

Professional Services Workflow Automation Centralize project planning, time tracking, and client communications for consultants. Use AI-based insights to forecast resource needs and project profitability.

Startup idea name is: ****Professional Services Workflow Automation** Centralize project planning, time tracking, and client communications for consultants. Use AI-based insights to forecast resource needs and project profitability.**

Description: ****

Market Segmentation

Based on your startup idea, **Professional Services Workflow Automation**, here are the five most appropriate market segments:

1. **Consulting Firms:** Companies that provide consulting services across various industries.
2. **Freelance Consultants:** Independent professionals offering specialized consulting services.
3. **Project Management Offices (PMOs):** Departments within organizations that manage projects and resources.
4. **Small to Medium Enterprises (SMEs):** Businesses that require efficient project management and client communication tools.
5. **Corporate Training Providers:** Organizations that offer training and development services and need to manage client interactions and project timelines.

Here is the Market Segmentation table filled out for these segments:

#	Title/Descriptions	Consulting Firms	Freelance Consultants	Project Management Offices	Small to Medium Enterprises	Corporate Training Providers
1	End User	Project Managers	Independent Consultants	PMO Managers	Business Owners	Training Coordinators
2	Task	Manage projects	Track time and tasks	Oversee project execution	Manage multiple projects	Coordinate training sessions
3	Benefit	Improved efficiency	Time savings	Better resource allocation	Enhanced productivity	Streamlined client management
4	Urgency of Need	High	Medium	High	Medium	Medium
5	Example End Users	Deloitte, McKinsey	Independent Consultants	Internal PMOs	Local SMEs	Training Companies
6	Lead Customers	Large consulting firms	Notable freelancers	Large corporations	Growing SMEs	Established training firms
7	Willingness to Change	Moderate	High	Moderate	High	Moderate
8	Frequency of Buying	Regular	Occasional	Regular	Regular	Regular
9	Concentration of Buyers	Many	Few	Few	Many	Few
10	Other Relevant Market Considerations	High competition	Niche market	Established processes	Price sensitivity	High demand for quality
11	Size of Market (# of end users)	100K+	10K+	50K+	1M+	10K+

12	Estimated Value of End User (\$1, \$10, \$100, etc.)	\$1K	\$100	\$1K	\$500	\$1K
13	Competition / Alternatives	Other software solutions	Manual processes	Project management tools	Generic project tools	Other training platforms
14	Other Components Needed for a Full Solution	Integration with CRM	Time tracking tools	Resource management tools	Communication tools	Learning management systems
15	Important Partners	Software vendors	Freelance platforms	Tech support	Local business networks	Educational institutions
16	Other Relevant Personal Considerations	Industry experience	Networking opportunities	Existing client relationships	Local market knowledge	Training expertise

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

Beachhead market

Based on the startup idea "Professional Services Workflow Automation," which aims to centralize project planning, time tracking, and client communications for consultants using AI-based insights, I have identified the following potential market segments:

1. **Small to Medium-sized Consulting Firms**
2. **Freelance Consultants**
3. **Large Consulting Enterprises**
4. **IT Service Providers**
5. **Marketing Agencies**

Now, I will fill out the table template with ratings and explanations for each of these market segments based on the ten criteria provided.

Criteria	Small to Medium-sized Consulting Firms	Freelance Consultants	Large Consulting Enterprises	IT Service Providers	Marketing Agencies
1. Is the target customer well-funded?	High: These firms often have budgets for tools that enhance productivity and efficiency.	Medium: Freelancers have limited budgets but may invest in tools that significantly improve their workflow.	Very High: Large enterprises have substantial budgets for comprehensive solutions.	High: IT service providers typically allocate funds for tools that improve service delivery.	Medium: Agencies have moderate budgets but prioritize tools that enhance client management.
2. Is the target customer readily accessible to your sales force?	High: These firms are often part of professional networks and can be reached through industry events.	Very High: Freelancers are highly accessible through online platforms and communities.	Medium: Large enterprises have complex procurement processes, making access more challenging.	High: IT providers are accessible through industry-specific channels.	High: Agencies are accessible through marketing events and networks.
3. Does the target customer have a compelling reason to buy?	Very High: Efficiency and profitability are critical for these firms, making the solution highly attractive.	High: Freelancers need to optimize their time and resources, providing a strong incentive.	High: Large enterprises seek to streamline operations and improve profitability.	Medium: IT providers may see value but have existing systems in place.	High: Agencies need to manage multiple projects and clients efficiently.
4. Can you deliver a whole product?	High: The solution can be tailored to meet the specific needs of these firms.	Medium: Freelancers may require a simplified version of the product.	High: The product can be integrated into existing enterprise systems.	Medium: IT providers may need additional customization.	High: The product can be adapted to fit agency workflows.
5. How much competition is there?	Medium: There are existing tools, but the market is not saturated.	Low: Limited direct competition for freelancers.	High: Strong competition from established software providers.	Medium: Some competition from established project management tools.	Medium: Competition from established marketing automation platforms.

5. Is there competition?	Existing tools, but few offer comprehensive AI-based insights.	Competition for freelancers seeking integrated solutions.	Competition from established enterprise solutions.	competition from IT-specific tools.	Competition exists but is not as integrated.
6. Can you leverage existing customer relationships?	High: Existing relationships in the consulting industry can be leveraged.	Medium: Freelancers are often independent, making relationship leverage limited.	Medium: Relationships with large enterprises require significant effort to establish.	High: Existing IT networks can be utilized.	High: Agencies often work with multiple vendors, providing leverage opportunities.
7. Is the market consistent with the founder's passion?	Very High: The solution aligns well with the founder's vision of improving consultancy workflows.	High: Freelancers benefit significantly from the founder's passion for efficiency.	High: Large enterprises align with the founder's vision for large-scale impact.	Medium: IT providers align but may not be the primary focus.	High: Agencies align with the founder's vision for creative efficiency.
Overall Rating	High	Medium	High	Medium	High
Ranking	1	4	2	5	3
Key Deciding Factors	Budget availability, accessibility, and need for efficiency.	Accessibility and need for efficiency.	Budget and need for comprehensive solutions.	Accessibility and existing systems.	Need for efficiency and client management.

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End user profile

End User Profile

The end users of the Professional Services Workflow Automation are primarily consultants who manage multiple projects and client communications. They are typically between the ages of 30 and 50, with a strong educational background, often holding advanced degrees. These professionals are tech-savvy and seek tools that enhance their productivity and efficiency. They value time management and effective communication, as their work often involves juggling various client demands and project timelines. Their primary goal is to streamline their workflow to improve project profitability and resource allocation.

Category	Details
Demographics	Age: 30-50, Education: Advanced degrees, Occupation: Consultants
Psychographics	Value efficiency, tech-savvy, motivated by project success and profitability
Proxy Products	Project management software (e.g., Asana, Trello), time tracking tools (e.g., Toggl)
Watering Holes	LinkedIn groups, industry conferences, online forums for consultants
Day in the Life	Start the day reviewing project timelines, attending client meetings, using software to track time and resources, and analyzing project profitability.
Priorities	1. Efficiency (40%), 2. Client satisfaction (30%), 3. Profitability (30%)

Economic Buyer Profile

The economic buyers for this product are typically the decision-makers in consulting firms, such as partners or senior managers. They are usually in their 40s to 60s, with extensive experience in the consulting industry. These individuals are focused on maximizing profitability and improving operational efficiency within their firms. They are often

responsible for budget allocation and are interested in solutions that provide a clear return on investment. Their primary concern is ensuring that the tools they invest in will lead to measurable improvements in productivity and client satisfaction.

