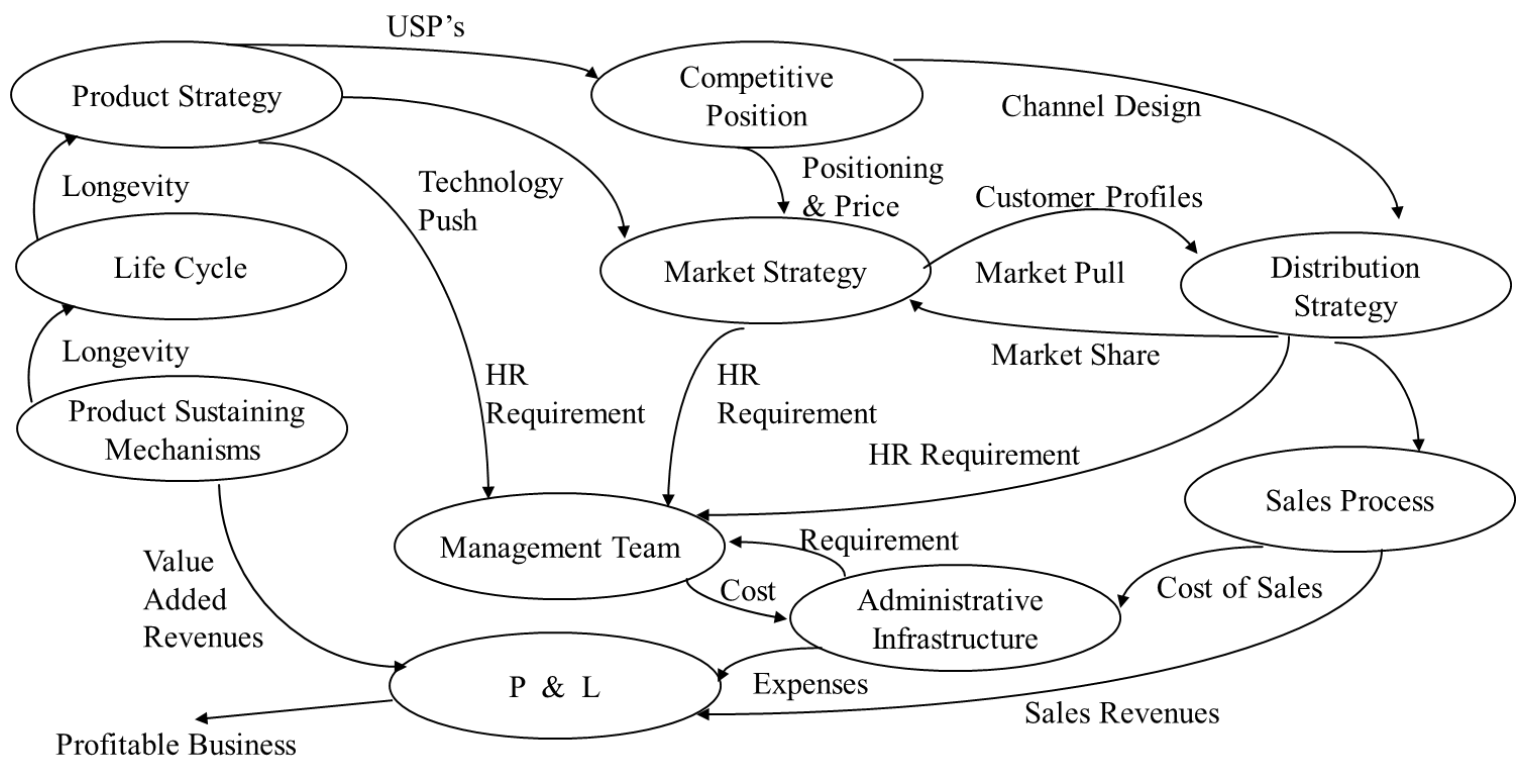# The Market Requirements Document

Prof Annie Brooking

Magic Monkey

The Market Requirements Document

Diagram (ovals and connecting arrows):

