

Frequently Asked Questions (FAQ)

MarketingPlatform - Investor & Customer Questions

Version: 1.0 | **Last Updated:** January 2026

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Total: 81 Q&A Pairs

Product Questions

1. What exactly does MarketingPlatform do?

A: MarketingPlatform is an all-in-one SMS, MMS, and email marketing automation platform. It helps businesses manage contacts, create multi-channel campaigns,

build automated customer journeys with visual workflows, track analytics with revenue attribution, and maintain compliance with GDPR, CCPA, and TCPA regulations—all in one platform.

Think of it as combining Mailchimp (email), Twilio (SMS), and HubSpot Workflows (automation) into one affordable, easy-to-use solution.

2. Who is your target customer?

A: Our primary target is SMB and mid-market companies with 10-1,000 employees and \$1M-\$100M in revenue. Key verticals:

- **E-commerce** (35%): Shopify stores, DTC brands
- **Retail** (25%): Multi-location retailers, franchises
- **Healthcare** (15%): Dental practices, medical offices
- **Real Estate** (10%): Agents and brokerages
- **Hospitality** (10%): Restaurants, hotels
- **Other Services** (5%): Education, fitness, professional services

These businesses need sophisticated marketing automation but can't afford \$50K+/year enterprise solutions.

3. How is this different from Mailchimp?

A: Key differences:

1. **True Multi-Channel:** We're SMS + MMS + Email from day one. Mailchimp is email-first; their SMS is a bolt-on third-party integration that's clunky and expensive.
2. **Better Automation:** Our visual workflow builder competes with \$5,000/month platforms and is included at \$299/month. Mailchimp charges extra for advanced automation.
3. **Compliance-First:** We built GDPR/CCPA/TCPA compliance into core workflows. Mailchimp offers basic compliance tools.

4. **Pricing:** For comparable features (50K contacts, automation, multi-channel), we're \$299/mo vs. Mailchimp's \$350-500/mo.
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4. How is this different from Twilio?

A: Twilio is a developer API platform—you need engineers to build on it. MarketingPlatform is a business-user platform—no coding required.

Twilio = Raw SMS infrastructure

MarketingPlatform = Complete marketing automation platform

Also, Twilio doesn't include email marketing or visual workflow automation. We do.

5. What channels do you support?

A: Currently:

- **SMS** (text messages)
- **MMS** (multimedia messages with images/video)
- **Email** (with HTML templates)

Roadmap (next 12 months):

- WhatsApp
 - Facebook Messenger
 - Instagram DM
 - Voice (outbound calls)
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6. Can customers build complex automated workflows?

A: Yes! Our visual workflow designer supports:

- Unlimited steps and branches

- Conditional logic (if/then)
- Time delays (hours, days, weeks)
- A/B testing within workflows
- Multi-channel touchpoints (SMS, MMS, email in same workflow)
- Goal tracking and conversion monitoring

Customers have built workflows with 50+ steps. One healthcare customer has a 15-step patient onboarding journey.

7. Do you offer A/B testing?

A: Yes, advanced A/B testing:

- Test up to 10 variants simultaneously
- Test subject lines, message copy, CTAs, images
- Automatic winner selection based on configurable metrics (open rate, click rate, conversion rate, revenue)
- Statistical significance scoring (95% confidence level)
- A/B testing within automated workflows

Customers see 30-50% improvement in engagement through systematic testing.

8. How does contact segmentation work?

A: Dynamic segmentation with 20+ criteria:

- **Demographics:** Country, city, postal code
- **Tags:** One or more tags
- **Custom Attributes:** Any key-value pair (loyalty tier, purchase history, preferences)
- **Engagement:** Opened X emails in last Y days, clicked link in campaign Z
- **Behavior:** Cart abandonment, page visits (via integrations)

- **Lifecycle Stage:** Lead, prospect, customer, VIP, churned

Segments update in real-time. Create segment for "VIP customers in California who haven't purchased in 30 days"—see matching count instantly.

9. What integrations do you support?

A: Current integrations:

- **E-Commerce:** Shopify, WooCommerce, BigCommerce, Stripe
- **CRM:** Salesforce, HubSpot, Zoho
- **Communication:** Twilio (SMS), SendGrid (email)
- **Analytics:** Google Analytics, Facebook Pixel
- **Zapier:** 3,000+ apps via Zapier
- **API:** 200+ REST endpoints for custom integrations

Roadmap: Klaviyo, ActiveCampaign, Marketo (import tools)

10. Can we import contacts from our current platform?

A: Yes, multiple import methods:

1. **CSV/Excel:** Upload file with any column structure
2. **API:** Programmatic import via REST API
3. **Integrations:** Direct sync from Shopify, Salesforce, HubSpot
4. **Migration Service:** White-glove migration for Enterprise (\$500-\$5,000 one-time fee)

We have migration templates for Mailchimp, Constant Contact, HubSpot, and ActiveCampaign.

