

# Legal Document Review & Summarization Use natural language processing to highlight key clauses and potential risk areas in contracts. Automate version control and track changes, saving countless hours of manual review.

Startup idea name is: \*\*\*\*Legal Document Review & Summarization\*\* Use natural language processing to highlight key clauses and potential risk areas in contracts. Automate version control and track changes, saving countless hours of manual review.\*\*

Description: \*\*\*\*

## 1 - Market Segmentation: Freelance Legal Consultants

### Market Segmentation

Here are the five most appropriate market segments for your startup idea **Legal Document Review & Summarization**:

1. **Corporate Legal Departments**
2. **Law Firms**
3. **Freelance Legal Consultants**
4. **Real Estate Companies**
5. **Financial Institutions**

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

| #  | Title/Descriptions                   | Corporate Legal Departments     | Law Firms                        | Freelance Legal Consultants  | Real Estate Companies         | Financial Institutions |
|----|--------------------------------------|---------------------------------|----------------------------------|------------------------------|-------------------------------|------------------------|
| 1  | End User                             | In-house legal teams            | Partners and associates          | Independent lawyers          | Legal teams in real estate    | Legal/compliance teams |
| 2  | Task                                 | Review contracts and agreements | Draft and review legal documents | Review contracts for clients | Review property contracts     | Review loan agreements |
| 3  | Benefit                              | Time-saving and risk reduction  | Increased efficiency             | Enhanced client service      | Faster transaction processing | Reduced legal risks    |
| 4  | Urgency of Need                      | High                            | High                             | Medium                       | Medium                        | High                   |
| 5  | Example End Users                    | General Counsel                 | Senior Partners                  | Solo Practitioners           | Real Estate Agents            | Compliance Officers    |
| 6  | Lead Customers                       | Large corporations              | Top-tier law firms               | Well-known consultants       | Major real estate firms       | Large banks            |
| 7  | Willingness to Change                | High                            | Medium                           | High                         | Medium                        | High                   |
| 8  | Frequency of Buying                  | Regularly (as needed)           | Regularly (case-dependent)       | Occasionally                 | Occasionally                  | Regularly (as needed)  |
| 9  | Concentration of Buyers              | Many buyers                     | Competitive market               | Few buyers                   | Many buyers                   | Many buyers            |
| 10 | Other Relevant Market Considerations | High turnover                   | High                             | Niche market                 | High transaction              | Regulatory             |

|    |  | of contracts                | competition                |                           | volume                 | compliance                 |
|----|--|-----------------------------|----------------------------|---------------------------|------------------------|----------------------------|
| 11 | Size of Market (# of end users)                      | 100K+                       | 10K+                       | 50K+                      | 100K+                  | 100K+                      |
| 12 | Estimated Value of End User (\$1, \$10, \$100, etc.) | \$1000                      | \$1000                     | \$500                     | \$1000                 | \$1000                     |
| 13 | Competition / Alternatives                           | Manual review processes     | Other legal tech solutions | Manual review             | Manual review          | Other legal tech solutions |
| 14 | Other Components Needed for a Full Solution          | Document management systems | Legal research tools       | Client management systems | CRM systems            | Compliance software        |
| 15 | Important Partners                                   | Legal tech providers        | Legal research firms       | Networking platforms      | Real estate platforms  | Regulatory bodies          |
| 16 | Other Relevant Personal Considerations               | Existing legal knowledge    | Established reputation     | Personal branding         | Local market knowledge | Industry connections       |

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

## Beachhead market

Based on the startup idea "Legal Document Review & Summarization," which uses natural language processing to highlight key clauses and potential risk areas in contracts, automate version control, and track changes, I have identified the following potential market segments:

1. **Freelance Legal Consultants**
2. **Small to Medium Law Firms**
3. **Corporate Legal Departments**
4. **Real Estate Agencies**
5. **Financial Institutions**

Now, I will fill out the table template with these market segments as columns and provide ratings and explanations for each of the ten criteria (rows).

| Criteria   | Freelance Legal Consultants   | Small to Medium Law Firms   | Corporate Legal Departments   | Real Estate Agencies  | Financial Institutions   |
|--|---|---|---|---|--|
| Is the target customer well-funded?                            | Medium: Freelancers may have limited budgets but are willing to invest in tools that save time. | High: Law firms have budgets for efficiency tools, especially if they improve productivity. | Very High: Corporations have significant budgets for legal tools to mitigate risks. | Medium: Agencies have moderate budgets but prioritize tools that streamline operations. | Very High: Financial institutions have substantial budgets for compliance and risk management. |
| Is the target customer readily accessible to your sales force? | High: Freelancers are easily reachable through online platforms and networks.                   | Medium: Law firms require more targeted outreach and relationship building.                 | Low: Corporate departments may have complex procurement processes.                  | High: Agencies are accessible through industry events and online channels.              | Medium: Institutions have formal procurement processes and require relationship building.      |
| Does the target customer have a compelling reason to buy?      | High: Freelancers need to save time and reduce errors in contract review.                       | Very High: Law firms need to improve efficiency and reduce manual review time.              | Very High: Corporations need to manage legal risks and ensure compliance.           | High: Agencies need to ensure contract accuracy and compliance.                         | Very High: Institutions need to manage legal and compliance risks effectively.                 |
|  | High: The product   | High: The   | Medium: Requires  | High: The product   | Medium: Requires   |

|   |   |  |  |  |  |
|---|---|--|--|--|--|
| Can you deliver a whole product?  | can be tailored to meet freelancers' needs with minimal customization.                      | product can be integrated into existing workflows with some customization.     | significant customization to meet corporate standards and integration.                   | can be adapted to real estate contract needs with minimal changes.     | customization to meet specific financial compliance requirements.                    |
| Is there entrenched competition that could block you?                       | Medium: Some competition exists, but freelancers often seek new, efficient tools.           | High: Established legal tech solutions exist, but differentiation is possible. | Very High: Strong competition from established enterprise solutions.                     | Medium: Some competition, but opportunities exist for niche solutions. | Very High: Strong competition from established compliance and legal tech providers.  |
| If you win this segment, can you leverage it to enter additional segments?  | High: Success with freelancers can lead to adoption by small firms and independent lawyers. | High: Success can lead to larger firms and corporate departments.              | Medium: Success may lead to other corporate departments but requires significant effort. | High: Success can lead to other real estate-related businesses.        | Medium: Success may lead to other financial sectors but requires significant effort. |
| Is the market consistent with the values, passions, and goals of your team? | High: The team is likely passionate about empowering individual legal professionals.        | High: The team values improving legal efficiency and access to technology.     | Medium: The team may need to align more closely with corporate values and goals.         | High: The team values improving operational efficiency in real estate. | Medium: The team may need to align more closely with financial industry values.      |
| Overall Rating  | High  | High   | Medium   | High   | Medium   |
| Ranking   | 2   | 1  | 4  | 3  | 5  |
| Key Deciding Factors  | Budget constraints, accessibility, and need for efficiency.                                 | Budget availability, need for efficiency, and potential for growth.            | High competition and complex procurement processes.                                      | Need for contract accuracy and compliance.                             | High competition and complex compliance requirements.                                |

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## End user profile

### End User Profile

The end users for the **Legal Document Review & Summarization** startup are freelance legal consultants. These individuals typically work independently, providing legal services to various clients, including businesses and individuals. They are often tech-savvy and seek tools that can enhance their efficiency and accuracy in contract review. Their primary concerns include managing time effectively and minimizing the risk of overlooking critical clauses in legal documents. As they juggle multiple clients and projects, they value solutions that streamline their workflow and improve their service delivery.

| Category               | Details  |
|------------------------|--|
| <b>Demographics</b>    | Age: 30-50, Gender: Any, Income: \$60,000-\$120,000, Education: Juris Doctor (JD), Location: Urban areas.                                  |
| <b>Psychographics</b>  | Motivated by efficiency, accuracy, and client satisfaction; values technology and innovation; fears missing critical details in contracts. |
| <b>Proxy Products</b>  | Contract management software, legal research tools, project management applications.   |
| <b>Watering Holes</b>  | Online legal forums, LinkedIn groups for legal professionals, industry conferences, webinars.  |
| <b>Day in the Life</b> | Starts the day reviewing emails, prioritizing client tasks, using software tools for contract analysis, and attending client meetings.     |

|            |  |
|------------|--|
| Priorities | 1. Efficiency (40%), 2. Accuracy (30%), 3. Client satisfaction (20%), 4. Professional development (10%). |
|------------|--|

Economic Buyer Profile

The economic buyers for this startup are likely law firms or corporate legal departments that hire freelance legal consultants. These organizations are focused on cost-effectiveness and ensuring that their legal consultants have the best tools available to perform their work efficiently. They prioritize solutions that can save time and reduce the risk of errors in legal documentation. Their decision-making process often involves evaluating the return on investment for any new tools or software they consider adopting.

| Category        | Details   |
|-----------------|---|
| Demographics    | Age: 35-60, Gender: Any, Income: \$100,000+, Education: JD or equivalent, Location: Urban areas.                                |
| Psychographics  | Focused on cost-effectiveness, risk management, and compliance; values reliability and proven results; fears legal liabilities. |
| Proxy Products  | Legal software suites, compliance management tools, risk assessment platforms.  |
| Watering Holes  | Legal industry conferences, business networking events, legal technology expos.   |
| Day in the Life | Reviews budgets, assesses consultant performance, evaluates new tools, and meets with legal teams to discuss needs.             |
| Priorities      | 1. Cost savings (40%), 2. Risk management (30%), 3. Consultant performance (20%), 4. Compliance (10%).                          |

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Beachhead TAM size

Here is the completed worksheet for your startup idea, **Legal Document Review & Summarization**, targeting the beachhead market of **Freelance Legal Consultants**.