- **Product Strategy** — USP's → **Competitive Position** → Channel Design → **Distribution Strategy**
- Product Strategy — Longevity → **Life Cycle**
- Life Cycle — Longevity → **Product Sustaining Mechanisms**
- Product Strategy — Technology Push → **Management Team**
- Competitive Position — Positioning & Price → **Market Strategy**
- Market Strategy — Customer Profiles → **Distribution Strategy**
- Distribution Strategy — Market Pull → Market Strategy
- Market Strategy — HR Requirement → Management Team
- Market Strategy — HR Requirement → Management Team
- Distribution Strategy — Market Share → Market Strategy
- Distribution Strategy — HR Requirement → **Sales Process**
- **Sales Process** — Cost of Sales → **Administrative Infrastructure**
- Administrative Infrastructure — Requirement → Management Team
- Management Team — Cost → Administrative Infrastructure
- Product Sustaining Mechanisms — Value Added Revenues → **P & L**
- Administrative Infrastructure — Expenses → P & L
- Sales Process — Sales Revenues → P & L
- P & L — Profitable Business

Review the sections below that need to be in the MRD (Market Requirements Document)

THE PRODUCT

1. **Develop a product/service datasheet <u>as if it was finished.</u>**
    a. Describe your product proposition as if it was finished and lay it out in a 2 sided A4 datasheet suitable to present to a potential customer (See Appendices)
    b. What are its features, benefits
    c. Why and how will it enhance your customer's life or work?
    d. Make it clear why this product is needed
    e. What are its unique selling propositions? (USPs)
    f. Create a lexicon for the product to ensure the same terminology is used in all marketing collateral

2. **Product and Service Naming.**
    a. Look at "The Ultimate Guide to Naming a Product" in Appendices.
    b. Take care to pick a name that can also be used as a website name and can also be trademarked (thus it can't be descriptive.) Technical names might be understandable to developers but lost on Customers. Choose a name that people won't misspell.

The Market Requirements Document

3. Branding
a. Branding should support your Positioning statement
b. Check brands can be trademarked, don't be descriptive
c. See if you can grab a domain name for your brand
d. Check brand recognition with customer surveys
e. Remember brands are an intangible asset and part of Intellectual Capital of the company
f. They can be hugely valuable
g. Use them so you don't lose them (trademarks)

4. What is the environment your product be born into?
a. What is the market environment?
b. What events are happening in this market?
c. Where is it geographically?
d. Is there anything peculiar to the environment (business or economic or technical) that may impact the new product.

5. Positioning
Happens in the mind of the prospect
a. What is the one thing **you want** your prospects to think when they hear your product name – it's a short phrase. Achieving this will be as a result of your marketing campaigns.
b. Once your product has been launched:
c. Validate the positioning – ask 10 (or more) prospects "What is the first thing that pops into your head when you hear x (your product name))? Do this in person or on a call – never in a questionnaire.
d. If the "message" they have in their head is not as you would like pay attention to your messaging – it will take a while to change Positioning once it's in the head of a person.

6. Customer Profile
a. Who is your target customer? (the person who will **buy** your product)
b. What is their job title?
c. How old are they?
d. What other related products and services do they buy?
e. What is their location – any particular geography?
f. What will be his motivation to buy?
g. How will your product make his/her life easier?
h. What digital channels are they using?

7. User Profile
a. Who is your target user? (the person who will use your product)
b. What is their job title?
c. How old are they?
d. What other related products and services do they use?
e. What is their work environment?

    f.   What will be his motivation to use your product?

    g.   How will your product make his/her life easier?

    h.   What digital channels do they follow?