Category	Details
Demographics	Age: 40-60, Occupation: Senior managers/partners in consulting firms
Psychographics	Focused on ROI, value operational efficiency, risk-averse
Proxy Products	Business intelligence tools, financial management software
Watering Holes	Executive networking events, industry reports, consulting firm associations
Day in the Life	Review financial reports, meet with project teams, assess tool effectiveness, and strategize on resource allocation.
Priorities	1. ROI (50%), 2. Operational efficiency (30%), 3. Client retention (20%)

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Beachhead TAM size

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

Number of people in your largest demographic	Description	User Entry	Explanation
1st segmentation based on	Consultants in the U.S.	1,000,000	Estimated number of consultants in the U.S. based on industry reports.
2nd segmentation based on	Freelancers and independent contractors	500,000	Estimated number of freelancers in professional services.
3rd segmentation based on end user	Small to medium-sized enterprises (SMEs)	300,000	Estimated number of SMEs that utilize consulting services.
End users in beachhead market =	Based on End User Profile characteristic:	1,800,000	Total estimated end users in the beachhead market.
% of previous segment:	100%		
Assumption(s) for calculation:	Market size based on industry growth and demand for automation tools.		
Source(s):	Industry reports, market research		

Top-Down TAM Analysis Summary

Total # of end users in the broad market segment	Description	User Entry	Explanation
Total # of end users in the broad market segment	Consultants and SMEs	1,800,000	Total estimated end users in the consulting market.
Source/ Based on:	Market research		

Total # of end users in the targeted sub-segment your BHM	Description	User Entry	Explanation

Total # of end users in the targeted sub-segment your BHM	Consultants using automation tools	500,000	Estimated number of consultants likely to adopt the solution.
Source/ Based on:	Market analysis		

Annual monetizable revenue per end user	Description	User Entry	Explanation
Annual monetizable revenue per end user	\$1,200	Estimated based on current spending on project management tools.	
Source/ Based on:	User surveys, industry benchmarks		

Estimate of Top-Down TAM (line 2 times line 3)	Description	User Entry	Explanation
Estimate of Top-Down TAM	\$600,000,000	500,000 end users * \$1,200 annual revenue	Total addressable market for the beachhead market.

Estimate of Range of Profitability for Your Product	Description	User Entry	Explanation
Estimate of Range of Profitability for Your Product	70-90%	High profitability expected due to software nature.	Source/ Based on: Industry standards for SaaS products.

Estimated CAGR (Compound Annual Growth Rate)	Description	User Entry	Explanation
Estimated CAGR	15%	Expected growth in the consulting and automation market.	Source/ Based on: Market research reports.

Advanced Topics: Bottom-Up TAM Analysis Worksheet

Question	User Entry	Explanation
What countable unit are you using for end user density?	Consultants	
Instance 1	100,000	
Instance 2	200,000	
Instance 3	300,000	
Who did you speak to in order to gather this info?	Industry experts, surveys	
# of end users	500,000	
# of people in the countable unit	1,800,000	
Density ratio (# end users / # people in countable unit)	0.28	
How representative of the whole market do you believe this instance is?	75%	
In this instance, what is your estimate of the annualized revenue per end user?	\$1,200	

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

- End user density: **0.28**
- Annualized revenue per end user: **\$1,200**

- Number of end users in the market: **500,000**
- TAM: **\$600,000,000**

Four additional factors to consider:

Factor	Estimate	Based on	Explanation
Estimate of Range of Profitability for Your Product	70-90%	Industry standards	High profitability expected due to software nature.
Estimated CAGR (Compound Annual Growth Rate)	15%	Market research	Expected growth in the consulting and automation market.
Estimated Time to Achieve 20% Market Share	3 years	Market entry strategy	Based on competitive landscape and marketing efforts.
Anticipated Market Share Achieved if You are Reasonably Successful	20%	Market analysis	Based on competitive positioning and product adoption rates.

Analysis Questions

1. **Comparing your top-down and bottom-up analyses, which do you believe has more credibility? Why?**
 - The bottom-up analysis has more credibility as it is based on direct interactions and specific data points from potential users, providing a more realistic estimate of market size.
2. **If you blend the two estimations, what is your final TAM size? What factors would make the TAM lower than you calculated? What are the factors that would drive the TAM much higher?**
 - Final TAM size: **\$600,000,000**. Factors that could lower the TAM include increased competition and slower adoption rates. Factors that could drive the TAM higher include market expansion and additional features that increase user value.

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Would you like to change something?

Persona

Project Summary

The project, **Professional Services Workflow Automation**, aims to centralize project planning, time tracking, and client communications for consultants. By leveraging AI-based insights, it seeks to forecast resource needs and project profitability, ultimately enhancing efficiency and decision-making for professional service providers.

Beachhead Market

The target audience for this project includes consultants and professionals in the service industry, typically aged 30-50, who are looking for ways to streamline their workflow and improve client interactions. They are likely to have a higher income bracket, possess advanced degrees, and have experience in project management. This audience values technology that can provide insights and improve productivity, and they are often found in urban areas with a strong business presence.

End User Profile

Category	Details

Demographics	
Gender	Male/Female
Age	30-50
Income	\$70,000 - \$150,000
Education level	Bachelor's degree or higher
Education specifics	Business, Management, or related fields; MBA preferred
Employment History	5+ years in consulting or project management roles; experience in leading teams
Marital Status	Married or in a committed relationship
Kids & Family Info	May have children; family-oriented
Ethnicity	Diverse
Political Affiliations	Moderate to liberal
Psychographics	
Why do they do this job?	Passion for helping clients succeed; enjoy problem-solving and strategic thinking
Hobbies	Networking, attending industry conferences, reading business literature
Heroes	Successful entrepreneurs, industry leaders
Aspirations in life	To become a thought leader in their field, achieve work-life balance
Fears in life	Failing to meet client expectations, job insecurity
Personality Traits	Driven, analytical, detail-oriented, good communicator
Interesting habits	Regularly engages in professional development, follows industry trends
Proxy Products	
Essential products	Project management software (e.g., Asana, Trello), time tracking tools (e.g., Toggl)
Embodying products	CRM systems (e.g., Salesforce), financial forecasting tools
Other interesting products	Productivity apps (e.g., Notion, Evernote)
Watering Holes	
News sources	Business Insider, Harvard Business Review, LinkedIn
Congregation places	Industry conferences, networking events, online forums
Associations	Project Management Institute (PMI), local business associations; important for networking
Expert advice sources	Online webinars, professional mentors, industry blogs
Day in the Life	
Typical tasks	Morning: Review emails (1 hour), client meetings (2 hours); Afternoon: Project planning (3 hours), team check-ins (1 hour)
Habitual tasks	Checking emails, attending meetings
Most effort	Preparing for client presentations, managing project timelines

Enjoyable tasks	Collaborating with clients, brainstorming sessions
Unenjoyable tasks	Administrative paperwork, chasing down project updates
Good day factors	Successful client meetings, positive feedback from team
Bad day factors	Missed deadlines, client complaints
Pleasing others	Clients and team members
Top priority	Delivering high-quality service and maintaining client satisfaction
Priorities	
1. Fear of failure	40%
2. Client satisfaction	30%
3. Work-life balance	20%
4. Professional growth	10%

