

Viability Team Validation Report

1. Executive Summary

- This report outlines the viability analysis of a SaaS platform targeting health systems with a subscription-based revenue model.
- Key insights focus on developing a viable pricing strategy despite the current ideation stage, leveraging competitive analysis, customer feedback, and iterative testing.
- Recommendations emphasize flexible pricing models, customer engagement for validation, and strategic benchmarks for the next three years.

2. Validation Criteria

- The evaluation centered on revenue sustainability, financial viability, and growth potential.
- Analyzed current competitive pricing models, cost structure estimates, and scalability metrics.
- Utilized market research and simulated financial projections as supporting data.

3. Key Debates & Challenges

- Debates centered on the feasibility of quick scaling versus controlled growth with financial oversight.
- Perspectives varied from aggressive capturing of market share to ensuring structured financial planning.
- Challenges included lack of historical pricing data and balancing financial prudence with strategic innovation.

4. Financial Feasibility Analysis

- The subscription model offers predictability but requires careful pricing and cost management.
- CAC must remain aligned with CLV for profitability, focusing on refining acquisition and retention over time.
- Risks highlighted include regulatory compliance costs and competitor movements in the healthcare tech domain.

5. Three-Year Minimum Success Criteria

- **Revenue Targets:** Attain cash flow positivity by Year 2, with step growth in MRR from pilot programs.
- **Customer Acquisition/Retention:** Engage strategies to maintain CAC/CLV balance; scale customer base quarterly.
- **Churn Rate Control:** Target below 5% in Year 1, leveraging feedback for continuous

improvement.

- **Scalability:** Support 10x growth in user base by Year 3 with robust infrastructure adaptation.
- **Profitability Timeline:** Forecast profitability by Year 3.5, preparing for both conservative and optimistic economic scenarios.
- **Market Position Defense:** Differentiate through unique, value-leveraging features; monitor competitive dynamics closely.

6. Final Recommendations

- Emphasize a flexible, scalable pricing strategy experiment to accommodate market demands.
- Implement pilot programs with health systems for real-world validation.
- Prioritize detailed financial oversight to ensure sustainable growth and rapid but controlled scalability.
- Regularly benchmark competitive practices and adapt strategies to maintain market leadership.