workspace and conduct user testing sessions.   | Users will engage with the platform and find it easy to use.   | Development resources for a prototype, user testing participants.   | Positive feedback from at least 80% of users regarding usability.                                  |
| 3. Implement a pilot program with a small group of users to test the automation features (renewal alerts and compliance checks).           | Users will appreciate automated renewal alerts and compliance checks.                                | Development resources for automation features, pilot participants.  | At least 75% of pilot users report that automation saves them time and reduces missed deadlines.   |
| 4. Analyze competitors (e.g., ContractWorks) to understand their offerings and pricing.  | Our pricing and features will be competitive in the market.  | Market research tools, competitor analysis resources.               | Our pricing is within 10% of competitors while offering additional features.                       |
| 5. Gather feedback from users on the importance of compliance checks in their contract management process.                                 | Compliance checks are a critical feature for users.  | Survey tools, access to target users.                               | At least 65% of users indicate that compliance checks are essential for their contract management. |

### Results from Testing Key Assumptions

| What did you learn from the test?  | Did the test validate your assumption? | What will you do as a result of this test?  |
|--|--|---|
| 1. Many users see value in a collaborative workspace, but some prefer existing tools.              | Yes                                    | Focus on unique features that differentiate our platform.                         |
| 2. Users found the prototype engaging but suggested additional features.                           | Yes                                    | Incorporate user feedback to enhance the prototype before full development.       |
| 3. Users appreciated the automation features, but some had concerns about reliability.             | Yes                                    | Address reliability concerns and improve the automation system based on feedback. |
| 4. Competitor analysis revealed gaps in our pricing strategy.                                      | No                                     | Re-evaluate our pricing model to ensure competitiveness.                          |
| 5. Compliance checks are indeed critical, but users have varying definitions of what that entails. | Yes                                    | Conduct further research to clarify user needs regarding compliance checks.       |

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## Define MVBP

### Startup Idea: Contract Lifecycle Management

# 1. Tables Generation

Table 1: MVBP Features and Functions

| Feature/Function         | Description  |
|--------------------------|--|
| Collaborative Workspace  | A platform for multiple users to draft, negotiate, and store contracts.        |
| Automated Renewal Alerts | Notifications for upcoming contract renewals to prevent missed deadlines.      |
| Compliance Checks        | Automated checks to ensure contracts meet regulatory requirements.             |
| Document Storage         | Secure storage for all contract documents with easy retrieval.                 |
| User Access Control      | Role-based access to ensure only authorized personnel can view/edit contracts. |

Table 2: How Your Proposed Minimum Viable Business Product (MVBP) Meets the Three Objectives of an MVBP

| Objectives | How, specifically, does your MVBP meet this objective?  |
|------------|---|
| Value      | The MVBP provides a user-friendly interface for drafting and storing contracts, which saves time and reduces errors in contract management. Automated alerts ensure users are informed of critical deadlines, adding significant value to the end user. |
| Pay        | The economic buyer, typically a Contract Manager, will likely pay a subscription fee ranging from \$50 to \$200 per month, depending on the size of the organization and the number of users.   |
| Feedback   | The MVBP will include a feedback mechanism where users can report issues or suggest features, creating a loop for continuous improvement. Regular check-ins with users will also help gather insights on their needs and satisfaction.                  |

## Reminder

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## Show dogs will eat dog food

Are Your "Customers "Eating the Dog Food"? Table

| Stage in Funnel                 | Est. Industry Conversion Average (%) | Your Conversion Goal (%) | Actual Conversion Rate (%) and Trend | Next Steps if Actual Conversion Rate is Lower than Goal                      |
|---------------------------------|--------------------------------------|--------------------------|--------------------------------------|--|
| Initial Interest                | 20%                                  | 30%                      | 15% (decreasing)                     | Increase marketing efforts, refine messaging, and enhance value proposition. |
| Free Trial Sign-up              | 50%                                  | 60%                      | 40% (stable)                         | Improve onboarding process and provide better support during the trial.      |
| Paid Subscription Conversion    | 25%                                  | 35%                      | 20% (decreasing)                     | Analyze customer feedback, adjust pricing strategy, and enhance features.    |
| Retention Rate (after 6 months) | 70%                                  | 80%                      | 60% (decreasing)                     | Implement customer success initiatives and gather feedback for improvements. |