Import speed: 50,000 contacts in under 2 minutes.

11. What compliance features do you offer?

A: Comprehensive compliance built-in:

GDPR:

- Consent management with double opt-in
- Consent logs (when, where, how someone opted in)
- Right to access (one-click data export)
- Right to erasure (one-click deletion with audit trail)

CCPA:

- Do Not Sell tracking
- California resident flagging
- CCPA request handling

TCPA:

- Time-zone aware sending (never message at 3am local time)
- Quiet hours enforcement (9pm-8am default, configurable)
- Automatic STOP keyword processing
- Frequency capping

Audit Trails: Every action logged permanently for compliance audits.

12. How long does it take to launch the first campaign?

A: Most customers launch their first campaign in under 30 minutes:

1. Sign up (2 minutes)
2. Import contacts via CSV (5 minutes)
3. Create campaign from template (10 minutes)
4. Schedule and launch (5 minutes)

For comparison, HubSpot implementation typically takes 4-12 weeks.

13. Do you offer analytics and reporting?

A: Yes, comprehensive analytics:

- **Campaign Performance:** Delivery, open, click, conversion rates by campaign
 - **Channel Comparison:** SMS vs. Email vs. MMS performance
 - **Revenue Attribution:** Track revenue back to specific campaigns (via e-commerce integrations)
 - **Contact Engagement:** Individual contact timeline and engagement score
 - **ROI Reporting:** Cost per campaign vs. revenue generated
 - **Custom Reports:** Build reports with any metrics and filters
 - **Exports:** PDF, CSV, Excel for stakeholder presentations
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14. Can we white-label the platform?

A: Yes! White-labeling is available as a \$299/month add-on:

- Custom branding (your logo, colors)
- Custom domain (yourbrand.com)
- Email from your domain
- Remove "Powered by MarketingPlatform" footer
- Custom help documentation

Ideal for agencies reselling to clients.

15. Is there a free trial?

A: Yes, 14-day free trial:

- Full access to all features
- No credit card required upfront

- Import up to 1,000 contacts
- Send up to 500 messages (SMS/MMS/Email combined)
- Live chat and email support during trial

After trial, choose a paid plan or downgrade to free tier (1,000 contacts, view-only access).

Market & Opportunity

16. How big is the market?

A: Massive and growing:

- **TAM (Total Addressable Market):** \$50.2B global marketing automation market (2026)
- **SAM (Serviceable Available Market):** \$12.8B SMB/mid-market segment (our focus)
- **SOM (Serviceable Obtainable Market):** \$384M (3% of SAM in 3 years—conservative)

Market growing 12.8% CAGR. SMS marketing specifically growing 24.1% CAGR.

17. Why is now the right time for this company?

A: Multiple tailwinds converging:

1. **SMS Adoption Surge:** 98% open rate vs. 20% email—businesses shifting budgets to SMS
2. **Regulatory Pressure:** GDPR, CCPA, TCPA forcing compliance investments
3. **Multi-Channel Expectation:** 73% of customers engage on 3+ channels
4. **Legacy Platform Fatigue:** Incumbents haven't innovated in years
5. **COVID Acceleration:** Digital marketing spend up 35% YoY; remote customer engagement now required

Businesses need modern, affordable multi-channel solutions. Legacy platforms are expensive and clunky. New single-channel tools are too limited. We fill the gap.

18. Who else is solving this problem?

A: Market is fragmented:

- **Email-First:** Mailchimp, Constant Contact (weak SMS)
- **SMS-First:** Twilio, EZ Texting (no email, requires developers)
- **Enterprise:** HubSpot, Salesforce, Adobe (\$\$50K+/year)
- **All-in-One Attempts:** ActiveCampaign, Braze (limited SMS, expensive)

No one has nailed multi-channel for SMB at accessible prices. We're filling that white space.

19. What's your unfair advantage?

A: Three moats:

1. **Technology:** Built ground-up for multi-channel. Competitors bolt on features to legacy single-channel platforms. Our architecture is fundamentally better.
2. **Timing:** We're early in the SMS automation wave. First-mover advantage in SMB multi-channel.
3. **Team:** Founders built SaaS products before. We know the playbook.

Plus network effects: As we grow, our template marketplace and integration ecosystem become more valuable, creating customer lock-in.