8. Competitive Analysis

    a.   What and who are your competitors?

    b.   Beware of saying "there is no competition"

    c.   Who is your indirect competition?

    d.   Remember the user may be a competitor if you unseat an existing process

    e.   Look at how to do a Competitive Analysis in Appendix x

    f.   Can you identify clear USPs (unique selling propositions) as a result of USPs

    g.   Make sure your sales channel has the CA as a sales aid

    h.   Should you give your CA to potential customers?

9. Developing user stories

    a.   Describe the scenarios where the user would use your product

    b.   For each scenario mock it up like a cartoon strip step by step

    c.   Imagine what he or she would be thinking in the scenario – add speech bubbles.

    d.   Focus on who, what and why not the how

10. Validate User Scenarios

    a.   Find 10 "suspects" (these are people you think will buy your product). Make an appointment to walk through the user stories to make sure they "want" what you think they want.

    b.   Modify the user story so it becomes something they will buy.

    c.   Look out for comments like "I don't believe it" as these may be indicators that your product is disruptive and in turn will mean it will take longer and cost more to get early adoption in the market.

11. Planning and running product trials

    a.   Never let the customer take a product "on spec" to test it out

    b.   Always design the trial yourself (and with technical team)

    c.   Get a trial document from your lawyer

    d.   Get the customer to sign to say they will abide by your trial

    e.   Try to get a PO on a successful trial

    f.   Assign someone to manage the trial and regularly check in with the customer

12. Dealing with Disruptive Elements

    a. Do the disruptive audit (See Appendices)

    b. If your product embodies a disruptive technology that has not been seen before plan more trials than you think it needs. It will take longer to get to market. Look to see where you can find a group of industry luminaries who will trial and endorse it. Avoiding this cost may turn out to be a bad decision in the long run.

The Market Requirements Document

13. Product lifecycle management
    a. What is the position of product/service in the context of the product line?
    b. Look for any dependencies
    c. When/how will it be born, live and die?
    d. How will its features and benefits change over its life?
    e. Will this product have any dependencies on another company's products?
    f. How will you monitor these so that you stay in step?
    g. How will you differentiate between a version that you may charge for and updates to a release you may not?
    h. Look out for cannibalisation!
    i. Will it be versioned?
    j. Is there an opportunity for a product family?

14. Synergies with Other Products
    a. Is this product reliant on any other product?
    b. Is that an external product or an internal one?
    c. Will one product cannibalise another?
    d. Are there synergies that can be developed or exploited?
    e. Can the life of this product prolong the lives of any others?

15. Maintaining the product roadmap
    a. How will you ensure the correct version of product roadmap filters into other departments?
    b. How much do you want to keep secret or put into the public domain?
    c. For how many years will the Roadmap go for?
    d. How can you ensure the revenue model takes advantage of the roadmap?

16. Usability, Workflow and User Interface Requirements
    a. Where will this product be used?
    b. Have you seen the environment where it will be used?
    c. Do you understand exactly HOW the product will be used
    d. Have you watched your potential user work in their workplace
    e. Is your product too big/small/easy or hard to use?
    f. Does it need to integrate with other products?
    g. Will it need to embody Internationalisation? (Have a user interface in multiple languages?)
    h. Will it have to be ruggedized?
    i. Try to get the user to self-report when using your product – this is hard!
    j. What is the nature of the user interface?
    k. Is there a minimum number of clicks he will tolerate in using your product?
    l. Will this require any modification to hardware?