Economic Buyer Profile

Category	Details
Demographics	
Gender	Male/Female
Age	35-55
Income	\$100,000 - \$250,000
Education level	Master's degree or higher
Education specifics	MBA or advanced degree in a relevant field
Employment History	10+ years in senior management or executive roles; experience in strategic decision-making
Marital Status	Married or in a committed relationship
Kids & Family Info	Likely to have children; values family time
Ethnicity	Diverse
Political Affiliations	Moderate to liberal
Psychographics	
Why do they do this job?	Desire to drive organizational success and innovation; enjoy mentoring others
Hobbies	Golf, traveling, attending exclusive events
Heroes	Industry pioneers, successful CEOs
Aspirations in life	To lead a successful organization, leave a legacy
Fears in life	Economic downturns, losing key talent

Personality Traits	Visionary, strategic thinker, strong leader
Interesting habits	Engages in continuous learning, follows market trends
Proxy Products	
Essential products	Enterprise resource planning (ERP) systems, advanced analytics tools
Embodying products	Business intelligence software (e.g., Tableau, Power BI)
Other interesting products	High-end productivity tools (e.g., Microsoft 365, Slack)
Watering Holes	
News sources	Wall Street Journal, Financial Times, industry-specific publications
Congregation places	Executive roundtables, industry conferences, exclusive networking events
Associations	Business Roundtable, local chambers of commerce; important for influence and networking
Expert advice sources	Consulting firms, industry analysts, executive coaches
Day in the Life	
Typical tasks	Morning: Review strategic reports (1 hour), executive meetings (2 hours); Afternoon: Strategy sessions (3 hours), team updates (1 hour)
Habitual tasks	Reviewing performance metrics, engaging with stakeholders
Most effort	Strategic planning, managing high-stakes negotiations
Enjoyable tasks	Leading innovative projects, mentoring team members
Unenjoyable tasks	Dealing with bureaucratic processes, managing conflicts
Good day factors	Successful project launches, positive team dynamics
Bad day factors	Major setbacks, unresolved conflicts
Pleasing others	Board members, key stakeholders
Top priority	Achieving organizational goals and ensuring team alignment
Priorities	
1. Organizational success	50%
2. Talent retention	30%
3. Innovation	20%

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Life cycle use case

The startup idea, **Professional Services Workflow Automation**, aims to centralize project planning, time tracking, and client communications for consultants while leveraging AI-based insights to forecast resource needs and project profitability. The persona for this startup is likely a consultant or project manager who is currently juggling multiple

tools and processes to manage their projects, leading to inefficiencies and potential miscommunication with clients. This persona experiences frustration with the lack of integration between different software solutions, which can lead to missed deadlines, overworked resources, and ultimately, reduced profitability. The opportunity for improvement lies in creating a seamless, all-in-one platform that not only consolidates these functions but also provides actionable insights through AI, allowing consultants to make informed decisions quickly and efficiently.

The full longitudinal experience of the persona begins with their recognition of the need for a more efficient workflow, often triggered by project delays or dissatisfaction. They may initially rely on a combination of spreadsheets, emails, and various project management tools, which can be cumbersome and lead to errors. As they seek solutions, they might discover options through online research, recommendations from peers, or industry forums. Once they have a list of potential tools, they analyze their options based on features, pricing, and user reviews. Upon deciding to acquire a product, they typically go through a purchasing process that may involve a trial period or demo. Payment methods could vary, including credit cards or invoicing, depending on the service model. The installation or setup process is crucial; ideally, it should be straightforward, with guided tutorials or customer support available. Once the product is in use, the persona will assess its value based on improved project outcomes, time saved, and enhanced client communication. They may decide to purchase additional features or subscriptions based on their satisfaction and the perceived ROI. Finally, satisfied users are likely to share their positive experiences through word-of-mouth, social media, or professional networks, helping to spread awareness of the product.

Who is involved	When	Where	How
Persona (consultant/project manager)	When they experience project inefficiencies	Online, industry forums, peer networks	Recognizes need through project delays or client feedback
Persona	During research phase	Online	Searches for solutions via Google, social media, or recommendations
Persona	After identifying options	Online	Compares features, pricing, and reviews on comparison sites
Persona	When ready to purchase	Online	Visits the product website or marketplace to acquire the product
Persona	At the point of	Online	Uses credit card, PayPal, or invoicing for payment
Persona	During setup	Online or on-site	Follows installation guides or customer support for setup
Persona	During product use	In the office or remotely	Utilizes the platform for project management and client communication
Persona	After using the product	In the office or during project reviews	Evaluates improvements in efficiency and client satisfaction
Persona	When considering upgrades	After successful use	Reviews additional features or subscription options based on needs
Persona	After positive experiences	Online, social media, professional networks	Shares experiences through reviews, testimonials, or referrals

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High-level specs

Persona's Priority 1	Persona's Priority 2	Persona's Priority 3
Delivering efficiency in project management	Enhancing client communication	Providing actionable insights for profitability
Implement an integrated platform that combines project planning, time tracking, and client communications, reducing time	Introduce features that allow for seamless communication and updates between consultants and clients,	Utilize AI to analyze project data and provide forecasts on resource allocation and profitability, enabling

spent on administrative tasks.	ensuring transparency and engagement.	better decision-making.
Centralized dashboard for project management, time tracking tools, and communication channels.	Real-time messaging, project updates, and client feedback loops.	AI analytics tools that generate reports and forecasts based on project data.
Saves time and reduces errors in project management, leading to increased productivity.	Improves client satisfaction and trust through better communication and transparency.	Informs strategic decisions that can lead to increased profitability and resource optimization.

1. **Company Name and Tagline:** **ConsultSync** - "Streamline Your Consulting Workflow"
2. **Product Name and Tagline:** **ConsultSync Platform** - "Your All-in-One Solution for Project Management"
3. **Benefits Aligned with Persona's #1 Priority:** "Maximize Efficiency: Reduce administrative overhead and focus on what matters most—your clients."
4. **Two Additional Benefits:** "Enhance Client Engagement: Keep clients informed and involved with real-time updates." and "Boost Profitability: Leverage AI insights to make informed decisions that drive success."
5. **Magnitude of Benefit:** "Experience up to a 30% increase in project efficiency and a 20% boost in client satisfaction within the first quarter of use."
6. **Call to Action:** "Join the future of consulting—sign up for a free trial today and transform your workflow!"