20. What percentage of companies even use marketing automation?

A: 51% of companies use some form of marketing automation (2025 data). But only 22% of SMBs (our target) use it.

Reasons SMBs don't use it:

1. Too expensive (\$500-\$5,000/month)
2. Too complex (weeks of onboarding)
3. Overkill for their needs

We solve all three: Affordable (\$99-\$999/mo), simple (30-min onboarding), right-sized features.

Opportunity: 78% of our target market isn't using automation yet. Huge greenfield opportunity.

21. Are businesses willing to pay for this?

A: Yes. Evidence:

1. **Comparable SaaS:** Mailchimp has 11M users paying \$10-\$300/mo. HubSpot has 184,000 customers paying \$500-\$3,000/mo.
2. **Our Traction:** 47 paying customers in 8 months with minimal marketing. Average customer value: \$300/mo.
3. **Market Research:** 67% of marketers say they need better automation tools and are willing to pay for them.

The demand exists. Businesses already pay for fragmented tools. We offer better value consolidating them.

22. What happens when the market gets saturated?

A: We're nowhere near saturation:

- Target market: 5.9M businesses in U.S. with 10-1,000 employees
- Our 3-year goal: 15,000 customers = 0.25% penetration
- Even at 1% penetration, we'd have 59,000 customers = \$210M ARR at \$300/customer avg

Market saturation is decades away.

23. Could a downturn affect your business?

A: Less than other categories:

1. **Essential Tool:** Marketing automation drives revenue. In downturns, businesses cut fat, not revenue-generating tools.
2. **ROI-Positive:** Our customers see 10-50x ROI. Cutting our platform would cost them more in lost revenue.
3. **Consolidation Play:** In downturns, businesses consolidate tools. We replace 3-5 tools, saving money.

Recession might slow growth but unlikely to cause negative growth. Email marketing grew during 2008 and 2020 recessions.

24. What's your TAM expansion strategy?

A: Three expansion paths:

1. **Add Channels:** WhatsApp, Facebook Messenger, Instagram, Voice (increases value per customer)
2. **Move Upmarket:** After dominating SMB, target enterprise (higher ARPU)
3. **International:** After U.S., expand to EU, APAC (3x TAM)

Each expansion unlocks billions in additional TAM.

25. How do you plan to capture market share?

A: Multi-pronged go-to-market:

1. **Product-Led Growth:** Freemium model, self-service onboarding, viral word-of-mouth
 2. **Content Marketing:** SEO, blog, YouTube—drive organic inbound
 3. **Paid Acquisition:** Google Ads, Facebook, LinkedIn targeting SMB marketers
 4. **Partnerships:** Integrate with Shopify, WooCommerce—ride their growth
 5. **Agencies:** Reseller program for agencies managing multiple clients
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Technical Questions

26. What's your technology stack?

A: Modern, enterprise-grade stack:

- **Backend:** ASP.NET Core 8.0 (C#)
- **Database:** SQL Server (60+ tables)
- **Frontend:** Bootstrap 5, JavaScript ES6+
- **Background Jobs:** Hangfire
- **Caching:** Redis
- **Search:** ElasticSearch
- **Queue:** RabbitMQ
- **Storage:** Azure Blob Storage
- **Infrastructure:** Microsoft Azure Cloud

Why this stack?:

- **Proven:** Used by Fortune 500 companies
- **Scalable:** Handles millions of users
- **Secure:** Enterprise-grade security built-in

- **Maintainable:** Large pool of .NET developers
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27. How scalable is the platform?

A: Highly scalable:

- **Tested:** 5 million contacts, 100,000 concurrent campaigns
- **Throughput:** 10,000 messages/second
- **Horizontal Scaling:** Add more servers as needed
- **Auto-Scaling:** Automatic resource allocation based on load
- **Multi-Region:** Can deploy in multiple Azure regions

Currently handling 47 customers easily. Architecture supports 10,000+ customers without re-architecture.

28. What's your uptime SLA?

A: 99.9% uptime guarantee for Enterprise customers.

Historical uptime: 99.95% (Q4 2025)

Infrastructure:

- Load balanced across multiple servers
- Automated failover
- Real-time monitoring with alerts
- Status page: status.marketingplatform.com

Downtime incidents: 1 in last 6 months (lasted 12 minutes, Azure region outage).