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17. Packaging:
   a. How will the product be presented to the customer? (Think of an iWatch or iPad box versus a brown cardboard box.)
   b. Where will accessories fit into the packaging (manuals, disposables, warrantees etc.
   c. Will the product box need to go into another box for shipping?
   d. Will the product require crating and to be moved with special equipment?
   e. Who will design packaging?
   f. Who will manufacture packaging?
   g. Where will the product be packaged?
   h. Make sure the IP for packaging design is assigned to the company

18. Product adoption timetable
   a. How long will it take for each sector to adopt and recommend your product? Most always longer than you think! Revisit market projections.
   b. Look at your prospective customers and decide where they fit on the adoption curve. Make sure you have plenty of early adopters.
   c. Revisit market projections.
   d. Plan for the Chasm and the Void
   e. Ensure you have enough budget for trials and freebies if you will need them
   f. Work to get lots of KOLs and evangelists

19. Strategies for crossing the VOID and Chasm (GO TO MARKET)
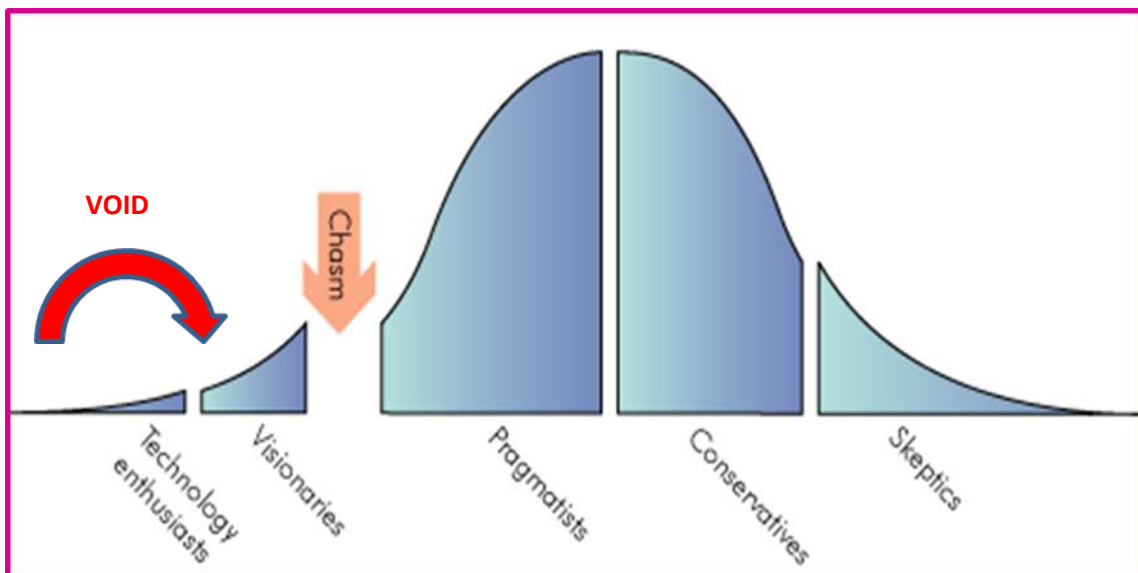
   a. The VOID is a hole a product can fall into where the customer does not believe your product cannot do what you claim it to do. For example if you are selling a scanner to identify the presence of skin cancer and you are making claims that images that pop up on the screen are a true representation of blood or melanin and the customer just does not believe that is true.
   b. It's likely your product is disruptive if it falls into the VOID.

c. How to you prove your product claims are true and accurate?

d. Third party trials may be necessary (more budget)

e. In this case trials with biopsy might be required (hard as blood tends to run away when the skin is cut!)

f. Do you have budget to lend equipment for assessment so the customer has the opportunity to trial it himself.

g. Is there a market that represents low hanging fruit for a disruptive product (ie. They need it badly).

h. Having jumped over the VOID how will you avoid the falling into the Chasm – that is your product is popular with risk taking customers but not with more conservative customer groups. Carefully map your customer groups onto the adoption curve below noting what you have to do to jump from one customer sector to the next. Estimate the time this will take.

20. Documentation Plan

c. What documents will your product require?

d. Brochure?

e. Data sheet?

f. Quick Start Guide?

g. User manual?

h. How many languages will they be required to be in?