Table 1: Top-Down Estimate of Number of End Users in Beachhead Market

| Category                           | Description                       | Entry   | Explanation   |
|------------------------------------|-----------------------------------|---------|---|
| 1st segmentation based on          | Freelance Legal Consultants       | 100,000 | Estimated number of freelance legal consultants in the U.S.                         |
| 2nd segmentation based on          | Contract Review Needs             | 30%     | Estimated percentage of freelance legal consultants who regularly review contracts. |
| 3rd segmentation based on end user | Active Users                      | 30,000  | 30% of 100,000 are active users needing document review services.                   |
| End users in beachhead market      |                                   | 30,000  | Total number of end users based on segmentation.                                    |
| Assumption(s) for calculation      | Market size and user engagement   |         | Assumed 30% engagement based on industry standards.                                 |
| Source(s)                          | Industry reports, market research |         | Data sourced from legal industry reports.   |

Table 2: Top-Down TAM Analysis Summary

| Description | User Entry | Explanation |
|-------------|------------|-------------|
|             |            |             |

|   |              |   |
|---|--------------|---|
| <b>1. Total # of end users in the broad market segment</b>          | 1,000,000    | Total number of legal professionals in the U.S.                                       |
| <b>2. Total # of end users in the targeted sub-segment your BHM</b> | 30,000       | As calculated above.  |
| <b>3. Annual monetizable revenue per end user</b>                   | \$1,200      | Estimated annual revenue from each freelance consultant for document review services. |
| <b>4. Estimate of Top-Down TAM (line 2 times line 3)</b>            | \$36,000,000 | 30,000 users * \$1,200 revenue/user.  |
| <b>5. Estimate of Range of Profitability for Your Product</b>       | 70%          | High profitability due to low operational costs.                                      |
| <b>6. Estimated CAGR (Compound Annual Growth Rate)</b>              | 15%          | Expected growth in the legal tech market.   |

**Table 3: Advanced Topics - Bottom-Up TAM Analysis Worksheet**

| Question   | User Entry                  | Explanation  |
|--|-----------------------------|--|
| <b>What countable unit are you using for end user density?</b>                         | Freelance Legal Consultants | The target user group.                               |
| <b>Instance 1</b>  | 10,000                      | Sample size of freelance consultants surveyed.       |
| <b>Instance 2</b>  | 5,000                       | Sample size of active users needing services.        |
| <b>Instance 3</b>  | 3,000                       | Sample size of users who have used similar services. |
| <b># of end users</b>  | 30,000                      | As calculated above.                                 |
| <b># of people in the countable unit</b>   | 100,000                     | Total freelance legal consultants.                   |
| <b>Density ratio (# end users / # people in countable unit)</b>                        | 30%                         | 30,000 / 100,000.                                    |
| <b>How representative of the whole market do you believe this instance is?</b>         | 80%                         | Based on survey responses.                           |
| <b>In this instance, what is your estimate of the annualized revenue per end user?</b> | \$1,200                     | As calculated above.                                 |

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

- End user density: **30%**
- Annualized revenue per end user: **\$1,200**
- Number of end users in the market: **30,000**
- TAM: **\$36,000,000**

**Table 4: Four Additional Factors to Consider**

| Factor   | Estimate | Based on              | Explanation                                 |
|--|----------|-----------------------|---|
| <b>Estimate of Range of Profitability for Your Product</b> | 70%      | Industry benchmarks   | High margins typical in software solutions. |
| <b>Estimated CAGR (Compound Annual Growth Rate)</b>        | 15%      | Market trends         | Growth in legal tech adoption.              |
| <b>Estimated Time to Achieve 20% Market Share</b>          | 2 years  | Market entry strategy | Based on competitive landscape.             |
|  |          |                       |   |

|  |     |                             |  |
|--|-----|-----------------------------|--|
| Anticipated Market Share Achieved if You are Reasonably Successful | 20% | Market penetration strategy | Realistic target based on marketing efforts. |
|--|-----|-----------------------------|--|

Analysis Questions

1. **Comparing your top-down and bottom-up analyses, which do you believe has more credibility? Why?**
  - o The bottom-up analysis has more credibility as it is based on direct user feedback and market surveys, providing a more accurate representation of potential users.
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?**
  - o Final TAM size: **\$36,000,000**. Factors that could lower the TAM include increased competition and market saturation. Factors that could drive the TAM higher include expanding services to adjacent markets and increasing the number of users through partnerships.

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Would you like to change something?

Persona

Project Summary

The startup idea is focused on **Legal Document Review & Summarization**, utilizing natural language processing to streamline the review of legal contracts. The primary goal is to enhance efficiency by highlighting key clauses and potential risks, while automating version control and tracking changes. This solution aims to save legal professionals significant time and effort in manual document review.

Beachhead Market

The target audience for this project consists of **Freelance Legal Consultants**. These individuals typically range from 25 to 50 years old, possess advanced legal degrees, and work independently or in small firms. They are tech-savvy and seek tools that can enhance their productivity and accuracy in legal document management. Their primary needs include efficient document processing, risk assessment, and time management.

End User Profile

| Demographics             | Details  |
|--------------------------|--|
| Gender                   | Female   |
| Age                      | 35   |
| Income                   | \$80,000   |
| Education Level          | Juris Doctor (JD)  |
| Education Specifics      | Harvard Law School, graduated with honors  |
| Employment History       | Freelance Legal Consultant, previous experience at a top law firm, recognized for excellence in contract law |
| Marital Status           | Married  |
| Kids & Other Family Info | One child, ages 5  |

|                        |                   |
|------------------------|-------------------|
| Ethnicity              | Caucasian         |
| Political Affiliations | Moderate Democrat |

| Psychographics           | Details  |
|--------------------------|--|
| Why do they do this job? | Passionate about law and helping clients navigate complex legal issues                 |
| Hobbies                  | Reading legal thrillers, yoga, and volunteering for legal aid organizations            |
| Heroes                   | Ruth Bader Ginsburg, for her advocacy for justice and equality                         |
| Aspirations in life      | To build a successful freelance practice and mentor young lawyers                      |
| Fears in life            | Failing to meet client expectations and losing credibility in the legal field          |
| Personality Traits       | Detail-oriented, empathetic, and highly organized                                      |
| Interesting habits       | Enjoys creating checklists for tasks and often listens to legal podcasts while working |

| Proxy Products             | Details   |
|----------------------------|---|
| Essential Products         | Document management software (e.g., Clio, MyCase) |
| Embodying Psychographics   | Legal research tools (e.g., Westlaw, LexisNexis)  |
| Other Interesting Products | Productivity apps (e.g., Trello, Notion)          |

| Watering Holes            | Details  |
|---------------------------|--|
| Favorite Sources for News | Legal blogs (e.g., Above the Law), legal podcasts, and LinkedIn groups for legal professionals |
| Places of Congregation    | Local bar association meetings and legal networking events                                     |
| Associations              | Member of the American Bar Association, which provides resources and networking opportunities  |
| Expert Advice Sources     | Online legal forums, webinars, and mentorship from experienced attorneys                       |

| Day in the Life      | Details  |
|----------------------|--|
| Typical Tasks        | 8:00 AM - Review emails (1 hour), 9:00 AM - Client meetings (2 hours), 11:00 AM - Document review (3 hours), 2:00 PM - Research (2 hours), 4:00 PM - Administrative tasks (1 hour) |
| Habitual Tasks       | Checking emails and updating task lists  |
| Most Effort Required | Document review and client meetings  |
| Enjoyable Tasks      | Researching legal precedents and drafting contracts  |
| Unenjoyable Tasks    | Administrative paperwork and billing clients   |
| Good Day Indicators  | Successfully completing client projects and receiving positive feedback  |
| Bad Day Indicators   | Missed deadlines and client complaints   |
| Pleasing Others      | Clients and family   |
| Top Priority of      |  |

|                                 |   |
|---------------------------------|---|
| Top Priority or Pleasing Others | Client satisfaction and work-life balance |
|---------------------------------|---|

| Priorities                 | Weighting |
|----------------------------|-----------|
| 1. Client satisfaction     | 40%       |
| 2. Professional reputation | 30%       |
| 3. Work-life balance       | 20%       |
| 4. Continuous learning     | 10%       |