29. How do you handle security?

A: Multi-layered security:

Encryption:

- AES-256 at rest
- TLS 1.3 in transit
- End-to-end encryption for sensitive data

Access Control:

- Role-based access control (RBAC)
- IP whitelisting (Enterprise)
- Multi-factor authentication
- API key rotation

Compliance:

- SOC 2 Type II (in progress)
- GDPR compliant
- HIPAA compliant (Enterprise with BAA)

Monitoring:

- 24/7 security monitoring
- Automated vulnerability scanning
- Regular penetration testing
- Incident response plan

No security breaches to date.

30. Do you have an API?

A: Yes, comprehensive REST API:

- **200+ Endpoints:** Documented with OpenAPI 3.0 (Swagger)
- **Authentication:** JWT token-based
- **Rate Limits:** 10,000 requests/hour (configurable)
- **Webhooks:** Real-time event notifications

- **SDKs** (Roadmap): JavaScript, Python, PHP, C#

Use cases: Custom integrations, data sync, programmatic campaign management, analytics export.

31. What prevents a major outage?

A: Multiple safeguards:

1. **Redundancy:** Multi-server deployment, no single point of failure
2. **Backups:** Daily automated backups, point-in-time recovery
3. **Monitoring:** Real-time alerts on server health, API latency, database performance
4. **Failover:** Automatic failover to backup servers
5. **Testing:** Regular disaster recovery drills

RTO (Recovery Time Objective): 4 hours

RPO (Recovery Point Objective): 1 hour (maximum data loss)

32. How do you prevent message delivery failures?

A: Reliable delivery architecture:

1. **Queue System:** All messages queued before sending
2. **Retry Logic:** Automatic retry on temporary failures (3 attempts with exponential backoff)
3. **Provider Redundancy:** Support multiple SMS and email providers; failover if primary fails
4. **Validation:** Pre-send validation of phone numbers and emails
5. **Monitoring:** Real-time tracking of delivery rates; alerts on anomalies

Historical delivery rate: 97.5% (SMS), 98.2% (Email)

Failures typically due to invalid recipient (wrong number, fake email), not platform issues.

33. Do you support custom domains for email sending?

A: Yes:

- **Custom Domain:** Send emails from your domain (you@yourbusiness.com)
- **SPF/DKIM/DMARC:** We help set up authentication records
- **Dedicated IP:** Available for \$99/mo for better email reputation
- **Warmup:** Automated IP warmup for new dedicated IPs

Enterprise customers can use multiple domains (e.g., marketing@, support@, orders@).

34. What happens to our data if we cancel?

A: You retain full control:

1. **Export:** Download all contacts, campaigns, analytics before canceling
2. **Grace Period:** 30 days to export data after cancellation
3. **Deletion:** After 30 days, all data permanently deleted
4. **Compliance:** Deletion follows GDPR right to erasure standards

We don't hold data hostage. Easy export is part of our customer-first approach.

35. Can we run MarketingPlatform on-premise?

A: Not currently. We're cloud-only (Azure).

Why cloud-only?:

- Lower cost (no hardware/server management)

- Automatic updates and security patches
- Better uptime (Azure SLA)
- Easier scaling

Enterprise customers who require on-premise can discuss custom deployment (minimum \$50K/year contract).

36. What's your disaster recovery plan?

A: Comprehensive DR plan:

1. **Daily Backups:** Automated full database backups
2. **Geo-Redundant Storage:** Backups replicated to secondary Azure region
3. **Runbooks:** Detailed recovery procedures documented
4. **Testing:** Quarterly DR drills
5. **Communication:** Customer notification within 30 minutes of major incident

Tested recovery time: 3.5 hours (last drill: December 2025)

37. How do you handle GDPR data requests?

A: Automated workflows:

- **Right to Access:** One-click export of all customer data
- **Right to Erasure:** One-click permanent deletion with audit trail
- **Right to Portability:** Data exported in JSON (machine-readable)
- **Response Time:** Automated, instant (vs. 30-day legal requirement)

Customers manage GDPR requests themselves through dashboard. No need to contact support.

Business Model

38. How do you make money?

A: Three revenue streams:

1. Subscriptions (65% of revenue):

- Monthly recurring revenue from plans (\$99-\$999/mo)
- Annual plans (10% discount, paid upfront)

2. Usage Overages (30%):

- SMS: \$0.0075/message beyond plan limit
- MMS: \$0.02/message
- Email: \$0.0001/message

3. Add-Ons & Services (5%):

- White-labeling: \$299/mo
 - Dedicated IP: \$99/mo
 - Migration services: \$500-\$5,000 one-time
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39. What's your average revenue per customer?

A: Currently \$300/month (blended across all plans).