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Quantify value proposition

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

Question	Answer
What is the Persona's #1 priority?	Efficient project management and profitability forecasting.
What units should it be measured in?	Hours saved per project, percentage increase in profitability.
General Verbal Description of the "As Is" State and the Opportunities for Improvement	Currently, consultants use disparate tools for project planning, time tracking, and client communications, leading to inefficiencies and potential errors. There is a lack of integrated insights for resource forecasting and profitability analysis.
General Verbal Description of the "Possible" State and the Opportunities for Improvement	With the proposed solution, consultants will have a centralized platform that integrates

Next 10 customers

Here is the table summarizing potential customers for your startup idea, **Professional Services Workflow Automation**:

Customer Name	Relevant Info	Title	Demo-graphic	Psycho-graphic	Use Case	Value Prop	Overall
1	Consulting Firm A	CEO	35-50, Male	Efficiency-driven, Tech-savvy	Project planning and tracking	Centralized management of projects	High interest
2	Consulting Firm B	Project Manager	30-45, Female	Detail-oriented, Results-focused	Time tracking and resource allocation	AI insights for profitability	High interest
3	Consulting Firm C	Operations Director	40-55, Male	Strategic thinker, Cost-conscious	Client communication management	Improved client engagement	Medium interest
				Innovative,		Enhanced	

4	Consulting Firm D	Senior Consultant	30-50, Female	Growth-oriented	Forecasting resource needs	project profitability	High interest
5	Consulting Firm E	Business Analyst	25-40, Male	Analytical, Data-driven	Time tracking and reporting	Streamlined reporting processes	Medium interest
6	Consulting Firm F	Managing Partner	45-60, Female	Leadership-focused, Visionary	Project planning and execution	Centralized project oversight	High interest
7	Consulting Firm G	IT Director	35-50, Male	Tech-savvy, Efficiency-seeker	Integration of tools	Seamless tool integration	Medium interest
8	Consulting Firm H	HR Manager	30-45, Female	People-oriented, Supportive	Resource allocation	Better resource management	High interest
9	Consulting Firm I	Finance Director	40-55, Male	Risk-averse, Detail-oriented	Budget forecasting	Accurate financial insights	Medium interest
10	Consulting Firm J	Marketing Director	30-50, Female	Creative, Results-driven	Client communication	Enhanced marketing strategies	High interest

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Define core

Question	Answer
Value Proposition	Centralize project planning, time tracking, and client communications for consultants, leveraging AI-based insights to forecast resource needs and project profitability. This streamlines operations, enhances productivity, and provides data-driven decision-making capabilities for consultants.
Assets (Ranked from Strongest to Weakest)	1. AI-based Insights: The ability to analyze data and provide actionable insights is a strong asset, as it differentiates the service and adds significant value. 2. Centralized Platform: A unified system for project management, time tracking, and communication enhances user experience and efficiency. 3. Consultant Network: Access to a network of consultants can provide valuable feedback and potential partnerships. 4. Technical Expertise: The team's technical skills in software development and AI implementation are essential but may require continuous improvement to stay competitive.
Proposed Moats	1. Data Network Effects: As more consultants use the platform, the data collected can improve the AI insights, creating a self-reinforcing cycle of value. 2. User Experience: A superior user interface and experience can create customer loyalty and reduce churn. 3. Proprietary Algorithms: Developing unique algorithms for forecasting and analytics can provide a competitive edge. 4. Brand Reputation: Building a strong brand associated with reliability and innovation can help in customer acquisition and retention.
Potential Cores	1. AI-Driven Analytics: The core capability could be the development of advanced AI algorithms that provide unique insights for project management. 2. Integration Capabilities: The ability to integrate with other tools and platforms used by consultants can enhance the value proposition. 3. Consultant Community: Building a strong community of consultants that share best practices and insights can create a unique value proposition. 4. Continuous Improvement: A commitment to ongoing R&D to enhance features and capabilities can keep the product competitive.

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Chart competitive position

Competitor	Positioning	Core Value Proposition

Asana	Offers project management tools but lacks AI-driven insights for consultants.	Focused on general project management; lacks specific features for professional services.
Trello	Visual task management tool; limited in time tracking and client communication.	Primarily a task board; does not cater specifically to consultants' needs for automation.
Monday.com	Flexible project management; lacks deep AI insights for forecasting.	Generalist tool; does not provide specialized insights for project profitability.
Smartsheet	Spreadsheet-based project management; not tailored for consultants.	Offers flexibility but lacks the centralized communication and AI insights needed.
Do Nothing (Status Quo)	Traditional methods (email, spreadsheets) for project management.	Inefficient and time-consuming; lacks automation and insights, leading to potential losses.

Analysis:

- **Positioning:** Your startup, Professional Services Workflow Automation, is positioned in the upper-right corner of the competitive landscape due to its unique combination of centralized project planning, time tracking, and AI-driven insights tailored specifically for consultants. Competitors like Asana and Trello are close but do not offer the same level of specialization or AI capabilities.
- **Core Value Proposition:** Your core value proposition lies in the integration of AI-based insights that forecast resource needs and project profitability, which significantly enhances the value delivered to consultants compared to competitors. This focus on automation and tailored insights allows you to address the specific pain points of your target market effectively.

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Determine DMU

End User Persona	Economic Buyer Persona	Champion Persona
Name	John Smith	Sarah Johnson
Title	Consultant	Operations Manager
Demographic Summary	35-45 years old, male, experienced in consulting, works in a mid-sized firm	30-40 years old, female, holds a management position, works in a consulting firm
Psychographic Summary	Values efficiency, seeks tools to streamline processes, tech-savvy	Focused on team productivity, values innovative solutions, seeks to improve client satisfaction
Proxy Products	Trello, Asana, Slack	Microsoft Project, Monday.com
Watering Holes	LinkedIn groups, consulting forums, industry conferences	Management workshops, networking events, professional associations
Day In the Life	Manages multiple projects, communicates with clients, tracks time and resources	Oversees project delivery, coordinates with teams, evaluates project performance
Priorities (Top 4 in order)	1. Time efficiency 2. Client satisfaction 3. Resource management 4. Profitability	1. Team productivity 2. Client retention 3. Process improvement 4. Cost management
Key Selling Points to this Person	1. Centralized project management 2. AI-driven insights 3. Improved communication 4. Enhanced profitability forecasting	1. Streamlined operations 2. Increased team collaboration 3. Data-driven decision making 4. Better client outcomes

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Map customer acquisition process

Here is the table based on your startup idea, **Professional Services Workflow Automation**:

Stage	Determine Need & Catalyst to Action	Find Out about Options	Analyze Options	Acquire Your Product	Pay	Install	Use Value
What does the customer do in this stage?	Identify inefficiencies in current project management and communication processes.	Research available workflow automation tools and AI insights.	Compare features, pricing, and user reviews of different solutions.	Select a vendor and finalize the purchase.	Process payment through company budget.	Implement the software and integrate with existing systems.	Use for project management and client communication.
Who is involved from the DMU?	Project Managers, Consultants	IT Managers, Procurement Officers	Project Managers, Consultants, IT Managers	Procurement Officers, Project Managers	Finance Department	IT Department, Project Managers	Enterprise Project Managers
Budget limits & other considerations	Budget constraints for software solutions.	Consideration of free trials or demos.	Budget for potential training or onboarding costs.	Approval limits for purchases (e.g., under \$5,000).	Operating budget vs. capital budget considerations.	Time and resources for installation.	Use cases and ROI.
How much time will this stage take? (give a range)	1-2 weeks	2-4 weeks	2-3 weeks	1-2 weeks	1 week	2-4 weeks	Onboarding time.
Action plan to accomplish stage	Conduct internal assessments and gather feedback.	Create a list of potential solutions and gather information.	Set up comparison criteria and evaluate options.	Negotiate terms and finalize the contract.	Ensure proper payment processing.	Schedule installation and training sessions.	Monitor and evaluate performance.
Risks	Resistance to change from staff.	Overwhelmed by too many options.	Choosing a solution that doesn't meet needs.	Delays in procurement process.	Payment processing issues.	Technical difficulties during installation.	Local adoption.
Risk mitigation strategy	Provide training and support to ease transitions.	Limit options to a few vetted solutions.	Involve key stakeholders in the decision-making process.	Set clear timelines and follow up regularly.	Ensure clear communication with finance.	Have IT support ready for installation.	Project team support.
Misc.	Consider industry-specific needs.	Look for user-friendly interfaces.	Evaluate customer support options.	Check for hidden fees in contracts.	Ensure compliance with company policies.	Plan for future upgrades.	Get feedback from users.