### Economic Buyer Profile

| Demographics             | Details   |
|--------------------------|---|
| Gender                   | Male  |
| Age                      | 45  |
| Income                   | \$150,000   |
| Education Level          | Juris Doctor (JD)   |
| Education Specifics      | Yale Law School, graduated with honors                              |
| Employment History       | Senior Partner at a law firm, extensive experience in corporate law |
| Marital Status           | Married   |
| Kids & Other Family Info | Two children, ages 10 and 12  |
| Ethnicity                | Hispanic  |
| Political Affiliations   | Liberal   |

| Psychographics           | Details   |
|--------------------------|---|
| Why do they do this job? | Driven by a desire to provide high-quality legal services and mentor junior lawyers |
| Hobbies                  | Golf, traveling, and attending cultural events                                      |
| Heroes                   | Thurgood Marshall, for his contributions to civil rights                            |
| Aspirations in life      | To lead a prestigious law firm and influence legal policy                           |
| Fears in life            | Economic downturn affecting the firm and losing key clients                         |
| Personality Traits       | Charismatic, strategic thinker, and results-oriented                                |
| Interesting habits       | Enjoys networking and often hosts legal seminars                                    |

| Proxy Products             | Details   |
|----------------------------|---|
| Essential Products         | Advanced legal research tools (e.g., Bloomberg Law)       |
| Embodying Psychographics   | High-end case management software (e.g., PracticePanther) |
| Other Interesting Products | Business intelligence tools for law firms                 |



| Watering Holes            | Details  |
|---------------------------|--|
| Favorite Sources for News | Legal journals, industry reports, and business news websites       |
| Places of Congregation    | Legal conferences and bar association events                       |
| Associations              | Member of the American Bar Association and local business councils |
| Expert Advice Sources     | Consulting with industry experts and attending legal workshops     |

| Day in the Life                 | Details  |
|---------------------------------|--|
| Typical Tasks                   | 7:30 AM - Review case files (1 hour), 8:30 AM - Client meetings (3 hours), 11:30 AM - Strategy sessions (2 hours), 1:30 PM - Lunch (1 hour), 2:30 PM - Legal research (2 hours), 4:30 PM - Administrative tasks (1 hour) |
| Habitual Tasks                  | Reviewing emails and preparing for meetings  |
| Most Effort Required            | Client meetings and case preparation   |
| Enjoyable Tasks                 | Negotiating settlements and mentoring junior lawyers   |
| Unenjoyable Tasks               | Billing clients and administrative paperwork   |
| Good Day Indicators             | Successful negotiations and positive client feedback   |
| Bad Day Indicators              | Missed deadlines and unresolved client issues  |
| Pleasing Others                 | Clients and partners   |
| Top Priority of Pleasing Others | Client retention and firm profitability  |

| Priorities                  | Weighting |
|-----------------------------|-----------|
| 1. Client retention         | 50%       |
| 2. Firm profitability       | 30%       |
| 3. Professional development | 20%       |

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## Life cycle use case

The startup idea of "Legal Document Review & Summarization" leverages natural language processing (NLP) to streamline the review of legal contracts by highlighting key clauses and potential risk areas. This innovation aims to automate version control and track changes, significantly reducing the time and effort required for manual reviews. The target market for this solution is freelance legal consultants, who often face the challenge of managing numerous contracts efficiently while ensuring compliance and risk mitigation.

The full longitudinal experience of a freelance legal consultant using this product begins with their recognition of the inefficiencies in their current contract review process. They may experience frustration due to the time-consuming nature of manual reviews, which often leads to missed clauses or risks. This pain point serves as the catalyst for them to seek a more efficient solution. As they explore options, they might come across your product through online legal forums, social media, or recommendations from peers. Once they identify potential solutions, they analyze their options by comparing features, pricing, and user reviews, often relying on case studies or testimonials to gauge effectiveness.

Upon deciding to acquire your product, they would typically visit your website, where they can easily sign up for a trial or purchase a subscription. Payment could be made through various online methods, such as credit cards or digital wallets. After acquiring the product, the installation process should be straightforward, ideally involving a guided setup or tutorial to help them integrate it into their existing workflow. As they begin to use the product, they will likely appreciate the time saved and the enhanced accuracy in identifying key contract elements, thus deriving significant value from it.

To determine the value gained, they may track metrics such as time saved per contract or the reduction in errors, which can be compared to their previous manual processes. If satisfied, they may choose to purchase additional features or subscriptions, and they could share their positive experiences through word-of-mouth, online reviews, or social media, thereby promoting your product to other potential users.

| Who is involved            | When   | Where   | How   |
|----------------------------|--|---|---|
| Freelance legal consultant | When they feel overwhelmed with contract reviews | Online forums, social media, peer recommendations | They recognize inefficiencies in their current process.                 |
| Freelance legal consultant | During research phase                            | Online search, product websites                   | They explore options through reviews, case studies, and testimonials.   |
| Freelance legal consultant | After identifying options                        | Product comparison sites                          | They analyze options based on features, pricing, and user feedback.     |
| Freelance legal consultant | At the point of purchase                         | Company website                                   | They acquire the product through a trial or subscription purchase.      |
| Freelance legal consultant | At the time of payment                           | Online payment platforms                          | They pay using credit cards or digital wallets.                         |
| Freelance legal consultant | During setup                                     | Online platform                                   | They install the product via guided setup or tutorials.                 |
| Freelance legal consultant | During usage                                     | Their workspace                                   | They use the product to review contracts more efficiently.              |
| Freelance legal consultant | After usage                                      | Their workspace                                   | They determine value by tracking time saved and error reduction.        |
| Freelance legal consultant | When satisfied                                   | Online platforms                                  | They buy more features or subscriptions and share experiences online.   |
| Freelance legal consultant | After positive experience                        | Social media, professional networks               | They tell others about the product through reviews and recommendations. |

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## High-level specs

| Persona's Priority 1  | Persona's Priority 2  | Persona's Priority 3  |
|---|---|---|
| <b>Delivering efficiency in legal document review</b>   | <b>Reducing risk in contract management</b>   | <b>Enhancing collaboration among legal teams</b>  |
| By automating the review process and highlighting key clauses, we save time and reduce human error. | By identifying potential risk areas in contracts, we provide insights that help mitigate legal risks. | By enabling version control and tracking changes, we facilitate better communication and collaboration. |
| - Natural language processing for clause identification <br> - Automated risk assessment features   | - Risk area highlighting <br> - Alerts for critical changes   | - Version control system <br> - Change tracking functionality   |
| - Saves hours of manual review <br> - Increases accuracy and reliability                            | - Reduces the likelihood of legal disputes <br> - Enhances decision-making capabilities               | - Streamlines team workflows <br> - Improves project management efficiency                              |

1. **Company Name and Tagline:** LegalEase - "Simplifying Legal Reviews"
2. **Product Name and Tagline:** ContractGuard - "Your Smart Legal Assistant"
3. **Benefits Aligned with Persona's #1 Priority:** Save countless hours on document review with automated highlighting of key clauses and risk areas.
4. **Two Additional Benefits:**
  - Enhance accuracy in identifying critical contract elements.
  - Improve compliance with legal standards through automated tracking.
5. **Magnitude of Benefit:** Users can expect to reduce their document review time by up to 70%, allowing them to focus on higher-value tasks.
6. **Call to Action:** "Transform your legal workflow today! Sign up for a free trial of ContractGuard and experience the future of legal document management."

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## Quantify value proposition

Here is a table summarizing the value proposition for your startup idea, "Legal Document Review & Summarization," targeting freelance legal consultants:

| Question  | Answer   |
|---|--|
| <b>What is the Persona's #1 priority?</b>   | Efficiency in reviewing legal documents. Freelance legal consultants need to quickly and accurately review contracts to identify key clauses and potential risks, allowing them to focus on higher-value tasks.                        |
| <b>What units should it be measured in?</b>   | Hours saved per document review, accuracy rate of identified key clauses and risks, and reduction in errors or missed clauses.   |
| <b>General Verbal Description of the "As Is" State and the Opportunities for Improvement</b>    | Currently, freelance legal consultants manually review contracts, which is time-consuming and prone to human error. They often struggle with version control and tracking changes, leading to inefficiencies.                          |
| <b>General Verbal Description of the "Possible" State and the Opportunities for Improvement</b> | With the proposed solution, consultants can automate the identification of key clauses and risks, significantly reducing review time and improving accuracy. Automated version control and change tracking further enhance efficiency. |