Breakdown:

- Starter (\$99): 15% of customers
- Professional (\$299): 60% of customers
- Business (\$599): 20% of customers
- Enterprise (\$999+): 5% of customers

Growth trajectory: Customers start on Starter, upgrade to Professional within 3-6 months as they grow.

40. What are your unit economics?

A: Strong and improving:

- **CAC (Customer Acquisition Cost):** \$450
- **LTV (Lifetime Value):** \$5,400 (conservative)
- **LTV:CAC Ratio:** 12:1 (healthy SaaS benchmark: 3:1+)
- **Payback Period:** 1.5 months (industry avg: 12-18 months)
- **Gross Margin:** 72% (target: 78%)
- **Monthly Churn:** 4.2% (industry avg: 5-7%)

These metrics allow profitable scaling.

41. How do you acquire customers?

A: Multi-channel acquisition:

- **Paid Search** (25% of budget): Google Ads targeting "marketing automation," "SMS marketing," etc.
- **Content Marketing** (20%): SEO, blog, YouTube
- **Paid Social** (20%): Facebook, LinkedIn targeting SMB marketers
- **Partnerships** (15%): Shopify app store, agency referrals
- **Product-Led Growth** (10%): Freemium, word-of-mouth, viral
- **Email/Outbound** (5%): Targeted campaigns to warm leads
- **Events/Webinars** (5%): Industry conferences, virtual events

No single-channel dependence.

42. Why not charge more?

A: Strategic pricing decision:

1. **Market Penetration:** Lower prices = faster growth, larger market share
2. **Land and Expand:** Get customers in cheap, upsell as they grow
3. **Competitive:** Undercut expensive incumbents
4. **Volume:** More customers at lower price > fewer at higher price (network effects, data advantages)

Once we have market leadership, we can optimize pricing (AWS/Slack playbook).

43. What prevents customers from churning?

A: Multiple retention levers:

1. **Switching Costs:** Rebuilding workflows and re-importing contacts is painful
2. **Value Delivery:** Customers see 10-50x ROI; canceling would cost them revenue
3. **Customer Success:** Proactive outreach at 30, 60, 90 days
4. **Product Stickiness:** The more they use (contacts, workflows, integrations), the harder to leave
5. **Continuous Innovation:** Ship new features every 2 weeks

Current churn: 4.2%/month. Targeting <3%/month within 12 months.

44. How do you measure success?

A: North Star Metric: **Monthly Recurring Revenue (MRR)**

Supporting Metrics:

- Customer count (growth)
- Average revenue per customer (expansion)

- LTV:CAC (efficiency)
- Churn rate (retention)
- Net Revenue Retention (expansion vs. churn)
- Product usage (% of customers using workflows, segmentation, integrations)

Long-term: ARR (Annual Recurring Revenue) as we scale.

45. What's your path to profitability?

A: We can be profitable now if needed. Current burn rate: ~\$50K/month.

Path:

- **Growth Mode** (current): Reinvest all revenue into customer acquisition
- **Moderate Growth** (if needed): Reduce CAC spend, become profitable in 6 months
- **Hypergrowth** (with funding): Accelerate CAC spend, profitability at \$10M+ ARR

Flexibility based on funding environment and strategic goals.

46. Do you offer refunds?

A: Yes, flexible refund policy:

- **First Month:** Full refund if not satisfied (no questions asked)
- **After First Month:** Prorated refund for unused portion of annual plans
- **Monthly Plans:** No refund (pay month-to-month, cancel anytime)

Low refund rate (<2%) indicates strong product-market fit.

47. What's your customer lifetime?

A: Currently **18 months** average (early-stage data).

Industry Benchmarks:

- SMB SaaS: 18-36 months
- Mid-Market SaaS: 36-60 months
- Enterprise SaaS: 60+ months

As we mature and improve retention, targeting 24-36 month average lifetime.

Competition

48. Why won't HubSpot or Salesforce just copy you?

A: Several reasons:

1. **Innovator's Dilemma:** They can't match our pricing without cannibalizing existing revenue. HubSpot makes \$800-\$3,200/mo per customer; they can't offer \$299 without angering existing customers.
2. **Slow-Moving:** Large companies move slowly. Weighted down by legacy code, compliance processes, and competing priorities.
3. **Not Their Focus:** HubSpot focuses on enterprise; we focus on SMB. Different target markets.
4. **We're Fast:** By the time they copy, we'll be 2 years ahead with new features, integrations, and customers (switching costs).

Historical Precedent: Zoom competed with Skype/WebEx. Slack competed with Microsoft Teams. Shopify competed with Magento/WooCommerce. Smaller, focused players can win.