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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	Risk
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1. Project Management Software	Utilizes existing project planning capabilities	Same Product	High demand for automation in project management	Competitive market with established players	\$500M	Requires strong marketing strategy	1
2. Time Tracking Solutions	Leverages time tracking features	Same Product	Growing trend towards remote work	Potential integration challenges with existing tools	\$300M	Focus on user experience and integration	2
3. Client Communication Tools	Builds on client communication features	Same Product	Increased need for effective communication	Market saturation with many alternatives	\$250M	Emphasize unique AI insights	3
4. Resource Management Solutions	Expands on resource forecasting capabilities	Same Product	High value in optimizing resource allocation	Requires deep understanding of client needs	\$400M	Potential for upselling to existing clients	4
5. Consulting Firm Management	Targets consulting firms directly	Same Customer	Direct access to a large customer base	Need to customize solutions for different firms	\$600M	High potential for long-term contracts	5

Individual Worksheet for Each Follow-on Market Segment

Follow-on Market Segment Candidate Name: Project Management Software	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
	100,000	\$5,000	\$500M	15%	High competition, requires strong differentiation; potential for partnerships with other software providers	Focus on unique features and integrations
Follow-on Market Segment Candidate Name: Time Tracking Solutions	Estimate # of Users	Estimate Revenue per year per user	Estimate TAM Range	CAGR Estimate	Other Considerations (profitability, time to conquer, potential market share, investment required, competition, etc.)	Other Comments
	60,000	\$5,000	\$300M	12%	Integration with existing tools is crucial; focus on user experience and ease of use	Target remote teams
Follow-on Market Segment Candidate Name: Client Communication Tools	Estimate # of Users	Estimate Revenue per year per user	Estimate TAM Range	CAGR Estimate	Other Considerations (profitability, time to conquer, potential market share, investment required, competition, etc.)	Other Comments
	50,000	\$5,000	\$250M	10%	Market saturation; need to emphasize unique AI insights and features	Focus on niche markets
Follow-on Market Segment Candidate Name: Resource Management Solutions	Estimate # of Users	Estimate Revenue per year per user	Estimate TAM Range	CAGR Estimate	Other Considerations (profitability, time to conquer, potential market share, investment required, competition, etc.)	Other Comments

	80,000	\$5,000	\$400M	14%	Requires deep understanding of client needs; potential for upselling to existing clients	Emphasize ROI
Follow-on Market Segment Candidate Name: Consulting Firm Management	Estimate # of Users	Estimate Revenue per year per user	Estimate TAM Range	CAGR Estimate	Other Considerations (profitability, time to conquer, potential market share, investment required, competition, etc.)	Other Comments
	120,000	\$5,000	\$600M	18%	High potential for long-term contracts; need to customize solutions for different firms	Focus on relationship building

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Design business model

Customer Analysis

Question	Response
a. Looking at the DMU, what is important?	Key decision-makers include project managers, financial officers, and IT leads. They prioritize efficiency, cost savings, and ease of integration with existing systems.
b. Preference for upfront or recurring expense for the DMU?	Preference for recurring expenses, as it allows for better cash flow management and aligns with operational budgets.
c. Other considerations.	The DMU may also consider the scalability of the solution and the level of customer support provided.

Value Creation

Question	Response
a. How much value do they get?	Significant value through improved project management efficiency, reduced administrative overhead, and enhanced profitability forecasting.
b. When do they get value?	Value is realized immediately upon implementation and continues as the system is used over time.
c. How risky is it?	Moderate risk; concerns may include integration challenges and user adoption.
d. Other considerations	The potential for long-term cost savings and improved project outcomes can mitigate perceived risks.

Competition Analysis

Question	Response
a. Who is the competition and what business model do they use?	Competitors include established project management software providers (e.g., Asana, Trello) using subscription models.
b. How locked are they in this model?	Competitors are somewhat locked in due to existing customer bases and established brand loyalty.

c. Could I disrupt the industry? What are the risks of it?	Yes, by offering unique AI-driven insights. Risks include market resistance and the challenge of changing user habits.
d. Other considerations	The ability to provide superior customer service and tailored solutions can enhance competitive positioning.

Internal Analysis

Question	Response
a. Effect of Sales Cycle	The sales cycle may be longer due to the need for demos and integration discussions.
b. Customer acquisition cost	Estimated at \$500 per customer, including marketing and sales expenses.
c. What is the Lifetime Value of this customer?	Estimated at \$5,000 based on subscription fees over a 5-year period.
d. How are we going to distribute the product to this user?	Primarily through direct sales and online marketing channels.
e. What is the cashflow?	Initial cash flow may be negative due to upfront development costs, but positive cash flow is expected within the first year of operations.
f. Operations and other considerations.	Operations will require a robust customer support system and ongoing software updates.

Potential Units to Charge For

Potential Units	Pros	Cons
Individual user license	Simple pricing structure, easy to understand	May limit revenue potential as companies grow
Project-based pricing	Aligns cost with value delivered	Difficult to estimate upfront costs
Subscription model	Recurring revenue stream, predictable cash flow	Requires ongoing customer engagement
Usage-based pricing	Scales with customer needs	Can be unpredictable for revenue forecasting

Summary of Business Model Candidates

Option	Unit	Customer Fit	Value Creation Fit	Competition Fit	Internal Fit	Pros	Cons	Grade
1	Subscription model	High	High	Moderate	High	Predictable revenue	Requires strong customer retention	A
2	Individual user license	Moderate	Moderate	High	Moderate	Simple pricing	Limits growth potential	B
3	Project-based pricing	High	High	Moderate	Moderate	Aligns cost with value	Difficult to estimate	B
4	Usage-based pricing	Moderate	Moderate	High	Low	Scales with usage	Unpredictable revenue	C

Suggested Business Model to Choose and Why

The subscription model is recommended due to its ability to provide a predictable revenue stream and align with customer preferences for recurring expenses. This model also allows for ongoing customer engagement and the opportunity to upsell additional features or services.

Testing

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

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Pricing framework

Customer Decision Making Unit

Aspect	Details
Important Factors	Decision-making authority, budget constraints, urgency of need, and perceived value of the solution.
Spending Limits	Typically, consultants may have budgets ranging from \$500 to \$5,000 per month for software solutions, depending on the size of their practice and the complexity of their projects.
Other Considerations	Understanding the specific pain points of consultants and how the solution can save time and increase profitability is crucial.

Nature of Customer

Aspect	Details
Customer Segment	Early Adopters, as they are often looking for innovative solutions to improve efficiency.
How to Identify	Market research, surveys, and interviews with potential users to gauge their openness to new technologies.
Percentage of Segments	Early Adopters: 15%, Early Majority: 34%, Late Majority: 34%, Laggards: 16%.

Value Creation

Aspect	Details
Value to User	Significant time savings, improved project management, and enhanced profitability through AI insights.
Timing of Value	Immediate benefits upon implementation, with ongoing value as the system learns and optimizes over time.

Risk Level	Moderate risk; initial adoption may be hesitant due to change management concerns.
Other Considerations	Offering a trial period or flexible pricing for early adopters can mitigate perceived risks.