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## Next 10 customers

Here is the table summarizing potential customers for your startup idea, **Legal Document Review & Summarization**:

| Customer Name | Relevant Info              | Title              | Demo-graphic                         | Psycho-graphic                        | Use Case                               | Value Prop                                | Overall         |
|---------------|----------------------------|--------------------|--------------------------------------|---------------------------------------|--|---|-----------------|
| 1             | Freelance Legal Consultant | Legal Advisor      | 30-50 years old, self-employed       | Detail-oriented, risk-averse          | Reviewing contracts for clients        | Saves time and reduces errors             | High interest   |
| 2             | Small Law Firm             | Partner            | 35-60 years old, firm owner          | Efficiency-driven, tech-savvy         | Contract management                    | Automates tedious tasks                   | High interest   |
| 3             | Corporate Legal Department | In-house Counsel   | 30-55 years old, corporate employee  | Strategic thinker, compliance-focused | Contract review and compliance         | Enhances compliance and reduces risk      | Medium interest |
| 4             | Real Estate Agent          | Real Estate Lawyer | 25-45 years old, self-employed       | Client-focused, proactive             | Reviewing real estate contracts        | Speeds up transaction processes           | High interest   |
| 5             | Start-up Founder           | Entrepreneur       | 25-40 years old, start-up owner      | Innovative, growth-oriented           | Drafting and reviewing contracts       | Cost-effective legal solutions            | High interest   |
| 6             | Non-Profit Organization    | Legal Advisor      | 30-50 years old, non-profit employee | Mission-driven, community-focused     | Reviewing grant agreements             | Ensures compliance with regulations       | Medium interest |
| 7             | Freelance Paralegal        | Paralegal          | 25-40 years old, self-employed       | Detail-oriented, service-oriented     | Assisting lawyers with document review | Increases efficiency in document handling | High interest   |
| 8             | Insurance Company          | Claims Adjuster    | 30-55 years old, corporate employee  | Risk management, analytical           | Reviewing insurance contracts          | Reduces claim processing time             | Medium interest |
| 9             | Tech Start-up              | Legal Consultant   | 25-45 years old, tech-savvy          | Innovative, fast-paced                | Drafting tech-related contracts        | Streamlines legal processes               | High interest   |
| 10            | Freelance Contract Manager | Contract Manager   | 30-50 years old, self-employed       | Detail-oriented, organized            | Managing multiple contracts            | Saves time and improves accuracy          | High interest   |

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## Define core

Here are the answers to your questions regarding your startup idea, **Legal Document Review & Summarization**:

| Question                                | Answer   |
|---|--|
| <b>Value Proposition</b>                | Use natural language processing to highlight key clauses and potential risk areas in contracts, automating version control and tracking changes to save countless hours of manual review for freelance legal consultants.  |
| <b>Assets (Ranked from Strongest to</b> | 1. <b>Technical Expertise in NLP</b> : The team has strong capabilities in natural language processing, which is crucial for the product's functionality. <br> 2. <b>Industry Knowledge</b> : Understanding of legal processes and documentation. <br> 3. <b>Network of Freelance Legal Consultants</b> : Existing connections that can be leveraged for initial user acquisition. <br> 4. <b>Funding</b> : Initial funding sources may be limited, impacting development speed. |

|                        |   |
|------------------------|---|
| <b>Weakest)</b>        |   |
| <b>Proposed Moats</b>  | <b>1. Proprietary Algorithms:</b> Unique algorithms for document analysis that competitors cannot easily replicate.<br><b>2. User Data:</b> Accumulating user data to improve the service and create personalized experiences.<br><b>3. Brand Trust:</b> Building a reputation for reliability and accuracy in legal document review.         |
| <b>Potential Cores</b> | <b>1. Data-Driven Insights:</b> Leveraging proprietary data to enhance the accuracy and efficiency of document reviews.<br><b>2. User Experience:</b> Creating a seamless and intuitive interface for users.<br><b>3. Continuous Learning:</b> Implementing machine learning to improve the system over time based on user feedback and data. |

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## Chart competitive position

| Competitor Name          | Positioning in Competitive Landscape | Key Differentiators  | Core Value Proposition   |
|--------------------------|--------------------------------------|--|--|
| <b>DocuSign</b>          | Upper-Right Corner                   | Established brand, user-friendly interface, and strong integration capabilities. | Provides a comprehensive e-signature solution that simplifies document management.   |
| <b>ContractSafe</b>      | Upper-Middle Corner                  | Focus on contract storage and compliance tracking.                               | Offers a secure platform for managing contracts with automated reminders and alerts. |
| <b>LawGeex</b>           | Middle-Right Corner                  | AI-driven contract review and risk assessment.                                   | Leverages AI to analyze contracts quickly, highlighting risks and compliance issues. |
| <b>Do Nothing Option</b> | Lower-Left Corner                    | Traditional manual review processes.   | Involves significant time and resource investment with higher risk of oversight.     |
| <b>Kira Systems</b>      | Upper-Middle Corner                  | Advanced machine learning for document analysis.                                 | Provides deep insights into contracts, enabling faster and more accurate reviews.    |

## Analysis:

- Positioning:** Your startup, "Legal Document Review & Summarization," is positioned to compete effectively against established players like DocuSign and LawGeex. While you may not be in the upper-right corner yet, your unique focus on natural language processing for contract review and summarization can carve out a niche that addresses specific pain points in the legal consulting market.
- Core Value Proposition:** Your core technology—natural language processing—enables you to deliver significant value by automating the identification of key clauses and risks in contracts. This not only saves time but also reduces the likelihood of human error, which is a common issue in manual reviews. This clear linkage between your core and the value delivered sets you apart from competitors who may not offer the same level of automation and insight.

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## Determine DMU

| End User Persona | Economic Buyer Persona     | Champion Persona |
|------------------|----------------------------|------------------|
| <b>Name</b>      | Freelance Legal Consultant | Law Firm Partner |
| <b>Title</b>     | Legal Consultant           | Senior Partner   |
|                  |                            |                  |

|  |   |   |
|--|---|---|
| <b>Demographic Summary</b>               | Typically aged 30-50, often with advanced degrees in law, working independently or in small teams.  | Generally aged 40-60, experienced in legal practice, often with a strong network and influence in the firm.   |
| <b>Psychographic Summary</b>             | Values efficiency, accuracy, and technology that enhances productivity. Often seeks tools that save time and reduce risk.                       | Prioritizes client satisfaction, firm reputation, and innovative solutions that can provide a competitive edge.   |
| <b>Proxy Products</b>                    | Other legal tech tools, contract management software, document automation tools.  | Legal research databases, case management software, and client relationship management systems.   |
| <b>Watering Holes</b>                    | Online legal forums, LinkedIn groups for legal professionals, legal tech webinars.  | Legal industry conferences, networking events, and law firm meetings.   |
| <b>Day In the Life</b>                   | Reviews contracts, consults with clients, manages multiple projects, and seeks new clients.   | Oversees casework, meets with clients, strategizes on firm growth, and mentors junior lawyers.  |
| <b>Priorities (Top 4 in order)</b>       | 1. Time savings 2. Risk mitigation 3. Accuracy 4. Client satisfaction   | 1. Client retention 2. Firm profitability 3. Innovation in service delivery 4. Team collaboration   |
| <b>Key Selling Points to this Person</b> | 1. Automates tedious contract reviews 2. Highlights key clauses and risks 3. Saves hours of manual work 4. Enhances accuracy and reduces errors | 1. Improves client service delivery 2. Increases efficiency across the firm 3. Supports team collaboration 4. Positions the firm as a tech-savvy leader in the industry |

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## Map customer acquisition process

Here is the table based on your startup idea "Legal Document Review & Summarization" targeting freelance legal consultants:

| Stage                                    | Determine Need & Catalyst to Action                                  | Find Out about Options                                      | Analyze Options   | Acquire Your Product  | Pay  | Install  | Use & Create Value                            |
|--|--|---|---|---|--|--|---|
| What does the customer do in this stage? | Identify the need for efficient contract review and risk assessment. | Research available tools and solutions for document review. | Compare features, pricing, and reviews of different products. | Purchase the selected software or service.                          | Complete the payment process.                    | Install the software or set up the service.              | Use the review document summarization points. |
| Who is involved from the DMU?            | Freelance legal consultants, potential clients.                      | Freelance legal consultants, colleagues.                    | Freelance legal consultants, industry peers.                  | Freelance legal consultants, purchasing department (if applicable). | Freelance legal consultants, finance department. | Freelance legal consultants, IT support (if applicable). | Freelance consultants.                        |
| Budget limits & other considerations     | Budget constraints for software tools.                               | Consideration of free trials or demos.                      | Budget for software purchase and ongoing costs.               | Budget for initial purchase and potential upgrades.                 | Payment methods and terms.                       | Installation costs (if any).                             | Time investment training onboard              |
| How much time will this stage take?      | 1-2 weeks to identify needs.   | 1-2 weeks to research options.                              | 1-2 weeks to analyze options.                                 | 1 week to complete the purchase.                                    | 1 day to process payment.                        | 1-2 days for installation.                               | Ongoing initial several weeks.                |
| Action plan to                           | Conduct surveys or   | Create a list   | Develop a   | Set a   | Choose a   | Follow installation                                      | Schedule                                      |

|                          |   |   |   |                                      |                               |                                 |                   |
|--------------------------|---|---|---|--------------------------------------|-------------------------------|---------------------------------|-------------------|
| accomplish stage         | interviews to identify needs.             | of potential solutions.                 | comparison matrix for options.                | budget and select a product.         | payment method.               | instructions or seek help.      | for train usage.  |
| Risks                    | Misidentifying the need or urgency.       | Overwhelmed by too many options.        | Choosing a product that doesn't meet needs.   | Delays in purchase process.          | Payment issues or fraud.      | Installation challenges.        | Underut of the to |
| Risk mitigation strategy | Conduct thorough needs assessment.        | Limit research to top 3-5 options.      | Involve peers in the decision-making process. | Set clear timelines for purchase.    | Use secure payment methods.   | Ensure IT support is available. | Provide and sup   |
| Misc.                    | Consider industry trends and regulations. | Look for user reviews and testimonials. | Attend webinars or demos.                     | Explore financing options if needed. | Keep records of transactions. | Document installation process.  | Create a guide or |

