**Disciplined Entrepreneurship Workbook**

# Step 20: Identify Key Assumptions

## Worksheet

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| Identify Key Overall Assumptions | | | | |
| **#** | **Assumption (in prioritized order)** | **Related Step(s) from the 24 Steps** | **Risk Level** | **Potential Impact if Assumption is Wrong** |
| 1 | Core Value Realization: Users consistently achieve significant research acceleration (e.g., 50%) and quality improvements. | 8, 10, 11 | High | |  | | --- | |  |  |  | | --- | | Core value proposition is invalid; low demand, high churn, business failure. | |
| 2 | Market Willingness to Pay: Target academic researchers and institutions will pay the projected price (€250-€1000/user/year). | 4, 16, 17 | High | Revenue targets missed; LTV insufficient; unit economics fail; inability to fund operations. |
| 3 | Achievable Long-Term COCA: The Cost of Customer Acquisition can be driven down to the target range (€10-€75) via internet sales. | 18, 19 | Medium-High | Unit economics fail (COCA > LTV/3); unsustainable business model; inability to scale profitably. |
| 4 | Customer Retention Rates: Projected annual retention rates (starting 80%, declining to 50%) are achievable. | 17 | Medium | LTV calculations are inaccurate/overstated; unit economics fail; revenue forecasts missed. |
| 5 | Technical Feasibility & Scalability: The complex self-improving AI system can be built, maintained, and scaled reliably. | 7, 10 | Medium-High | Product fails to deliver value; high operational costs; inability to meet user demand or performance needs. |
| 6 | |  | | --- | |  |  |  | | --- | | AI Self-Improvement Efficacy: Continuous learning from real-world research data effectively improves AI performance | | 10 | Medium | Core differentiator weakens; value proposition diminishes over time; fails to maintain competitive edge. |
| 7 | Sufficiency for R&D Costs: The projected LTV/COCA ratio (~8X) is adequate to cover high ongoing AI research & development costs. | 19 | Medium | Profitability issues despite good unit economics; inability to fund necessary innovation; cash flow problems. |
| 8 | |  | | --- | |  |  |  | | --- | | Competitive Moat Durability: The learning-based Core provides a lasting advantage against competitors. | | 10, 11 | Medium-Low | Increased competition erodes market share and pricing power; lower long-term profitability. |
| 9 | Champion Effectiveness: Academic Champions can effectively navigate DMUs and secure budget/approval for adoption. | 12, 13 | Medium-Low | Slower sales cycles; lower conversion rates within institutions; difficulty penetrating the market. |
| 10 | Workflow Integration Ease: The AI tool integrates smoothly into existing researcher digital workflows without major friction. | 6, 13 | Low-Medium | High initial friction discourages adoption; increased support costs; slower value realization for users. |

This is in many ways a “catch your breath and digest what you have produced” step. It does not involve a lot of new work but it is important to set yourself up for the next step as well which is to test these assumptions. It is nice to have a step that is a bit easier, isn’t it? You are getting close to the end now – hang in there!