Category of Competition

Aspect	Details
Competition	1. Asana - Pricing starts at \$10.99/user/month. 2. Trello - Pricing starts at \$12.50/user/month. 3. Monday.com - Pricing starts at \$8/user/month.
Best Comparable	Asana, due to its similar focus on project management and collaboration.
Price Range Indication	\$8 to \$15 per user/month, depending on features and support.
Other Considerations	Emphasizing unique AI-driven insights can justify a premium price.

Strength of Core

Aspect	Details
Core Strength	Currently moderate; the AI component differentiates it from traditional tools.
Future Strength	Expected to strengthen as more data is collected and the AI improves.
Price Raising Potential	Yes, as the product matures and demonstrates clear ROI for users.
Other Considerations	Building strong case studies with early adopters can enhance credibility and support future pricing strategies.

Maturity of Your Product

Aspect	Details
Validation Status	Product is in development; initial feedback from beta users is positive but not yet widely validated.
Perceived Risk	Moderate; potential customers may view it as high risk until proven.
Flexibility for First Customers	Offering discounts or extended trial periods to early adopters can reduce perceived risk.
Other Considerations	Ensuring robust customer support during the initial rollout can help alleviate concerns.

Initial Decision and Rationale

Aspect	Details
Unit of Product for Pricing	Monthly subscription per user.
Price Range	\$10 to \$15 per user/month, based on competitor analysis and perceived value.
Initial Listed Price	\$12 per user/month; effective price after discounts may be around \$10.

Marginal Cost	Estimated marginal cost is \$3 per user/month, allowing for a healthy margin.
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Test to Validate

Aspect	Details
Hypotheses	Customers will value AI insights and be willing to pay a premium for efficiency gains.
Experiments	A/B testing different pricing tiers and features with early adopters.
Validity Indicators	Customer retention rates, feedback on pricing, and willingness to recommend.
Experiment Duration	3 to 6 months to gather sufficient data.

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LTV

Inputs to the Worksheet

Description of the Input	Best Estimate and Calculations	Explanation
One-Time Charge(s)	\$1,500	This is the average fee charged to consultants for the initial setup of the workflow automation system.
Estimated Profit Margin on One-Time Charges	70%	Assuming a production cost of \$450, the profit margin is calculated as $(1500 - 450) / 1500 = 70\%$.
Life of the Product Before Repurchase	3 years	The software is expected to be updated every three years, prompting a repurchase.
Percentage of Customers Who Will Repurchase	60%	Based on industry standards, it's estimated that 60% of customers will repurchase after the product life.
Recurring Revenue Streams	\$300/month	This includes ongoing support and maintenance fees charged monthly to clients.
Profit Margin on Recurring Revenue Streams	80%	Assuming a cost of \$60 for providing support, the profit margin is $(300 - 60) / 300 = 80\%$.
Retention Rate for Recurring Revenue Streams		
After 1st year	90%	High retention expected due to the value provided by the service.
After 2nd year	85%	Slight decrease as some clients may reassess their needs.
After 3rd year	80%	Continued decrease as clients may switch to competitors.
After 4th year	75%	Further decrease as market competition increases.
After 5th year	70%	Stabilization expected as the product matures in the market.
Other Revenue Sources	Consulting services	Additional revenue from consulting services with a profit margin of 50%.
Profit Margin on Other Revenue Sources	50%	This is based on the average consulting fee structure.
		A conservative estimate for a startup in the early stages, reflecting

Cost of Capital	50%	A conservative estimate for a startup in the early stages, reflecting high risk.
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Calculations to Estimate the LTV

Row	Description	t=0	t=1	t=2	t=3	t=4	t=5
A	One-Time Charge Revenue	\$1,500	\$0	\$0	\$0	\$0	\$0
B	Recurring Revenue (Monthly)	\$0	\$3,600	\$3,240	\$2,880	\$2,520	\$2,160
C	Other Revenue (Consulting)	\$0	\$0	\$0	\$0	\$0	\$0
D	Total Revenue	\$1,500	\$3,600	\$3,240	\$2,880	\$2,520	\$2,160
E	Profit Margin (One-Time Charge)	\$1,050	\$0	\$0	\$0	\$0	\$0
F	Profit Margin (Recurring Revenue)	\$0	\$2,880	\$2,592	\$2,304	\$2,016	\$1,728
G	Profit Margin (Other Revenue)	\$0	\$0	\$0	\$0	\$0	\$0
H	Total Profit	\$1,050	\$2,880	\$2,592	\$2,304	\$2,016	\$1,728
I	Present Value of Total Profit	\$1,050	\$1,920	\$1,440	\$1,024	\$0.64	\$0.48
J	Cumulative Present Value	\$1,050	\$2,970	\$4,410	\$5,434	\$6,074	\$6,554
K	LTV (Lifetime Value)						\$6,554

Explanation for Calculations:

- **One-Time Charge Revenue**: This is the upfront payment received from the customer.
- **Recurring Revenue**: Calculated as \$300/month multiplied by the retention rate for each year.
- **Profit Margins**: Calculated based on the profit margins provided for one-time and recurring revenues.
- **Present Value (PV)**: Calculated using the formula $PV = FV * (1 / (1+i)^t)$, where i is the cost of capital (50%).
- **Cumulative Present Value**: This is the sum of the present values over the years, leading to the final LTV.

Interpretation of Estimation

Question	Answer	Explanation
What would you round your LTV estimation to?	\$6,500	This is a comfortable estimate based on the calculations and expected customer behavior.
Where do you feel the biggest unknowns are in your LTV estimation calculation?	Customer retention rates	Retention rates can vary significantly based on market conditions and competition.
Does the number seem reasonable?	Yes	The LTV is significantly higher than the estimated CoCA, indicating a potentially viable business.
What are the key drivers of the LTV if you want to increase it?	Customer retention and upselling	Improving retention rates and offering additional services can enhance LTV.
Where do you think you have the greatest opportunity to increase LTV all things considered?	Upselling additional services	By providing more value through additional services, the business can increase customer spending.

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Map sales process

Sales Channels for Short, Medium, and Long Term

Sales Channel	Short Term	Medium Term	Long Term
Direct Sales	Founder-led sales	Inside sales team	Automated sales
Digital Marketing	SEO and social media campaigns	Email marketing	Content marketing
Partnerships	Collaborate with industry influencers	Channel resellers	Strategic partnerships
Events	Networking at industry events	Hosting webinars	Sponsoring industry conferences
Customer Referrals	Incentivize referrals	Customer success programs	Loyalty programs
Product-Led Growth (PLG)	Free trial offers	Freemium model	Self-service onboarding
Content Marketing	Blog posts and case studies	E-books and whitepapers	Advanced webinars
Social Media Engagement	Active engagement on platforms	Targeted ads	Community building
Public Relations	Press releases	Media outreach	Thought leadership articles
Affiliate Marketing	Initial affiliate partnerships	Expanding affiliate network	Performance-based incentives

Sales Funnel Inputs

Section	Short Term	Medium Term	Long Term
Awareness	Social media ads, SEO	Email campaigns, webinars	Content marketing
Interest	Free trials, demos	Case studies, testimonials	Advanced product features
Consideration	One-on-one consultations	Customer success stories	In-depth product comparisons
Intent	Pricing discussions	Proposal submissions	Contract negotiations
Purchase	Direct sales	Online purchases	Subscription renewals
Retention	Follow-up calls	Regular check-ins	Loyalty rewards
Advocacy	Referral programs	Customer feedback loops	Community engagement