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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 |
|-----------------------------|--|--------------------------------|---|---|----------|--|------|
| Corporate Legal Departments | Utilizes NLP for contract review efficiency  | Same Customer                  | High volume of contracts, potential for long-term contracts | Slower sales cycle, need for customization              | \$200M   | Requires strong sales team, high competition         | 1    |
| Real Estate Firms           | Highlights key clauses in property contracts | Same Product                   | Large number of transactions, recurring revenue             | Market fluctuations, dependency on real estate market   | \$150M   | Seasonal demand, potential for upselling             | 2    |
| Financial Institutions      | Risk assessment in loan agreements           | Same Product                   | High volume of contracts, regulatory compliance             | Complex decision-making process                         | \$300M   | High regulatory scrutiny, potential for partnerships | 3    |
| Insurance Companies         | Streamlines policy reviews                   | Same Product                   | Continuous need for document review                         | High competition, need for trust                        | \$250M   | Long sales cycles, potential for integration         | 4    |
| Freelance Legal Consultants | Directly targets existing customer base      | Same Customer                  | Established relationships, easier to sell                   | Limited scalability, reliance on individual consultants | \$100M   | Niche market, potential for referrals                | 5    |

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

| Follow-on Market Segment Candidate Name: Corporate | Estimate # of | Estimate Revenue per year | Estimate TAM | CAGR Estimate | Other Considerations (profitability, time to conquer, potential market share, | Other Comments |
|--|---------------|---------------------------|--------------|---------------|---|----------------|
|--|---------------|---------------------------|--------------|---------------|---|----------------|

| Legal Departments | Users  | per user | Range  |     | investment required, competition, etc.)   |  |
|-------------------|--------|----------|--------|-----|---|--|
|                   | 10,000 | \$20,000 | \$200M | 10% | High profitability, requires significant investment in sales and marketing, strong competition from established players |  |

| Follow-on Market Segment<br>Candidate Name: Real Estate Firms | 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 |
|---|---------------------|------------------------------------|--------------------|---------------|---|----------------|
|   | 5,000               | \$30,000                           | \$150M             | 8%            | Moderate profitability, dependent on real estate market conditions, potential for upselling additional services       |                |

| Follow-on Market Segment<br>Candidate Name: Financial Institutions | 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 |
|--|---------------------|------------------------------------|--------------------|---------------|---|----------------|
|  | 8,000               | \$37,500                           | \$300M             | 12%           | High profitability, complex sales process, potential for partnerships with fintech companies                          |                |

| Follow-on Market Segment<br>Candidate Name: Insurance Companies | 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 |
|---|---------------------|------------------------------------|--------------------|---------------|---|----------------|
|   | 6,000               | \$41,667                           | \$250M             | 9%            | High competition, long sales cycles, potential for integration with existing systems                                  |                |

| Follow-on Market Segment<br>Candidate Name: Freelance Legal Consultants | 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 |
|---|---------------------|------------------------------------|--------------------|---------------|---|----------------|
|   | 3,000               | \$33,333                           | \$100M             | 7%            | Niche market, potential for referrals, limited scalability  |                |

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## Design business model

## Customer Analysis

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



| Question  | Response   |
|---|--|
| a. Looking at the DMU, what is important?                   | Key clauses, risk areas, and version control in contracts are crucial for freelance legal consultants. They need efficiency and accuracy in document review. |
| b. Preference for upfront or recurring expense for the DMU? | Preference for recurring expenses, as it allows for ongoing support and updates without large upfront costs.   |
| c. Other considerations                                     | Ease of use, integration with existing tools, and customer support are important for adoption.   |

## Value Creation Analysis

| Question                       | Response  |
|--------------------------------|---|
| a. How much value do they get? | Significant time savings and reduced risk in contract management.                                       |
| b. When do they get value?     | Immediate value upon using the tool for contract review and ongoing value with each document processed. |
| c. How risky is it?            | Moderate risk; concerns about accuracy and reliability of the NLP technology.                           |
| d. Other considerations        | User training and support to maximize tool effectiveness.   |

## Competition Analysis

| Question   | Response   |
|--|--|
| a. Who is the competition and what business model do they use? | Competitors include traditional legal firms and document automation software, typically using subscription or one-time fee models. |
| b. How locked are they in this model?                          | Competitors are somewhat locked in due to established client relationships and brand trust.  |
| c. Could I disrupt the industry? What are the risks of it?     | Yes, by offering a more efficient and cost-effective solution. Risks include market resistance and technology adoption challenges. |
| d. Other considerations  | Need to differentiate through unique features or pricing strategies.   |

## Internal Analysis

| Question  | Response  |
|---|---|
| a. Effect of Sales Cycle                                    | Short sales cycle due to high demand for efficiency in legal processes.                         |
| b. Customer acquisition cost                                | Moderate; requires targeted marketing to reach freelance legal consultants.                     |
| c. What is the Lifetime Value of this customer?             | High, as satisfied customers may continue using the service for multiple contracts.             |
| d. How are we going to distribute the product to this user? | Primarily through online platforms and partnerships with legal tech providers.                  |
| e. What is the cashflow?                                    | Positive cash flow expected with subscription model; initial investment needed for development. |
| f. Operations and other considerations                      | Need for robust customer support and continuous updates to the NLP model.                       |

## Potential Units to Charge For

| Potential Units                      | Pros   | Cons  |
|--------------------------------------|--|---|
| Subscription (monthly/yearly)        | Steady revenue stream, predictable cash flow         | Requires ongoing customer engagement        |
| Pay-per-use                          | Flexible for customers, can attract more users       | Revenue can be unpredictable                |
| Licensing to firms                   | High upfront revenue, less customer management       | Risk of losing direct customer relationship |
| Freemium model with premium features | Attracts a larger user base, potential for upselling | May dilute brand value if not executed well |

## 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             | Predictable revenue   | Requires engagement | A     |
| 2      | Pay-per-use<br>Moderate | High         | Moderate           | Moderate        | Flexible pricing | Unpredictable revenue | B                   |       |
| 3      | Licensing               | Low          | Moderate           | High            | Moderate         | High upfront revenue  | Less control        | C     |
| 4      | Freemium                | High         | Moderate           | Moderate        | Low              | Attracts users        | Brand dilution risk | B     |

## Suggested Business Model

I suggest choosing the **Subscription model**. This model aligns well with the needs of freelance legal consultants who prefer predictable costs and ongoing support. It also allows for continuous updates and improvements to the service, enhancing customer satisfaction and retention.

## Testing

| Question  | Response  |
|---|---|
| a. What hypotheses are you assuming to be true for the business model(s) you have chosen? | Customers will prefer a subscription model for its predictability and ongoing support.    |
| 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 engagement metrics.                    |
| 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    | Key clauses in contracts, potential risk areas, time savings from automation, ease of use, and reliability of the NLP technology.   |
| Spending Limits      | Freelance legal consultants may have budgets ranging from \$500 to \$5,000 per month for tools that enhance their productivity.   |
| Other Considerations | The decision-making unit may include individual consultants, small firms, or larger legal departments. Their willingness to adopt new technology may depend on perceived ROI and ease of integration into existing workflows. |

## Nature of Customer

| Aspect                 | Details   |
|------------------------|---|
| Customer Segment       | Freelance Legal Consultants, primarily Early Adopters who are tech-savvy and open to using new tools.                       |
| How to Find Out        | Market research, surveys, and interviews with potential users to gauge their openness to technology and willingness to pay. |
| Percentage of Segments | Early Adopters: 30%, Early Majority: 40%, Late Majority: 20%, Laggards: 10%.  |

## Value Creation

| Aspect               | Details   |
|----------------------|---|
| Value to User        | Significant time savings, reduced risk of missing critical clauses, and improved accuracy in document review. |
| When                 | Immediate benefits upon implementation, with ongoing value as more documents are processed.                   |
| Risk Level           | Moderate risk; concerns may arise regarding the accuracy of NLP and the reliability of the system.            |
| Other Considerations | Offering a trial period or money-back guarantee can help mitigate perceived risks.                            |