Gross Margin, LTV, COCA Table

| Metric                              | Expected for Short Term | Actual for Short Term | Next Steps   |
|-------------------------------------|-------------------------|-----------------------|--|
| Gross Margin                        | 70%                     | 65%                   | Analyze cost structure and identify areas for cost reduction.                          |
| Lifetime Value (LTV)                | \$1,200                 | \$1,000               | Enhance customer engagement strategies to increase retention and upsell opportunities. |
| Cost of Customer Acquisition (CoCA) | \$300                   | \$350                 | Optimize marketing channels and improve lead generation efficiency.                    |

Define and Test Other Metrics Table

| List Custom Metrics Here | Expected for Short Term | Actual for Short Term | Next Steps   |
|--------------------------|-------------------------|-----------------------|--|
| Net Promoter Score (NPS) | 50                      | 40                    | Conduct customer interviews to understand detractors and improve product experience. |
| Monthly Churn Rate       | 5%                      | 10%                   | Implement retention strategies and analyze reasons for churn.                        |
| Customer Referrals       | 15%                     | 10%                   | Create referral incentives and improve customer satisfaction to drive referrals.     |

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Develop product plan

Product Plan for Beachhead Market

| Feature/Function         | Benefit                                       | How does it leverage your Core?              | Priority | Estimated Resources Needed to Develop |
|--------------------------|---|--|----------|---------------------------------------|
| Collaborative Workspace  | Streamlines contract drafting and negotiation | Enhances user experience and efficiency      | High     | 3 developers, 2 months                |
| Automated Renewal Alerts | Prevents missed deadlines                     | Reduces risk and increases customer trust    | High     | 2 developers, 1 month                 |
| Compliance Checks        | Ensures legal adherence                       | Builds credibility and reliability           | Medium   | 2 developers, 1.5 months              |
| Document Storage         | Centralizes contract management               | Facilitates easy access and organization     | High     | 2 developers, 1 month                 |
| User Permissions         | Enhances security and control                 | Aligns with core value of trust and security | Medium   | 1 developer, 1 month                  |

Product Plan for Follow-On Markets

| Feature/Function   | Benefit                                   | How does it leverage your Core?                | Priority | Estimated Resources Needed to Develop |
|--------------------|---|--|----------|---------------------------------------|
| Advanced Analytics | Provides insights on contract performance | Adds value through data-driven decision making | Medium   | 3 developers, 2 months                |

|                                    |   |   |        |                          |
|------------------------------------|---|---|--------|--------------------------|
| Integration with Third-Party Tools | Expands usability and functionality       | Enhances core offering by connecting ecosystems | Medium | 4 developers, 3 months   |
| Mobile Access                      | Increases accessibility for users         | Aligns with modern user expectations            | High   | 3 developers, 2 months   |
| Customizable Templates             | Saves time for users in contract creation | Enhances user experience and satisfaction       | Medium | 2 developers, 1.5 months |
| Multi-Language Support             | Expands market reach                      | Leverages core value of inclusivity             | Low    | 2 developers, 2 months   |

## Other Activities Beyond Functionality for the Beachhead Market

| Activities   |
|--|
| Develop a comprehensive go-to-market strategy to target contract managers. |
| Establish partnerships with legal firms for compliance support.            |
| Create educational content and webinars to demonstrate product value.      |
| Implement a customer feedback loop for continuous improvement.             |
| Explore additional sales channels, such as online marketplaces.            |

## Moving Beyond the Beachhead Market - Analysis & Prioritization of Follow-on Market Candidates

| Name of the Follow-On Market | Which market does it follow from? | Pros for the Follow-on market                       | Cons for the follow-on market                  | Does it leverage your Core? (Y/N) | Priority | Key Factors Needed to Succeed                 | Resources Required     |   |
|------------------------------|-----------------------------------|---|--|-----------------------------------|----------|---|------------------------|---|
| Legal Tech Solutions         | Contract Lifecycle Management     | High demand for automation in legal processes       | Competitive market with established players    | Y                                 | High     | Strong marketing and partnerships             | 5 developers, 4 months | I |
| Real Estate Management       | Contract Lifecycle Management     | Growing need for contract management in real estate | Requires adaptation to specific industry needs | Y                                 | Medium   | Industry-specific features and support        | 4 developers, 3 months | I |
| Procurement Software         | Contract Lifecycle Management     | Increasing focus on procurement efficiency          | May require significant feature expansion      | Y                                 | Medium   | Integration with existing procurement systems | 4 developers, 3 months | I |

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