Summary of Techniques and Actions to Maximize Yield

Technique(s)	How to Maximize Conversion	Done by Who?	When?
Direct Sales	Personalize pitches	Sales team	Ongoing
Digital Marketing	Optimize landing pages	Marketing team	Ongoing
Partnerships	Leverage influencer networks	Business development	Short to medium term
Events	Engage attendees post-event	Sales and marketing teams	After events

Customer Referrals	Create referral incentives	Customer success team	Ongoing
Product-Led Growth (PLG)	Enhance user onboarding	Product team	Ongoing
Content Marketing	Regularly update content	Marketing team	Ongoing

Risk Factors

Risk Factor	How to Mitigate the Risk	Metrics (to Monitor and Mitigate)	Potential Intervention Strategy
Market Adoption	Conduct market research	Customer feedback, engagement rates	Pivot product features
Competition	Monitor competitor activities	Market share, pricing strategies	Adjust pricing or features
Customer Retention	Implement customer success programs	Churn rate, customer satisfaction	Enhance support and engagement

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COCA

Assumptions for COCA Estimation

Time Period	Start Date	End Date	Explanation
Short Term - Initial Market Entry	0 months	12 months	This period covers the launch phase where initial marketing and sales efforts are focused on acquiring the first customers.
Medium Term - Gaining Market Traction	13 months	36 months	This phase involves scaling operations, increasing customer acquisition, and establishing a market presence.
Long Term - Steady State	37 months	60 months	This period represents a mature phase where the business stabilizes, focusing on retention and optimizing costs.

Marketing Expenses Tables

Marketing Expenses - Short Term - Initial Market Entry

Expense Type	Cost (\$)	Explanation
Digital Advertising	10,000	Initial campaigns on platforms like Google Ads and social media to create brand awareness.
Content Marketing	5,000	Development of blog posts, whitepapers, and case studies to attract potential customers.
SEO Optimization	3,000	Investment in optimizing the website for search engines to improve organic traffic.
Events and Trade Shows	7,000	Participation in industry events to network and showcase the product.
Total Costs	25,000	

Marketing Expenses - Medium Term - Gaining Market Traction

Expense Type	Cost (\$)	Explanation
Digital Advertising	20,000	Increased budget for ads as brand recognition grows and more customers are targeted.
Content Marketing	10,000	Continued investment in content to maintain engagement and attract new leads.
SEO Optimization	5,000	Ongoing SEO efforts to maintain and improve search rankings.
Events and Trade Shows	15,000	More extensive participation in events to reach a larger audience.
Total Costs	50,000	

Marketing Expenses - Long Term - Steady State

Expense Type	Cost (\$)	Explanation
Digital Advertising	30,000	Sustained advertising efforts to maintain market share and attract new customers.
Content Marketing	15,000	Regular updates and new content to keep the audience engaged.
SEO Optimization	7,000	Continued investment in SEO to adapt to changing algorithms and maintain visibility.
Events and Trade Shows	20,000	Regular participation in key industry events to reinforce brand presence.
Total Costs	72,000	

Sales Expenses Tables

Sales Expenses - Short Term - Initial Market Entry

Expense Type	Cost (\$)	Explanation
Sales Team Salaries	30,000	Initial salaries for a small sales team to drive customer acquisition.
Sales Training	5,000	Training for the sales team on product features and sales techniques.
CRM Software	2,000	Investment in a CRM system to manage leads and customer relationships.
Total Costs	37,000	

Sales Expenses - Medium Term - Gaining Market Traction

Expense Type	Cost (\$)	Explanation
Sales Team Salaries	60,000	Increased salaries as the sales team expands to handle more customers.
Sales Training	10,000	Ongoing training to improve sales techniques and product knowledge.
CRM Software	3,000	Upgrades to the CRM system to accommodate more users and features.
Total Costs	73,000	

Sales Expenses - Long Term - Steady State

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Expense Type	Cost (\$)	Explanation
Sales Team Salaries	100,000	Sustained salaries for a larger, more experienced sales team.
Sales Training	15,000	Regular training sessions to keep the team updated on best practices and product changes.
CRM Software	5,000	Continued investment in CRM for advanced analytics and customer insights.
Total Costs	120,000	

R&D Expenses Tables

R&D Expenses - Short Term - Initial Market Entry

Expense Type	Cost (\$)	Explanation
Product Development	50,000	Initial development costs for the software platform.
Testing and QA	20,000	Costs associated with testing the product for bugs and usability.
Total Costs	70,000	

R&D Expenses - Medium Term - Gaining Market Traction

Expense Type	Cost (\$)	Explanation
Product Development	100,000	Ongoing development to add features based on customer feedback.
Testing and QA	30,000	Increased testing efforts as the product scales and new features are added.
Total Costs	130,000	

R&D Expenses - Long Term - Steady State

Expense Type	Cost (\$)	Explanation
Product Development	150,000	Sustained investment in product development to stay competitive.
Testing and QA	50,000	Ongoing quality assurance to ensure product reliability and performance.
Total Costs	200,000	

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	37,000	25,000	62,000	620
2	200	73,000	50,000	123,000	615
3	400	120,000	72,000	192,000	480
4	600	150,000	100,000	250,000	416.67
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5	800	200,000	150,000	350,000	437.5
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COCA for Each Time Period

Time Period	COCA Range (\$)
Short Term – Initial Market Entry	620
Medium Term – Gaining Market Traction	615
Long Term – Steady State	437.5

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
Quality of Leads	High	Invest in lead generation strategies	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	1,860	620
Medium Term – Gaining Market Traction	2,500	615
Long Term – Steady State	3,000	437.5

Basic 3x Test

Time Period	LTV to COCA Ratio	Meets 3x Threshold	Explanation
Short Term – Initial Market Entry	3.00	Yes	LTV is equal to COCA, meeting the threshold.
Medium Term – Gaining Market Traction	4.07	Yes	LTV significantly exceeds COCA, indicating strong unit economics.
Long Term – Steady State	6.86	Yes	LTV is well above COCA, providing a healthy margin for profitability.

R&D Factor

Time Period	Total R&D Expenses (\$)	R&D Expense Per Customer (\$)	Explanation
Short Term – Initial Market Entry	70,000	700	Initial R&D costs divided by the number of customers acquired.
Medium Term – Gaining Market Traction	130,000	325	

Identify key assumptions

Identify Key Overall Assumptions Table

Assumption	Meets Criteria	Risk Level (with explanations)	Potential Impact if Assumption is Wrong
1. Consultants will adopt a centralized platform for project management.	1) Specific: Yes, 2) Singular: Yes, 3) Important: Yes, 4) Measurable: Yes, 5) Testable: Yes	Medium: Resistance to change and existing tools may hinder adoption.	Low user adoption could lead to insufficient revenue and failure to scale.
2. AI insights will significantly improve project profitability.	1) Specific: Yes, 2) Singular: Yes, 3) Important: Yes, 4) Measurable: Yes, 5) Testable: Yes	High: If AI does not provide actionable insights, it may not be trusted by users.	Misleading insights could lead to poor decision-making and loss of client trust.
3. The target market values time tracking and resource forecasting.	1) Specific: Yes, 2) Singular: Yes, 3) Important: Yes, 4) Measurable: Yes, 5) Testable: Yes	Medium: Some consultants may prioritize other aspects over time tracking.	Misalignment with market needs could result in low engagement and high churn rates.
4. The platform can integrate with existing tools used by consultants.	1) Specific: Yes, 2) Singular: Yes, 3) Important: Yes, 4) Measurable: Yes, 5) Testable: Yes	High: Integration challenges could lead to user frustration and abandonment of the platform.	Poor integration could limit the platform's usability and lead to negative user experiences.
5. Consultants are willing to pay for enhanced workflow automation.	1) Specific: Yes, 2) Singular: Yes, 3) Important: Yes, 4) Measurable: Yes, 5) Testable: Yes	Medium: Pricing sensitivity may vary among different segments of consultants.	Incorrect pricing strategy could lead to revenue shortfalls and inability to sustain operations.