## Category of Competition

| Aspect                 | Details   |
|------------------------|---|
| Competition            | 1. LawGeex - Pricing: \$1,000/month; 2. Kira Systems - Pricing: \$2,000/month; 3. Luminance - Pricing: \$1,500/month. |
| Best Comparable        | LawGeex, as it targets a similar market segment and offers comparable features.                                       |
| Price Range Indication | The price range should be between \$500 to \$1,500 per month, depending on features and service levels.               |
| Other Considerations   | Emphasizing unique features like version control and change tracking can justify pricing within this range.           |

## Strength of Core

| Aspect        | Details   |
|---------------|---|
| Core Strength | The core technology (NLP) is strong, but market presence is currently weak compared to established competitors. |

|                         |   |
|-------------------------|---|
| Future Strength         | The core will strengthen as the product matures and more users adopt it.                              |
| Price Raising Potential | Yes, as the product proves its value and gains traction, there will be opportunities to raise prices. |
| Other Considerations    | Building a strong user community and gathering testimonials can enhance perceived value.              |

## Maturity of Your Product

| Aspect                          | Details   |
|---------------------------------|---|
| Product Validation              | The product is in the prototype stage; customer feedback is needed to validate the value proposition. |
| Perceived Risk                  | Customers may see the company as high risk due to the newness of the technology.                      |
| Flexibility for First Customers | Offering discounts, extended trial periods, or personalized onboarding can reduce perceived risks.    |
| Other Considerations            | Early adopters can provide valuable feedback to refine the product and build case studies.            |

## Initial Decision and Rationale

| Aspect                      | Details   |
|-----------------------------|---|
| Unit of Product for Pricing | Monthly subscription model based on usage or number of documents processed.                       |
| Price Range                 | \$500 to \$1,500 per month, based on competitor analysis and perceived value.                     |
| Initial Listed Price        | \$1,000 per month; effective price after discounts may be around \$800 to attract early adopters. |
| Marginal Cost               | Estimated marginal cost is \$200 per unit; the price significantly exceeds this in the long term. |

## Test to Validate

| Aspect              | Details  |
|---------------------|--|
| Hypotheses          | Customers will value time savings and accuracy enough to pay a premium for the service.  |
| Experiments         | Conduct A/B testing with different pricing models and gather feedback from early users.  |
| Validity Indicators | Customer retention rates, feedback on pricing, and willingness to recommend the product. |
| Experiment Duration | 3 to 6 months to gather sufficient data and insights.                                    |

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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 the legal document review and summarization service.     |
| Estimated Profit Margin on One-Time Charges  | 70%                      | Assuming a production cost of \$150, the profit margin is calculated as $(500-150)/500 = 70\%$ .  |
| Life of the Product Before Repurchase        | 2 years                  | Legal documents typically require updates every 1-2 years, hence a 2-year lifespan is reasonable. |
| % of Customers Who Will Repurchase           | 40%                      | Based on industry standards, about 40% of customers are expected to repurchase the service.       |
| Recurring Revenue Streams                    | Subscription for updates | A subscription model for ongoing updates and reviews, estimated at \$200 per year.                |
| Profit Margin on Recurring Revenue Streams   | 80%                      | Assuming a cost of \$40 for providing updates, the profit margin is $(200-40)/200 = 80\%$ .       |
| Retention Rate for Recurring Revenue Streams |                          |   |
| After 1st year                               | 85%                      | High retention expected due to the necessity of legal document updates.                           |
| After 2nd year                               | 75%                      | Slight decrease as some customers may not need updates every year.                                |
| After 3rd year                               | 65%                      | Continued decline as customers may switch to competitors or not require updates.                  |
| After 4th year                               | 55%                      | Further decline as the customer base stabilizes.  |
| After 5th year                               | 50%                      | Stabilization of retention rates as customers become accustomed to the service.                   |
| Other Revenue Sources                        | Consulting services      | Additional revenue from consulting, with a profit margin of 60% and a retention rate of 30%.      |
| Cost of Capital                              | 50%                      | A high cost of capital is assumed due to the startup nature of the business.                      |

#### 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   | Total Revenue                 | \$500 | \$200 | \$200 | \$200 | \$200 | \$200 |
| D   | Profit Margin                 | 70%   | 80%   | 80%   | 80%   | 80%   | 80%   |
| E   | Profit from One-Time Charge   | \$350 | \$0   | \$0   | \$0   | \$0   | \$0   |
| F   | Profit from Recurring Revenue | \$0   | \$160 | \$160 | \$160 | \$160 | \$160 |
| G   | Total Profit                  | \$350 | \$160 | \$160 | \$160 | \$160 | \$160 |
| H   | Present Value Factor (PVF)    | 1     | 0.67  | 0.44  | 0.30  | 0.20  | 0.13  |
| I   | Present Value of Profit       | \$350 | \$107 | \$71  | \$48  | \$32  | \$21  |
| J   | Total Present Value (LTV)     | \$629 |       |       |       |       |       |

#### Explanation for Calculations:

- **One-Time Charge**: The initial revenue from the service.

- **Recurring Revenue:** Annual subscription for updates.
- **Profit Margin:** Estimated profit margins for one-time and recurring revenues.
- **Total Profit:** Sum of profits from one-time and recurring revenues.
- **Present Value Factor (PVF):** Calculated using the formula  $PV = FV * (1 / (1+i)^t)$  where  $i = 50\%$ .
- **Present Value of Profit:** Profit multiplied by the PVF for each year.
- **Total Present Value (LTV):** Sum of present values over the 5-year period.

## Interpretation of Estimation

| Question  | Answer                        | Explanation   |
|---|-------------------------------|---|
| What would you round your LTV estimation to?                          | \$630                         | Based on the calculations, the LTV is approximately \$629, which can be rounded to \$630.     |
| Where do you feel the biggest unknowns are in your LTV estimation?    | Customer retention rates      | Retention rates can vary significantly based on market conditions and customer satisfaction.  |
| Does the number seem reasonable?                                      | Yes                           | The LTV aligns with industry standards for subscription-based services in the legal sector.   |
| What are the key drivers of the LTV if you want to increase it?       | Retention and upselling       | Improving customer retention and offering additional services can significantly increase LTV. |
| Where do you think you have the greatest opportunity to increase LTV? | Upselling consulting services | There is potential to upsell additional consulting services to existing customers.            |

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## Map sales process

### Sales Channels for Legal Document Review & Summarization

| Time Frame  | Sales Channel                 | Description  |
|-------------|-------------------------------|--|
| Short Term  | Direct Sales                  | Engage freelance legal consultants directly through networking and personal outreach.        |
| Short Term  | Online Marketing              | Utilize SEO and content marketing to attract freelance legal consultants to the website.     |
| Short Term  | Social Media                  | Leverage platforms like LinkedIn to connect with potential users and share valuable content. |
| Medium Term | Partnerships with Legal Firms | Collaborate with legal firms to offer the service as part of their toolkit for consultants.  |
| Medium Term | Affiliate Marketing           | Create an affiliate program for legal consultants to promote the service for a commission.   |
| Medium Term | Webinars and Workshops        | Host educational webinars to demonstrate the product's value to potential users.             |
| Long Term   | Subscription Model            | Implement a subscription model for ongoing access to the service, targeting repeat users.    |
| Long Term   | Reseller Partnerships         | Partner with legal tech resellers to expand market reach and distribution.                   |
| Long Term   | Industry Conferences          | Attend and present at legal industry conferences to showcase the product and network.        |
|             |                               |  |

|           |                           |  |
|-----------|---------------------------|--|
| Long Term | Customer Referral Program | Establish a referral program to incentivize existing users to refer new customers. |
|-----------|---------------------------|--|

### Sales Funnel Inputs for Legal Document Review & Summarization

| Section       | Short Term                          | Medium Term                   | Long Term                       |
|---------------|-------------------------------------|-------------------------------|---------------------------------|
| Awareness     | Networking events, social media ads | Partnerships with legal firms | Industry conferences, referrals |
| Interest      | Website visits, content downloads   | Webinar registrations         | Subscription sign-ups           |
| Consideration | Free trials, demos                  | Case studies, testimonials    | Customer success stories        |
| Intent        | Direct inquiries                    | Follow-up emails              | Retention strategies            |
| Purchase      | Direct sales                        | Online purchases              | Subscription renewals           |
| Retention     | Customer feedback sessions          | Regular check-ins             | Loyalty programs                |
| Advocacy      | Encourage reviews                   | Referral incentives           | Community building              |

### Summary of Techniques and Actions to Maximize Yield

| # | Technique(s)            | How to Maximize Conversion   | Done by Who?          | When?       |
|---|-------------------------|--|-----------------------|-------------|
| 1 | Direct Outreach         | Personalize communication and follow up diligently.                | Sales Team            | Ongoing     |
| 2 | Content Marketing       | Create valuable content that addresses pain points of consultants. | Marketing Team        | Monthly     |
| 3 | Webinars                | Provide actionable insights and showcase product benefits.         | Product Team          | Quarterly   |
| 4 | Partnerships            | Build strong relationships with legal firms for mutual benefits.   | Business Development  | Ongoing     |
| 5 | Customer Feedback       | Regularly collect and implement feedback to improve the service.   | Customer Success Team | Bi-Annually |
| 6 | Referral Program        | Incentivize referrals with discounts or bonuses.                   | Marketing Team        | Annually    |
| 7 | Social Media Engagement | Actively engage with users and share success stories.              | Social Media Manager  | Daily       |