21. Pricing

a. What is your pricing strategy?

b. Do you have any consumables the product requires?

c. Will support be a revenue generator?

d. Does your product require any annual servicing?

a. How are you going to price the product?
   i. Unit pricing
   ii. Channel pricing
   iii. Site licensing
   iv. Leasing
   v. Free?

b. Will you make money from the product sale or by licensing?

c. Could you use a SAAS model?

d. Would you give your product away for free but make money from consumables?

e. How will you make sure all parties get enough compensation to both sell and purchase your products?

22. Planning for and choosing a manufacturer?

a. How difficult is your product to manufacture?

b. Rank difficulty in T shirt sizes

c. How will the first build be accomplished?

d. Who will document the first build procedure?

    e.   If this is done outside the company make sure the copyright is assigned to your company.

    f.   Will the product be manufactured in its home territory or off shore?

    g.   Maybe this will change over time once any manufacturing "challenges" have been overcome?

    h.   If your product will be manufactured overseas will you need a local person to work with your manufacturing partner?

    i.   Will you need a second supply source

    j.   Will the manufacturer be required to manufacture to any particular standard – for example 13485?

    k.   Is your manufacturer going to procure BOM elements for you?

    l.   Will the product be shipped from the factory straight to the customer?

23. Developing the BOM (Bill of Materials)

    a.   Who will develop the BOM?

    b.   Are there any parts that have a very long lead time?

    c.   Are there parts you will have to buy in bulk in advance?

    d.   Will you use any particular component that has to be created especially for you such as a special colour of plastic or aluminium?

    e.   How much of each BOM element is available on demand?

    f.   Is your manufacturer going to store BOM elements for you?

24. Quality and Assurance

    a.   What measures will be put in place to ensure that the product in development will work?

    b.   Will these measures be verified by a suitable party?

    c.   How and who will verify that fundamental technologies used are suitable for purpose?

    d.   How and where will these tests be documented?

THE MARKET

25. **Market analysis** – look at the world your product will be introduced to

    a.   Market size and segmentation - where are they geographically?

    b.   Market trends – how is the market moving? Will this be to your benefit?

    c.   Assessing available markets – available markets are those where you have market reach with your distribution channel. If you can't reach them you can't sell

    d.   Assessing target market share – taking market reach into consideration what could be your market share over 3 to 5 years. Plan it by month.

26. Creating TRIBES

    a.   Is your target customer base already organised as a TRIBE?

    b.   What trade shows, events do they attend?

    c.   What magazines do they read?

    d.   What industry bodies do they belong to?

    e.   How can your company become an authority in this sector?

    f.   Can you become a thought leader in this sector?

g. Should you be organising seminars for your prospects and customers?
h. Can you provide education such that you would provide CPD?
i. Have you had that capability registered?
j. Design a 12 month strategy to create your Tribe

27. Critical Success Factors
a. What are the factors, functionality that must be in place for your product to be a success? Pay particular attention to required standards that may take a while to gain and therefore require a large budget.
b. What features must the product have in order for it to be a success

28. Risk Analysis
a. Try to identify all the risks in bringing your product to market.
b. Look at competition and future competitors.
c. Will new legislation pop up during the life time of your product and new "faster, cheaper", technologies arrive?
d. For each risk determine what you will do to mitigate the risk.

29. **Required Standards** (EC, ISO, BSI, FDA, Medical Device Directive)
a. Make a list of standards that have to be complied with and how you are going to achieve compliance.
b. Standards and compliance most always cost more and take longer to comply with.
c. Will the customer want to see compliance even when it's not actually required?
d. Determine the strategy you will use to get compliance and set the budget aside.

30. Product Evangelists
a. Who would be good evangelists for your new product?
b. Look for industry luminaries
c. Look at speakers at trade shows in your market sector
d. Will you need to give them "free" products to evangelise?

31. Distribution Strategies
a. How will you get your product to market?
   I. Retail
   II. Value Added Resellers
   III. Agents
   IV. OEM Agreements
   V. Direct Sales
   VI. On line shop (web)
b. How will you ensure that you are not in competition with any of your sales channels?
c. What collateral will you require to enable sales through these channels?