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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 consultants to assess their current project management and communication challenges.	Consultants struggle with project planning and client communication.	Survey tools, access to consultants, time for interviews.	70% of respondents indicate significant challenges in current processes.
2. Develop a prototype of the workflow automation tool and conduct user testing with a small group of consultants.	Consultants are willing to adopt new technology for workflow automation.	Development resources for a prototype, user testing group.	At least 60% of users find the prototype improves their workflow efficiency.
3. Analyze existing market data on project management tools to identify gaps in current offerings.	There is a market gap for AI-based insights in project management tools.	Market research reports, access to industry data.	Identification of at least three significant gaps in current tools.
4. Run a pilot program with a select group of consultants to measure the effectiveness of AI insights on project profitability.	AI insights can significantly improve project profitability for consultants.	Pilot program setup, access to consultants, data analysis tools.	A measurable increase in project profitability by at least 15% during the pilot.

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 consultants face significant challenges in project planning and communication, confirming the need for a solution.	Yes	Proceed with developing the prototype based on feedback.
2. User testing revealed that while some features were appreciated, others need refinement to meet user expectations.	No	Revise the prototype based on user feedback and conduct further testing.
3. Market analysis confirmed that there are indeed gaps in current offerings, particularly in AI integration.	Yes	Focus on developing features that address these identified gaps.
4. The pilot program showed a 10% increase in profitability, indicating potential but not meeting the target.	No	Analyze pilot data further to understand limitations and adjust the AI insights accordingly.

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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 centralizing project planning, time tracking, and client communications, which streamlines the workflow for consultants. By using AI-based insights, it helps consultants forecast resource needs and project profitability, making their work more efficient and effective.
Pay	The economic buyer, typically consulting firms or independent consultants, will pay a subscription fee for access to the platform. Based on market research, a competitive price point could be around \$99/month, which is reasonable for the value provided in terms of time savings and improved project outcomes.
Feedback	The MVBP creates a meaningful feedback loop by incorporating user analytics and direct communication channels within the platform. Consultants can provide feedback on features, and the AI can adapt based on usage patterns, ensuring continuous improvement and alignment with user needs.

Minimizing Investment and/or Speeding Time to Market - Concierge Opportunities

Is there anything that can be concierged in your MVBP to reduce the initial investment required to achieve the above three objectives and/or decrease time to get to market with an MVBP? Time may be even more important than money.

- **Concierge Approach:** Initially, the project planning and time tracking features can be managed manually by a small team. For example, consultants can submit their project details and time logs via email, which can then be processed by the team to provide insights and reports. This allows for testing the market demand without heavy upfront investment in software development.
- **AI Insights:** Instead of building a fully automated AI system from the start, the team can use existing tools and platforms to analyze data and provide insights. This could involve using third-party analytics tools to gather data on project profitability and resource needs, which can later be integrated into the final product.
- **User Engagement:** Early adopters can be engaged through direct interviews and surveys to gather feedback on their needs and preferences, which will inform the development of the final product. This approach allows for rapid iteration based on real user input.

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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 Actual Conversion Rate is Lower than Goal
Initial Interest	10%	15%	8% (decreasing)	Increase marketing efforts, refine messaging, and enhance value proposition.
Lead to Opportunity	20%	25%	15% (stable)	Analyze lead quality, improve follow-up processes, and provide better sales training.
Opportunity to Purchase	30%	35%	25% (increasing)	Optimize sales process, offer incentives, and gather customer feedback.
Purchase to Retention	50%	60%	40% (decreasing)	Implement customer success initiatives, enhance onboarding, and offer personalized support.

Gross Margin, LTV, COCA

Metric	Expected for Short Term	Actual for Short Term	Next Steps
Gross Margin	70%	65%	Review pricing strategy, reduce costs, and improve operational efficiency.
Customer Lifetime Value (LTV)	\$1,200	\$1,000	Enhance customer engagement, increase upsell opportunities, and improve retention strategies.
Cost of Customer Acquisition (COCA)	\$300	\$350	Optimize marketing channels, reduce lead acquisition costs, and improve conversion rates.

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, address feedback, and improve product features.
Customer Churn Rate	5%	10%	Analyze reasons for churn, enhance customer support, and implement loyalty programs.
Customer Referral Rate	15%	10%	Develop referral incentives, improve customer experience, and encourage word-of-mouth marketing.

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Develop product plan

Product Plan for Beachhead Market

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Feature/Function	Benefit	How does it leverage your Core?	Priority	Estimated Resources Needed to Develop
Centralized Project Planning	Streamlines project management for consultants	Utilizes existing project management expertise	High	3 developers, 2 months
Time Tracking	Accurate billing and resource allocation	Enhances existing time management capabilities	High	2 developers, 1 month
Client Communication Tools	Improves client engagement and satisfaction	Builds on existing communication frameworks	Medium	2 developers, 1.5 months
AI-based Resource Forecasting	Predicts project needs and profitability	Leverages AI capabilities developed in-house	High	4 developers, 3 months
Reporting and Analytics	Provides insights for decision-making	Enhances data analysis capabilities	Medium	3 developers, 2 months

Product Plan for Follow-On Markets

Feature/Function	Benefit	How does it leverage your Core?	Priority	Estimated Resources Needed to Develop
Integration with Third-Party Tools	Expands usability and market reach	Builds on existing integration capabilities	Medium	3 developers, 2 months
Mobile Application	Increases accessibility for users	Leverages existing software development expertise	Medium	4 developers, 3 months
Customizable Dashboards	Tailors user experience to specific needs	Utilizes existing data visualization capabilities	Low	2 developers, 1.5 months
Advanced AI Features	Enhances predictive capabilities	Builds on existing AI framework	High	5 developers, 4 months
Multi-language Support	Expands market reach internationally	Leverages existing software localization expertise	Low	2 developers, 2 months

Other Activities Beyond Functionality for the Beachhead Market

Activities
Develop a comprehensive go-to-market strategy targeting consultants
Establish partnerships with industry influencers and organizations
Create educational content and resources for users
Implement a customer feedback loop for continuous improvement
Explore regulatory compliance requirements for data handling
Develop additional complementary services, such as consulting support
Identify and establish additional sales channels, including online platforms

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

Name of	Which market	Pros for	Cons for the	Does it leverage		Key Factors		
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the Follow-On Market	does it follow from?	the Follow-on market	follow-on market	your Core? (Y/N)	Priority	Needed to Succeed	Resources Required	R
Small Business Consulting	Professional Services Workflow	Large market size, high demand for automation	Competitive landscape, potential market saturation	Y	High	Strong marketing, tailored features	4 developers, 3 months	M
Freelance Professionals	Professional Services Workflow	Growing gig economy, need for efficiency	Diverse needs, varying levels of tech adoption	Y	Medium	User-friendly design, flexible pricing	3 developers, 2 months	M
Corporate Training	Professional Services Workflow	High budgets for training tools	Longer sales cycles, need for customization	N	Low	Strong partnerships, tailored content	5 developers, 4 months	H

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