49. What if Mailchimp adds better SMS?

A: They've tried. Mailchimp partnered with Twilio for SMS in 2019. It's clunky, expensive (\$0.015-0.02/SMS vs. our \$0.0075), and poorly integrated.

Why they struggle:

- SMS bolted onto email-first architecture
- Different UX for SMS vs. email (confusing)
- No unified workflow designer
- Legacy codebase makes iteration slow

By the time they rebuild, we'll have dominant market position and superior product.

50. What's your competitive moat?

A: Four moats:

1. **Technology:** Purpose-built multi-channel architecture vs. retrofitted single-channel
2. **Customer Lock-In:** Switching costs (data, workflows, integrations)
3. **Network Effects:** Template marketplace and integration ecosystem grow more valuable with more users
4. **First-Mover Advantage:** Early in SMB multi-channel automation wave

Plus brand and customer relationships over time.

51. How do you compete on price?

A: We're 50-70% cheaper than competitors for comparable features.

How we achieve lower prices:

- **Modern Stack:** Efficient cloud-native architecture (lower infrastructure costs)

- **No Sales Team** (yet): Self-service reduces CAC
- **Focused Product**: We don't build every feature; we nail core features
- **Strategic Subsidy**: Willing to accept lower margins for market share

As we scale, gross margins will improve (70% → 78% target).

52. What if someone builds this for free?

A: Open-source competitors exist (Mautic, Listmonk) but haven't gained traction.

Why paid SaaS wins:

- **Ease of Use**: No IT team required to install and maintain
- **Reliability**: Hosted, monitored, backed up by us
- **Support**: Live chat, documentation, training
- **Compliance**: GDPR, TCPA built-in (hard for DIY)
- **Integrations**: We build and maintain integrations

Businesses pay for convenience and trust. Most companies would rather pay \$299/mo than manage servers, troubleshoot issues, and ensure compliance themselves.

53. How do you stay ahead of competitors?

A: Three strategies:

1. **Velocity**: Ship new features every 2 weeks (competitors ship quarterly)
2. **Customer-Driven**: Build what customers request (product roadmap based on feedback)
3. **Focus**: We're 100% focused on marketing automation; competitors have many products diluting focus

Roadmap: AI send-time optimization, WhatsApp, voice, mobile apps, AI content generation—we're moving fast.

54. What happens if Twilio buys a competitor and undercuts you?

A: Twilio acquired SendGrid (email) in 2019. They haven't built a business-user platform yet (still developer-focused).

If they pivot to business users:

- We have 18-24 month head start
- Our customer base provides network effects and data advantages
- Switching costs protect existing customers
- We can raise defensive funding or accelerate acquisition

Historical example: Slack competed with HipChat (acquired by Atlassian). Focused execution beats corporate acquisition.

55. Do you have any patents?

A: Patent pending on workflow automation algorithm and statistical A/B testing methodology.

Why patents matter:

- Defensibility against large competitors
 - IP value for acquisition
 - Licensing revenue potential (long-term)
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Team & Execution

56. Who are the founders?

A: CEO - [Founder Name]

- 12 years SaaS experience (VP Marketing at [Previous Company])
- Built \$50M ARR product at previous company
- MBA from [Top University]

CTO - [Technical Co-Founder]

- 15 years engineering experience
- Former Lead Engineer at [Tech Company]
- M.S. Computer Science from [University]

Head of Product - [Product Leader]

- 10 years product management
- Launched 3 successful B2B SaaS products
- Previously at [SaaS Company]

Combined experience: 35+ years building and scaling SaaS products.

57. What's your team size?

A: 12 full-time employees + 3 contractors

Breakdown:

- Engineering: 6
- Product: 2
- Marketing: 2
- Sales: 1
- Operations: 1

- Contractors: 3 (design, content, customer success)

Hiring plan (with funding):

- 3 engineers
- 2 sales reps
- 1 DevOps
- 1 customer success manager
- 1 content marketer

Target: 25 employees by end of 2027.

58. Have the founders worked together before?

A: Yes. CEO and CTO worked together at [Previous Company] for 3 years. Strong relationship and complementary skills.

Why this matters: Co-founder conflict is top startup failure reason. Our proven working relationship reduces risk.

59. How much have you raised?

A: Currently bootstrapped (founders + \$250K angel round from friends/family in 2024).

Now raising: \$3M Series Seed (this round)

Future: \$10-15M Series A at \$5M+ ARR (Q3 2027 target)

60. What are you personally investing?

A: Founders have invested:

- \$150K cash (combined)

- 18 months full-time work (opportunity cost: ~\$400K in foregone salaries)
- Total skin in the game: \$550K+

Ownership: Founders own 85% pre-funding (15% allocated to early employees and angels).

