



# Business Case

Market Opportunity & ROI Analysis

AI Partner Catalyst Hackathon by Google Cloud

# 1 The Problem

**67% of sales reps miss quota.**  
The #1 reason? Lack of practice before real conversations.

sparrowPrimary!20 Problem	Impact	Source
Average SDR ramp time	3-6 months of low productivity	Bridge Group
Reps missing quota	67% fail to hit targets	Salesforce
Manager coaching time	Only 15-20% of time spent coaching	Gartner
Practice on real prospects	Lost deals = lost revenue	Industry
Annual rep turnover	35% average in SaaS	LinkedIn

# 2 Market Opportunity

## 2.1 TAM - Total Addressable Market

**Global Corporate Training Market: \$380 Billion (2024)**

- Sales training subset: \$5.7 Billion
- Growing at 9.4% CAGR
- Projected \$9.2 Billion by 2030

## 2.2 SAM - Serviceable Addressable Market

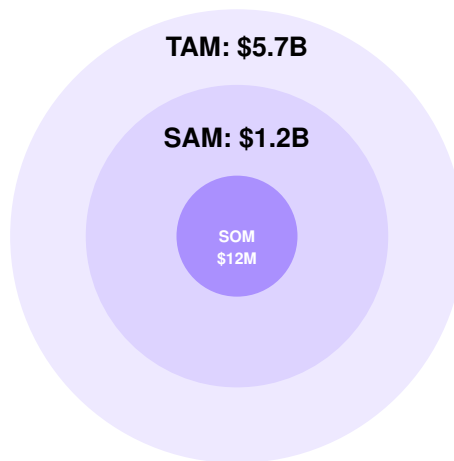
**AI-Powered Sales Training: \$1.2 Billion**

- Companies actively seeking AI training solutions
- SaaS, Technology, Financial Services focus
- North America and Europe primary markets

## 2.3 SOM - Serviceable Obtainable Market

**Year 1 Target: \$12 Million**

- 1,000 companies at \$12,000/year average
- Focus: SMB SaaS companies (10-200 sales reps)
- Initial markets: US, UK, Canada



### 3 Revenue Model

sparrowPrimary!20 Plan	Price	Features	Target
Starter	\$49/user/mo	50 calls, basic scoring	Individual reps
Pro	\$99/user/mo	Unlimited calls, full analytics	Sales teams
Enterprise	Custom	SSO, API, custom personas	Large orgs

#### Unit Economics (Pro Plan):

- Average Revenue Per User (ARPU): \$99/month
- Cost per user (AI APIs): \$15/month
- Gross Margin: 85%
- Target LTV:CAC ratio: 5:1

### 4 ROI for Customers

#### 4.1 Cost of the Problem

sparrowPrimary!20 Cost Factor	Annual Cost
Extended ramp time (3 extra months × \$60K salary)	\$15,000/rep
Lost deals during ramp (avg 2 deals × \$25K ACV)	\$50,000/rep
Manager coaching time (5 hrs/week × \$75/hr)	\$19,500/rep
Rep turnover (35% × \$30K replacement cost)	\$10,500/rep
<b>Total Annual Cost</b>	<b>\$95,000/rep</b>

#### 4.2 Sparrow ROI Calculator

For a team of 10 sales reps:

moneyGreen!20 Metric	Value
Annual Sparrow cost (10 users × \$99 × 12)	\$11,880
Ramp time reduction (1 month saved × 10 reps)	\$50,000 saved
Quota attainment improvement (10% × \$500K quota)	\$50,000 gained
Manager time saved (3 hrs/week × 52 weeks × \$75)	\$11,700 saved
<b>Total Annual Benefit</b>	<b>\$111,700</b>
moneyGreen!30 ROI	<b>840%</b>

## 5 Competitive Landscape

Primary Competitor	Approach	Sparrow Advantage
Gong / Chorus	Call recording & analysis (re-active)	Proactive practice before calls
Second Nature	Scripted video scenarios	Real-time voice AI conversations
Rehearsal VR	VR-based training	No hardware needed, accessible
Manager roleplay	Human-dependent	Available 24/7, consistent quality

### Sparrow's Unique Position:

1. **Only** solution with real-time voice AI conversations
2. **Only** solution generating unique prospects per session
3. **Only** solution combining practice + instant feedback

## 6 Go-to-Market Strategy

### 6.1 Phase 1: Launch (Months 1-3)

- Product Hunt launch
- LinkedIn content marketing
- Sales community partnerships (RevGenius, Pavilion)
- Free tier for individual reps

### 6.2 Phase 2: Growth (Months 4-9)

- Team plans with manager dashboards
- Integration partnerships (Salesforce, HubSpot)
- Case studies from early adopters
- Paid acquisition (LinkedIn, Google)

### 6.3 Phase 3: Scale (Months 10-18)

- Enterprise sales team
- API for custom integrations
- Industry-specific training modules
- International expansion

## 7 Traction & Validation

sparrowPrimary!20 Milestone	Status
MVP Development	Complete (8 days)
Core Features	Voice AI, scoring, progress tracking
Technology Validation	ElevenLabs + Gemini integration working
Domain	sprw.app secured
Deployment	Production on Vercel

## 8 Financial Projections

sparrowPrimary!20 Metric	Year 1	Year 2	Year 3	
Paying Users	1,000	5,000	20,000	
ARR	\$720K	\$4.5M	\$18M	
Gross Margin	80%	82%	85%	

## 9 The Ask

### We're seeking:

1. Recognition in the AI Partner Catalyst Hackathon
2. Continued access to ElevenLabs and Google Cloud credits
3. Introductions to potential enterprise customers
4. Feedback from industry experts

**Sparrow transforms how sales teams practice.**

\$5.7B market. 840% customer ROI. Built in 8 days.

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**Sparrow AI – Never wing a call again.**