32. Training the Distribution Channel
   a. Who will train the distribution channel?
   b. Who will develop training material
   c. Who will train the sales force?
   d. Will you require videos?
   e. Will they require on-going training?
   f. Can you do it remotely?
   g. If there are regular sales meetings how can you use them to get feedback on your product to market strategy?
   h. Are the salesforce required to demonstrate your product?

33. Design of training material for the sales force/channel
   a. Ensure you have a product lexicon so all sales "channels" refer to your product in exactly the same way
   b. How will you train the sales force on the functionality of the new product?
   c. How will you train the sales force/channel to sell your product?
   d. Give the sales channel a tested sales presentation so they can miodify it to make it "theirs" BUT always sticking with the lexicon
   e. Can you make videos to achieve a. and b. above?
   f. Will you need to translate training material into other languages?

34. Supporting the Distribution Channel
   a. Who will support the distribution channel?
   b. Do they have experience in managing indirect sales
   c. What can you do so that it's really easy for your distributors to sell your products?
   d. Is it appropriate to pull the distribution channel together a couple of times a year?

35. Alpha and Beta Testing
   Alpha will aid in determining if you have designed a MVP. Post alpha you can add new features. Beta is only to fix bugs not to make any enhancements so the spec should be frozen prior to beta.

   a. Have you tested with customer interviews that you are putting a product into alpha testing that is already complying with an agreed MVP?
   b. Do you have appropriate regulatory approvals for each type of trial?
   c. Are your choice of partners suitable for future business arrangements? (Don't pick an influential partner for an alpha if there is any chance the product is not ready.)
   d. Have you got both alpha and beta test agreements drafted from lawyers?
   e. Have you made is clear exactly what you want the testing partner to do (draft a trial protocol to include in the alpha/beta agreements as an Appendix)) during both alpha and beta testing? (Make sure they are testing the product you have developed NOT one they think it ought to be.)

    f.   Have you considered the geographical support requirements of alpha and beta testing – ie. If things go wrong can you have support staff there quickly to hand hold the customer and make sure the trial does not get derailed?

36. Keeping a log of proposed features and bug fixes
    a.   It's likely that on release the market will want more features than the product currently offers. How will you track them?
    b.   There may also be bugs in the first release. This is especially true of high tech products that require software.
    c.   How will bug fixes be planned planed with engineering?
    d.   Where will you specify and schedule the addition of new features?

37. Customer Support Plan
    a.   Who will support the customer once a sale has been made?
    b.   Will you have annual support contracts?
    c.   Will support be a source of revenue?
    d.   Does your product require regular servicing?
    e.   Who will do that?
    f.   If not you then will you train a third party to do this?
    g.   Can you outsource customer support in hard-to-reach geographies?
    h.   Can you do support on-line?

38. Rollover Sales Forecasting
Now you should have the information to plan a sales forecast. Do it in excel and keep it simple. Include your assumptions on the first sheet to include:

    a.   How long you expect the sales cycle to be?
    b.   How much trial data will you need?
    c.   How many case studies will you need to have
    d.   How many customer testimonials and evangelists will you need to recruit?

TACTICAL MARKETING

39. Product and Service Launch
    a.   How and where will the product be launched?
    b.   Will there be any launch offers?
    c.   What support collateral will the launch require?
          a.   Case Studies
          b.   Trials
          c.   Evangelist endorsements
          d.   Datasheets
          e.   Manuals
          f.   Warrantees
    d.   Ensure all documentation uses the lexicon and does not contradict the EULA or SLA or the T&Cs.
    e.   What will be the one thing you cold do to ensure the launch was truly memorable