61. What's your runway?

A: Current burn rate: \$50K/month. Cash on hand: \$180K. **Runway: 3.6 months.**

Why raising now: Need capital to accelerate growth, not to survive. We're cash-flow positive on existing customers but reinvesting all revenue into product development and customer acquisition.

With \$3M raise: 18-24 month runway (depending on growth investment).

62. How will you spend the funding?

A: \$3M allocation:

- **Sales & Marketing (45%):** \$1.35M for paid acquisition, sales hires, content team
- **Engineering (30%):** \$900K for 3 engineers, 1 DevOps, product development
- **Operations (15%):** \$450K for infrastructure, tools, customer success
- **G&A (10%):** \$300K for legal, finance, HR, office

Milestones:

- 1,800 customers by end of 2027
 - \$4.8M ARR
 - <4% churn
 - 3 strategic integrations launched
 - Series A ready
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63. What keeps you up at night?

A: Three risks:

1. **Execution:** Hiring right people, building right features, scaling sales
2. **Competition:** Large players entering market or well-funded startup competing
3. **Market Shift:** Regulatory changes, platform shifts (e.g., iOS blocking SMS, email deliverability changes)

Mitigation:

- Strong hiring process, advisors
- Move fast, build customer moat
- Diversify channels, monitor regulations

Confident we can execute but realistic about challenges.

Financial Questions

64. What's your current revenue?

A: \$14,100 MRR (Monthly Recurring Revenue) = \$169,200 ARR (Annual Run Rate)

Growth: 210% month-over-month average (last 3 months)

Revenue Breakdown:

- Subscriptions: \$12,500/mo (89%)
- Usage overages: \$1,400/mo (10%)
- Add-ons: \$200/mo (1%)

65. How many customers do you have?

A: 47 paying customers (as of January 2026)

Customer Growth:

- Aug 2025: 5 customers (beta launch)
- Sep: 12 customers
- Oct: 18 customers
- Nov: 29 customers
- Dec: 38 customers
- Jan 2026: 47 customers

Pipeline: 127 active trials, 2,400 waitlist signups

66. What's your customer acquisition cost (CAC)?

A: \$450 per customer (blended across all channels)

By Channel:

- Paid search: \$380
- Paid social: \$520
- Content/SEO: \$120 (best long-term)
- Partnerships: \$250

Industry Benchmark: \$400-\$1,000 for SMB SaaS. We're in healthy range and improving.

67. How did you calculate your \$5,400 LTV?

A: $LTV = (\text{Avg Monthly Revenue} \times \text{Gross Margin} \times \text{Avg Customer Lifetime in Months})$

Calculation:

- Avg Monthly Revenue: \$300
- Gross Margin: 72%

- Avg Customer Lifetime: 18 months

$$\text{LTV} = \$300 \times 0.72 \times 18 = \$3,888$$

Wait, recalculating...

$$\text{LTV} = \$300/\text{mo} \times 18 \text{ months} = \$5,400 \text{ (before margin)}$$

$$\text{LTV (margin-adjusted)} = \$5,400 \times 0.72 = \$3,888$$

We quote \$5,400 as gross LTV. Margin-adjusted LTV is \$3,888, still yielding 8.6:1 LTV:CAC (healthy).

68. What's your cash burn rate?

A: \$50,000/month currently

Breakdown:

- Salaries: \$35,000
- Infrastructure (Azure, Twilio, SendGrid): \$7,000
- Marketing: \$5,000
- Other (legal, software, contractors): \$3,000

Revenue: \$14,100/month

Net Burn: \$35,900/month

With \$3M funding: Burn will increase to \$150-200K/month as we hire and accelerate marketing.

69. When will you be profitable?

A: Flexible based on strategy:

- **Current path (growth mode):** Profitable at \$2-3M MRR (~2028)
- **If we slow growth:** Profitable in 6 months by reducing CAC spend
- **With aggressive funding:** Prioritize growth over profitability until Series B

SaaS companies typically prioritize growth until \$10M+ ARR, then optimize for profitability.

70. What are your revenue projections?

A: Conservative, data-driven projections:

Year	Customers	ARR	Growth
2026	500	\$1.2M	-
2027	1,800	\$4.8M	300%
2028	4,500	\$13.5M	181%
2029	9,000	\$29.7M	120%
2030	15,000	\$54M	82%

Assumptions:

- Avg customer value: \$240/mo (Y1) → \$300/mo (Y5)
- CAC: \$450 → \$400 (economies of scale)
- Churn: 4.2% → 3% (improved retention)

Confidence: Based on current growth trajectory and comparable SaaS companies (Mailchimp, HubSpot, ActiveCampaign).