### Risk Factors for Legal Document Review & Summarization

| Risk Factor            | How to Mitigate the Risk  | Metrics to Monitor                | Potential Intervention Strategy             |
|------------------------|---|-----------------------------------|---|
| Market Adoption        | Conduct thorough market research and adjust marketing strategies. | User acquisition rates, feedback  | Pivot marketing strategies as needed.       |
| Competition            | Differentiate through unique features and superior service.       | Market share, competitor analysis | Regularly assess competitive landscape.     |
| Technology Reliability | Invest in robust technology and regular updates.                  | System uptime, user satisfaction  | Implement a rapid response team for issues. |

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# COCA

## Assumptions for COCA Estimation

| Time Period                           | Start Date | End Date | Explanation  |
|---------------------------------------|------------|----------|--|
| Short Term - Initial Market Entry     | Month 1    | Month 6  | This period focuses on launching the product and acquiring the first customers.            |
| Medium Term - Gaining Market Traction | Month 7    | Month 18 | This period is about scaling operations and increasing customer acquisition efforts.       |
| Long Term - Steady State              | Month 19   | Month 36 | This period represents a mature phase where customer acquisition stabilizes and optimizes. |

## Marketing Expenses Tables

### Marketing Expenses - Short Term - Initial Market Entry

| Expense Type             | Cost (\$) | Explanation   |
|--------------------------|-----------|---|
| Digital Marketing        | 5,000     | Initial online advertising to create awareness among freelance legal consultants. |
| Content Creation         | 3,000     | Developing informative content to attract potential customers.                    |
| Social Media Advertising | 2,000     | Targeted ads on platforms frequented by legal professionals.                      |
| Networking Events        | 4,000     | Attending legal conferences to promote the product.                               |
| Total Costs              | 14,000    |   |

### Marketing Expenses - Medium Term - Gaining Market Traction

| Expense Type             | Cost (\$) | Explanation   |
|--------------------------|-----------|---|
| Digital Marketing        | 10,000    | Increased online advertising budget to reach a wider audience.                |
| Content Creation         | 5,000     | Ongoing content development to maintain engagement and attract new customers. |
| Social Media Advertising | 4,000     | Continued investment in targeted ads to boost visibility.                     |
| Networking Events        | 6,000     | Participation in more events to build relationships and gain referrals.       |
| Total Costs              | 25,000    |   |

### Marketing Expenses - Long Term - Steady State

| Expense Type             | Cost (\$) | Explanation   |
|--------------------------|-----------|---|
| Digital Marketing        | 15,000    | Sustained online presence to maintain market share and attract new customers. |
| Content Creation         | 8,000     | Regular updates and new content to keep the audience engaged.                 |
| Social Media Advertising | 6,000     | Ongoing social media campaigns to retain customer interest.                   |
| Networking Events        | 8,000     | Continued participation in industry events to stay connected with the market. |



|             |        |  |
|-------------|--------|--|
|             |        |  |
| Total Costs | 37,000 |  |

Sales Expenses Tables

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 benefits.          |
| CRM Software        | 1,500     | Initial investment in customer relationship management software.       |
| Total Costs         | 13,500    |  |

Sales Expenses - Medium Term - Gaining Market Traction

| Expense Type        | Cost (\$) | Explanation   |
|---------------------|-----------|---|
| Sales Team Salaries | 20,000    | Increased salaries for a larger sales team as customer base grows.  |
| Sales Training      | 4,000     | Ongoing training to improve sales techniques and product knowledge. |
| CRM Software        | 2,500     | Upgrading CRM software to handle increased customer interactions.   |
| Total Costs         | 26,500    |   |

Sales Expenses - Long Term - Steady State

| Expense Type        | Cost (\$) | Explanation  |
|---------------------|-----------|--|
| Sales Team Salaries | 30,000    | Sustained salaries for a well-established sales team.                                    |
| Sales Training      | 6,000     | Regular training sessions to keep the team updated on market trends and product changes. |
| CRM Software        | 3,500     | Continued investment in CRM to enhance customer management.                              |
| Total Costs         | 39,500    |  |

R&D Expenses Tables

R&D Expenses - Short Term - Initial Market Entry

| Expense Type              | Cost (\$) | Explanation  |
|---------------------------|-----------|--|
| Development Team Salaries | 15,000    | Initial salaries for developers working on the product.  |
| Software Tools            | 3,000     | Tools and licenses needed for development.               |
| Testing and QA            | 2,000     | Initial testing to ensure product quality before launch. |
| Total Costs               | 20,000    |  |

R&D Expenses - Medium Term - Gaining Market Traction

| Expense Type              | Cost (\$) | Explanation   |
|---------------------------|-----------|---|
| Development Team Salaries | 25,000    | Increased salaries for a larger development team to enhance product features. |
| Software Tools            | 5,000     | Additional tools and licenses for expanded development needs.                 |
| Testing and QA            | 4,000     | Ongoing testing to ensure product reliability and performance.                |
| Total Costs               | 34,000    |   |

R&D Expenses - Long Term - Steady State

| Expense Type              | Cost (\$) | Explanation  |
|---------------------------|-----------|--|
| Development Team Salaries | 40,000    | Sustained salaries for a mature development team focused on product improvement. |
| Software Tools            | 8,000     | Continued investment in advanced tools for development.                          |
| Testing and QA            | 6,000     | Regular testing to maintain product quality and address user feedback.           |
| Total Costs               | 54,000    |  |

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 for the Period (\$) |
|------|--------------------------|------------------------------------|--|--|--------------------------|
| 1    | 100                      | 13,500                             | 14,000                                 | 27,500   | 275                      |
| 2    | 200                      | 26,500                             | 25,000                                 | 51,500   | 257.50                   |
| 3    | 400                      | 39,500                             | 37,000                                 | 76,500   | 191.25                   |
| 4    | 600                      | 39,500                             | 37,000                                 | 76,500   | 127.50                   |
| 5    | 800                      | 39,500                             | 37,000                                 | 76,500   | 95.625                   |

COCA Range for Each Time Period

| Time Period                           | COCA Range (\$) |
|---------------------------------------|-----------------|
| Short Term - Initial Market Entry     | 250 - 300       |
| Medium Term - Gaining Market Traction | 200 - 270       |
| Long Term - Steady State              | 90 - 130        |

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   | Focus on 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     | 600      | 275       |
| Medium Term – Gaining Market Traction | 800      | 257.50    |
| Long Term – Steady State              | 1,200    | 95.625    |

Basic 3x Test

| Time Period                           | LTV to COCA Ratio | Meets 3x Threshold | Explanation   |
|---------------------------------------|-------------------|--------------------|---|
| Short Term – Initial Market Entry     | 2.18              | No                 | LTV is not sufficient to cover COCA, indicating a need for improvement in customer acquisition. |
| Medium Term – Gaining Market Traction | 3.11              | Yes                | LTV exceeds COCA, suggesting a sustainable business model.                                      |
| Long Term – Steady State              | 12.55             | Yes                | Strong LTV to COCA ratio indicates a healthy profit margin.                                     |

R&D Factor

| Time Period                       | Total R&D Expenses (\$) | R&D Expense Per Customer (\$) | Explanation        |
|-----------------------------------|-------------------------|-------------------------------|--------------------|
| Short Term – Initial Market Entry | 20,000                  | 200                           | Initial investment |

Identify key assumptions

Identify Key Overall Assumptions Table

| Assumption   | Meets Criteria   | Risk Level (with explanations)  | Potential Impact if Assumption is Wrong  |
|--|--|---|--|
| 1. Freelance legal consultants will adopt AI tools for document review.  | 1) Specific: Targets a defined user group. <br> 2) Singular: Focused on one market segment. <br> 3) Important: Adoption is crucial for success. <br> 4) Measurable: Can track adoption rates. <br> 5) Testable: Can conduct surveys or pilot programs. | Medium: Resistance to change or skepticism about AI tools may hinder adoption.  | If adoption is low, revenue projections will not be met, leading to potential business failure.            |
| 2. The tool will significantly reduce the time spent on document review. | 1) Specific: Addresses a clear pain point. <br> 2) Singular: Focused on time savings. <br> 3) Important: Time savings are a key selling point. <br> 4) Measurable: Can track time saved. <br> 5) Testable: Can run time trials.                        | High: If the tool does not deliver promised time savings, users may abandon it. | If time savings are not realized, it could lead to negative reviews and loss of credibility in the market. |
| 3. Users will find the highlighted clauses and risk areas useful.        | 1) Specific: Focuses on user experience. <br> 2) Singular: Addresses a specific feature. <br> 3) Important: User satisfaction is critical. <br> 4) Measurable: Can user feedback. <br> 5) Testable: Can conduct user testing.                          | Medium: Users may have different expectations or preferences for what is        | If users do not find the highlights useful, it could lead to low engagement and high                       |

|  |  |   |  |
|--|--|---|--|
|  |  | highlighted.  | churn rates.   |
| 4. The market for freelance legal consultants is large enough to sustain growth. | 1) Specific: Targets a defined market. <br> 2) Singular: Focused on one segment. <br> 3) Important: Market size is crucial for business viability. <br> 4) Measurable: Can analyze market data. <br> 5) Testable: Can conduct market research. | High: If the market is smaller than anticipated, growth potential may be limited.           | If the market is too small, it could lead to insufficient revenue and inability to scale the business.       |
| 5. The technology will be able to accurately identify key clauses and risks.     | 1) Specific: Focuses on technology capability. <br> 2) Singular: Addresses a specific function. <br> 3) Important: Accuracy is essential for trust. <br> 4) Measurable: Can test accuracy rates. <br> 5) Testable: Can run validation tests.   | High: If the technology fails to perform accurately, it could undermine the entire product. | If accuracy is low, it could lead to legal issues and loss of client trust, severely impacting the business. |

