



Change Engine Good Idea Checklist and Organisation Readiness Checklist- For Profit Startups

Good Idea Check-list <GIC>

For profit Startup

- Deep problem understanding: Have talked to at least 10 people/orgs who face the said problem
- Customer Identification: Clear identification of who the customer is.
 - Is the user and buyer the same? If not, identify each.
 - B2C: Have clear demographics of customer/user;
 - B2B: Type/size/Vertical of company; Which level/position within company is user/buyer
- Lifetime value of Product/Service: Does it generate enough value for customers to buy and pay sufficiently. (LTV>CAC)
 - Is it painkiller (addresses critical pain point) or vitamin (just an add on)
 - How much will the customer be ready to pay?
 - Repeat Use:
 - Solution provides substantial value, compelling repeat use
 - The problem is recurrent and solution will be used periodically
 - Have you talked to 10 customers to validate solution and paying capacity
- GTM and Customer Acquisition Cost (CAC): Is there a standard sales approach to this kind of product/service. What is it?
 - What is CAC: Understanding of comparables/industry benchmarks
 - Understanding of customer acquisition channels for B2B and B2C
- Competition Analysis
 - Identify direct and indirect competitors offering similar solution to the same problem
 - Understand the positioning used by competitors in the market
 - How big are these competitors, what is their market share?
 - What is the pricing model used by the competitors
 - Identify the gaps or unserved segments you can target or a niche segment you can excel
 - Identify if your technology or business model offers competitive edge over the competitors
- Market Size: What is size and growth potential of the target market
 - Is market size enough for sustainability and scalability
 - Is the target market growing? At what CAGR?
- Product Idea Clarity: Clickable MVP Demo tested with 5 potential users
- Team Idea fit: Team has skills, expertise and passion to execute the idea

Organisation/Team Readiness Checklist <ORC>

- Team: One Business and one tech co-founder
 - Business founder: Drives Sales, raise funds
 - Tech founder: knows coding and build product
- Hiring plan for next 2 months; hire interns for frontend/backend, product etc.
- Budget plan for next 3-4 months
- Company incorporation:
 - Have you started your incorporation process?
 - Have you fixed your cap-table/ equity distribution between founders?
 - Are founder agreements in place?
- If raising external funds, valuation report is initiated?