

teamOS Pricing Analysis

A Plain-English Walk-Through of the Pricing Analysis

Fancy term in the report	What it really means (simple version)
Freemium, seat-gated model	We let small teams (up to 10 people) use teamOS for free. The moment they try to add an 11th person, they have to start paying.
Tier pricing (Free, Core, Growth)	Think of phone plans: a basic free plan, a mid-level plan with more features, and a bigger plan for larger teams.
Unlock / PDF unlock	A one-time purchase to see the full “official” report (the PDF) instead of just chatting with the AI.
LLM variable cost	The money we pay OpenAI (or Claude) every time someone chats with the AI. It’s counted per “tokens,” like data usage on a phone. The more people chat, the more we pay.
Gross margin	After we pay the AI bill, how much of each dollar is left to cover everything else and make profit. 90 % margin means we keep 90 c out of every dollar.
Royalty (30 %)	A revenue-share we pay existing distributors so they don’t feel cut out. For every \$100 we make on an Unlock in their territory, \$30 goes to them.
Cannibalisation	Losing sales from the old distributor channel because customers choose the new direct product instead. We calculated how big that leak might be.
Protector price	The “ceiling” price where we’d start under-cutting the distributors. We priced the Unlock above that ceiling so we’re not cheaper than them.
Incremental gross profit	Extra profit teamOS could add on top of what the company already earns.
Scenarios (Conservative / Base / Aggressive)	“What-if” cases: slow growth, medium growth, fast growth. Shows the range of possible profits and risks.

1 • The 30-Second Version

teamOS lets us sell straight to team-managers online **and** keep our distributor partners happy. Even a slow start could add about **A\$200 000** extra profit each year; a strong year could add **over A\$1 million**. We do this by:

- Giving small teams a free taste (≤ 10 seats).
- Charging a fair, low-friction subscription once a team grows.
- Pricing the “full PDF” **above** what a practitioner normally charges, then sharing 30 % of every PDF sale with the local distributor.

2 • Why We’re Doing This

- Fewer accredited practitioners each year \rightarrow slower distributor growth.
- First-time managers rarely call a distributor; they just swipe a credit card.
- teamOS taps that new crowd **without** knocking down the old business.

3 • Where the Money Sits Today (rounded)

Thing	Rough yearly number	The story
Profit we already make through distributors	A\$650–700 k	Solid, but growth is flat.
Who brings the most	APAC \approx 30 % of sales, DACH \approx 22 %	These partners must stay happy.
Royalty dollars – how much better than budget	\approx A\$200 k up	Nice padding for experiments.

4 • Why Practitioners Charge A\$350-450 per Person

Step	Who pays / earns	Dollar amount	What’s included
Wholesale licence	Practitioner \rightarrow TMS	A\$157 ex-GST (A\$172.70 inc.) per profile tms_price_list_qa	Raw questionnaire + auto PDF

Service layer	Practitioner invests time	—	Reads report, designs session
Mandatory debrief	Participant attends	—	60-90 min live coaching
Retail package	Team / manager pays	A\$350–450	Licence plus the coaching time, materials, travel, overheads

Bottom line: A\$157 is just the data file; the rest covers the consultant's work.

5 • What the AI Costs Us

Team size	Typical monthly usage	Our bill
Free team (10 seats)	Light chat + pulse checks	~A\$3–4
Paid team (25 seats)	More chat + voice	~A\$12

So when we charge **A\$49** a month for the Core plan or **A\$150** for a 25-seat Growth plan, we keep well over 90 %.

6 • Simple Price Menu

Plan / Add-on	Who it's for	They pay	They get
Free	Up to 10 seats	A\$0	PulsePilot, Team-Energy score, TMP (no PDF just AI chat results).
Core	Same 10 seats	A\$49 per team / month	Extra charts, QO2, WOWV, Slack/Teams push.
Growth	11-25 seats	A\$6 per seat / month <i>(min A\$66, 25 seats = A\$150)</i>	Custom nudges, CSV export.
PDF Unlock	Per person	A\$395 once-off	Full TMP PDF + 30-min AI walk-through.

Handoff Pack	Whole team	A\$2 950 once-off	All PDFs + warm intro to a practitioner.
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Why the Growth plan is “only” A\$6 per seat

- **Not a typo:** It’s per person, so a typical 25-seat team pays **A\$150 every month**.
- **Covers us easily:** Costs about **A\$12** to serve; we keep the rest.
- **Smooth upgrade:** From free to Growth feels painless—no scary jumps.
- **Competitive:** Similar team tools charge A\$10-15 per user for lots more features; our narrower focus justifies the lower tag.
- **No PDF included:** They still need to pay A\$395 or call a practitioner for the deep stuff.

*Every PDF sale in a protected territory sends **30 % straight to the distributor**—identical to today’s royalty.*

7 · What Could Happen (3 Scenarios)

Scenario	New paying teams	PDF unlocks sold	Extra profit after AI costs	Hit to old profit	Net result
Small start	300	150	+A\$210 k	–A\$20 k	Up A\$190 k
Steady growth	800	400	+A\$510 k	–A\$50 k	Up A\$460 k
Big success	2 000	1 200	+A\$1.48 m	–A\$100 k	Up A\$1.38 m

Even the cautious case lifts profit by ~30 % with a tiny dent in the old channel.

8 · Safety Nets We Built In

Worry	Our fix
Distributors feel pushed aside	30 % royalty + PDF price is higher than theirs.
AI bills blow up	Live token meter; throttle heavy users; cheaper model fallback.
Managers buy PDFs instead of hiring consultants	Only 2 PDF unlocks per free team per quarter.

Need to tweak prices

Board can move PDF price $\pm 10\%$ each quarter.

9 • Roll-Out Cheat-Sheet

When	What goes live
Month 1	Free + Core plans (web)
Month 2	PDF Unlock + auto royalties
Month 4	Growth plan + bigger analytics
Month 6	All territories turned on
Month 9	Mobile + voice chat

10 • What We're Asking the Board to Green-Light

1. **Approve this price menu.**
2. **Keep the 30 % royalty rule** on every PDF sold in a protected territory.
3. **Release A\$120 k** to finish and launch the MVP (tech, AI credits, first-wave marketing).
4. **Quarterly price review** so we can react fast if the market says “too high” or “too low.”

11 • Final Take-Away

teamOS can hook a new wave of managers, cover its tiny AI costs, and boost company profit—**without** upsetting the distributors who got us here. The upside is big; the guard-rails are solid; the move is worth it.