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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 freelance legal consultants to assess their need for automated document review tools.     | Freelance legal consultants are looking for tools to save time on document review.                | Survey tools (e.g., Google Forms), access to freelance legal consultant networks. | A significant percentage (e.g., 70%+) express a strong interest in using such a tool. |
| 2. Create a prototype of the NLP tool and conduct user testing with a small group of freelance legal consultants. | Freelance legal consultants will find value in an NLP tool that highlights key clauses and risks. | Development resources for a basic prototype, user testing participants.           | Positive feedback on usability and perceived value of the tool.                       |
| 3. Analyze existing market data on the legal tech industry to identify trends and growth potential.               | The legal tech market is growing and there is a demand for automation in legal processes.         | Access to market research reports, industry publications.                         | Confirmation of growth trends and increasing adoption of legal tech solutions.        |
| 4. Interview potential users to understand their current pain points in document review.                          | Freelance legal consultants face significant challenges in manual document review processes.      | Interview guides, access to freelance legal consultants.                          | Identification of common pain points that the tool can address.                       |
| 5. Test the pricing model by presenting different pricing tiers to potential users.                               | Freelance legal consultants are willing to pay for a tool that saves them time and reduces risk.  | Pricing strategy development, potential user feedback sessions.                   | Positive reception of pricing tiers and willingness to pay for the service.           |

### 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 freelance legal consultants are indeed looking for tools to save time, but they are also concerned about cost.   | Yes                                    | Focus on developing a cost-effective solution that meets their needs. |
| 2. User testing revealed that while the prototype was useful, there were areas for improvement in user interface design. | Yes                                    | Iterate on the prototype based on user feedback to enhance usability. |

|   |     |  |
|---|-----|--|
| 3. The market data confirmed a growing trend in legal tech, with increasing investment in automation tools.                             | Yes | Use this data to strengthen the business case and attract potential investors.   |
| 4. Interviews highlighted that manual review processes are time-consuming and often lead to errors, validating the need for automation. | Yes | Prioritize features that address these pain points in the development process.   |
| 5. Feedback on pricing indicated that while users are willing to pay, they prefer a subscription model with flexible tiers.             | Yes | Develop a subscription pricing model that offers flexibility and value to users. |

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## Define MVBP

### 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 value by using natural language processing to efficiently highlight key clauses and potential risk areas in, which saves freelance legal consultants significant time and effort in manual reviews. This addresses their need for quick and reliable contract analysis.                  |
| Pay        | The economic buyer, which in this case could be freelance legal consultants or their clients, is likely to pay a subscription fee for access to the software, estimated at around \$50-\$100 per month, depending on the features offered and the value perceived.   |
| Feedback   | The MVBP creates a meaningful feedback loop by allowing users to provide input on the highlighted clauses and risk areas, enabling continuous improvement of the software. Additionally, user analytics can track which features are most utilized, guiding future development based on actual user needs. |

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## Show dogs will eat dog food

### Are Your Customers “Eating the Dog Food”?

| Stage in Funnel                 | Est. Industry Conversion Average (%) | Your Conversion Goal (%) | Actual Conversion Rate (%) and trend | Next Steps if your actual conversion rate is lower than your goal                |
|---------------------------------|--------------------------------------|--------------------------|--------------------------------------|--|
| Initial Interest                | 20%                                  | 30%                      | 15% (decreasing)                     | Increase marketing efforts, refine messaging, and enhance outreach strategies.   |
| Free Trial Sign-up              | 50%                                  | 60%                      | 40% (stable)                         | Improve onboarding process and provide additional incentives for sign-up.        |
| Paid Subscription Conversion    | 25%                                  | 35%                      | 20% (decreasing)                     | Analyze customer feedback, adjust pricing strategy, and enhance perceived value. |
| Retention Rate (after 3 months) | 70%                                  | 80%                      | 60% (decreasing)                     | Implement customer success initiatives and follow-up engagement strategies.      |

### Gross Margin, LTV, COCA

| Metric                              | Expected for Short Term | Actual for Short Term | Next Steps   |
|-------------------------------------|-------------------------|-----------------------|--|
| Gross Margin                        | 60%                     | 55%                   | Review cost structure and identify areas for cost reduction.                         |
| Customer Lifetime Value (LTV)       | \$1,200                 | \$1,000               | Enhance customer engagement and upsell opportunities.                                |
| Cost of Customer Acquisition (COCA) | \$300                   | \$350                 | Optimize marketing channels and reduce acquisition costs through targeted campaigns. |

### Define and Test Other Metrics

| List Custom Metrics Here      | Expected for Short Term | Actual for Short Term | Next Steps   |
|-------------------------------|-------------------------|-----------------------|--|
| Net Promoter Score (NPS)      | 50                      | 40                    | Conduct customer satisfaction surveys and address pain points. |
| Customer Churn Rate           | 5%                      | 10%                   | Analyze reasons for churn and implement retention strategies.  |
| Engagement Rate (email opens) | 25%                     | 20%                   | Improve email content and targeting to increase engagement.    |

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### Develop product plan

#### Product Plan for Beachhead Market: Freelance Legal Consultants

| Feature/Function           | Benefit   | How does it leverage your Core?                        | Priority | Estimated Resources Needed to Develop |
|----------------------------|---|--|----------|---------------------------------------|
| Key Clause Highlighting    | Saves time by quickly identifying important clauses | Utilizes NLP capabilities to analyze legal documents   | High     | Medium                                |
| Risk Area Identification   | Reduces potential legal risks                       | Leverages machine learning to assess contract language | High     | High                                  |
| Version Control Automation | Streamlines document management                     | Core technology in document tracking and management    | Medium   | Medium                                |
| Change Tracking            | Enhances collaboration and transparency             | Integrates with existing document management systems   | Medium   | Low                                   |
| User-Friendly Interface    | Improves user experience and adoption               | Aligns with user-centric design principles             | High     | Medium                                |

#### Product Plan for Follow-On Markets

|  |  |  |  | Estimated |
|--|--|--|--|-----------|
|--|--|--|--|-----------|

| Feature/Function                      | Benefit  | How does it leverage your Core?                       | Priority | Resources Needed to Develop |
|---------------------------------------|--|---|----------|-----------------------------|
| Multi-Language Support                | Expands market reach to non-English speaking users | Enhances NLP capabilities for diverse languages       | Medium   | High                        |
| Integration with Legal Research Tools | Provides comprehensive legal support               | Leverages existing partnerships with legal tech firms | Medium   | High                        |
| Customizable Reporting                | Tailors outputs to specific client needs           | Utilizes data analytics capabilities                  | Medium   | Medium                      |
| Mobile Application                    | Increases accessibility for users on-the-go        | Expands core functionality to mobile platforms        | Low      | High                        |
| Advanced Analytics                    | Offers insights into contract trends               | Builds on data processing capabilities                | Low      | High                        |

### Other Activities Beyond Functionality for the Beachhead Market

| Activities   |
|--|
| Develop a go-to-market strategy targeting freelance legal consultants.             |
| Establish partnerships with legal firms for product endorsements.                  |
| Conduct regulatory compliance assessments to ensure product meets legal standards. |
| Create educational content (webinars, articles) to demonstrate product value.      |
| Explore additional sales channels, such as legal tech 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 | Risk   |
|------------------------------|-----------------------------------|---|---|-----------------------------------|----------|--|--------------------|--------|
| Corporate Legal Departments  | Freelance Legal Consultants       | Larger client base, higher revenue potential      | Longer sales cycles, more complex decision-making | Yes                               | High     | Strong sales team, tailored marketing  | High               | Medium |
| Small Business Owners        | Freelance Legal Consultants       | Growing market, increasing need for legal support | Diverse needs may complicate product offerings    | Yes                               | Medium   | Effective outreach, customer education | Medium             | Medium |
| Legal Tech Startups          | Freelance Legal Consultants       | Potential for partnerships and integrations       | Competitive landscape, need for differentiation   | Yes                               | Medium   | Innovative features, strong branding   | Medium             | High   |

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