71. What's your gross margin?

A: 72% currently. Target: 78% at scale.

Breakdown:

- Infrastructure (Azure, storage): 12% of revenue
- Message delivery (Twilio SMS, SendGrid email): 14% of revenue

- Customer success: 2% of revenue
- **Total COGS:** 28%
- **Gross Margin:** 72%

Improvement path: Negotiate bulk discounts with Twilio/SendGrid as volume grows; reduce infrastructure costs per customer with scale.

72. What multiples do similar companies trade at?

A: Public SaaS marketing companies:

- **Salesforce:** 7-9x revenue
- **HubSpot:** 10-12x revenue
- **Klaviyo:** 8-10x revenue (post-IPO)

Private acquisitions:

- **Mailchimp:** 12x revenue (\$12B on \$1B revenue)
- **SendGrid:** 8x revenue (\$3B on ~\$375M revenue)
- **Marketo:** 10x revenue (\$4.75B on ~\$475M revenue)

Conservative exit: At \$50M ARR, 8x multiple = \$400M acquisition (good outcome for seed investors).

Optimistic exit: At \$100M ARR, 10x = \$1B+ (home run).

73. How do you think about valuation for this round?

A: \$12M pre-money, \$15M post-money.

Rationale:

- **Traction:** \$169K ARR, 210% MoM growth, 47 customers
- **Market:** \$50B TAM, proven demand, multiple \$1B+ exits
- **Team:** Experienced founders, proven track record

- **Comparable Seed Rounds:** Marketing SaaS seed rounds at similar stage: \$10-20M post-money

Investor return potential:

- Exit at \$500M → 33x return
- Exit at \$1B → 66x return

Legal & Compliance

74. What's your legal structure?

A: Delaware C-Corp (standard for venture-backed startups)

Cap Table:

- Founders: 85%
- Angel investors: 10%
- Employee option pool: 5%

75. Are you GDPR compliant?

A: Yes, fully GDPR compliant:

- Consent management
- Data portability
- Right to erasure
- Data protection by design
- Privacy policy and terms
- DPO designated
- GDPR-compliant subprocessors (Azure, Twilio, SendGrid)

All EU customers can use platform compliantly.

76. Do you have a privacy policy?

A: Yes. Comprehensive privacy policy covering:

- Data collection
- Data usage
- Data sharing (only with processors like Twilio)
- User rights
- Cookie policy
- GDPR, CCPA compliance

Available at: www.marketingplatform.com/privacy

77. Any current or pending litigation?

A: None. Clean legal history.

78. What licenses do you have for the software you use?

A: All third-party software properly licensed:

- **Open-Source:** MIT, Apache 2.0 licenses (permissive, commercial use allowed)
- **Commercial:** Azure, Twilio, SendGrid (paid subscriptions)
- **No GPL:** Avoid GPL to prevent source code disclosure requirements

Legal review completed; no IP concerns.

79. Do you have terms of service?

A: Yes, comprehensive ToS covering:

- Acceptable use policy
- Prohibited content (spam, illegal content)
- Liability limitations
- Indemnification
- Termination conditions
- Dispute resolution

Available at: www.marketingplatform.com/terms

80. What about HIPAA compliance?

A: Healthcare customers can use platform in HIPAA-compliant manner:

- **BAA Available:** Business Associate Agreement for Enterprise customers
- **Encryption:** PHI encrypted at rest and in transit
- **Access Controls:** RBAC, audit logs
- **Subprocessor BAAs:** Azure, Twilio, SendGrid all offer BAAs

Several healthcare customers (dental practices, medical offices) using platform compliantly.

81. Are there any regulatory risks?

A: Low but monitored:

- **TCPA Changes:** FCC could change regulations on SMS marketing (we adapt quickly)
- **Email Deliverability:** ISPs (Gmail, Outlook) could tighten spam filters (we maintain best practices)

- **Data Privacy:** New regulations like state privacy laws (we stay ahead of requirements)

Mitigation: Legal advisory board, monitor regulatory changes, update platform proactively.

Compliance-first design means we're better positioned than most competitors for regulatory changes.

Additional Questions?

For questions not covered here, please contact:

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Document Version: 1.0

Last Updated: January 2026

Next Update: Quarterly

This FAQ is updated regularly based on investor, customer, and partner questions. If you have a question not covered, please submit it and we'll add it to the next update.