40. Collateral
   a. What marketing documentation will the product require?
      a. Datasheet?
      b. Brochure
      c. Manual
      d. Quick start guide?
   b. Once these document have been drafted throw them all onto a table to make sure they "fit" together and correctly convey the agreed messaging.
   c. Ensure the lexicon is adhered to

41. Trade shows
   a. What trade shows are suitable for this product?
   b. What are the goals for attending a particular trade show?
   c. Have you completed a trade show plan (See Appendices)
   d. What is the messaging for the trade show?
   e. Will you require a booth?
   f. How will you attract people to your booth?
   g. How will you collect leads from the tradeshow?
   h. Will you have a giveaway or "visitor experience" at the show?
   i. What campaigns will you run prior to the show?
   j. What campaigns will you run after the show?
   k. Who will man the booth at the show?
   l. What will they wear so they look like a "team"

42. Promotion
   a. How will you promote both the business and your products?
   b. What is the purpose of promotional activities? Sell products? Position the company as an Innovator? Position your CEO as a thought leader? Attract investment? Attract strategic partners? Expand the distribution channel? Maybe all of these?
   c. Which promotional vehicles will you use for which of the above?
   d. Speaking slots (excellent way for building a high person/company profile) articles in magazines/publications, generating a Tribe of your own using social media like Twitter/LinkedIn, getting other companies/people to reference you writing learned papers, writing books, TV and radio spots, Utube videos and of course the Internet using PPC campaigns. Getting luminaries to endorse, use, wear, and promote your products and services. The choice these days is significantly greater than it used to be.

43. Advertising
   a. Is advertising a suitable medium for your goals? If you are B2C could possibly work for you the trick is to find the right vehicle for your budget. What does the Tribe you wish to appeal to read, watch etc. The vehicles for advertising are largely the same as those for promotion. Advertorials give you a better chance of explaining your proposition as they tend to offer greater word count.

b. No matter which channel you choose your campaign has to be live for a period of time, usually a matter of months.

44. Developing Customer Case Studies and Success Stories
a. Customer success stories are a great way to ease the prospect into the sales cycle – especially if they are able to identify with the person/people in the case study by way of having the same problem or concern.
b. How you deliver the success story varies on the media – video, word or audio. A powerful/short case study on your web home page is a great way to create confidence in the mind of the prospect. Better slice 5 or 6 customer success stories into a short video.
c. What customers do you have who would make a great case study?
d. How many "fresh" stories should you plan for each year?

45. Press release design and production
a. Writing a good press release is not hard if you stick to a standard template that includes writing around 3 paragraphs, including quotes on a newsworthy topic written in such a way that Journalists can pick up your content and use it with minimal changes.
b. Who are your key journalists? Make them your special friends. Understanding who are the movers and shakers in your target industry is key – if you can build a special relationship with a couple of key journalists they will likely pick up most all of your announcements.
c. Should you use Internet groups that will post your press release to thousands of journalists (such as Journolink) for a very small fee.
d. Are Media databases that offer access to thousands of journalists globally suitable for you?
e. Include a 12 month press release calendar in your tactical marketing plan that attracts prospects and drives them to your trade shows, seminars and product launches.

46. Designing Direct Mail Campaigns
a. Check our email marketing platforms and choose the one most suitable for your business https://toptenmarketingtools.com/email-marketing-software-comparison/
b. Create a campaign calendar around key events in the business making sure there at least 3 iterations of each message as part of a campaign.
c. Create a professional looking template for your email campaigns which is short and punchy
d. Brand it for various products or the company so you have a family of "templates" you can quickly change and mail out
e. Ensure there is a call to action - preferably a free something

47. Using KOLs (Key Opinion Leaders)
a. Who are your KOLs?

b. What do you want them to do for your business?

c. How long will it take between recruiting a KOL and having some form of "result"

d. If you wish them to endorse a new product consider recruiting them in time for alpha testing

e. Find your KOLs by looking for them at conferences, look for books they have published, many industry KOLs pop up again and again.

f. Consider giving your KOLs free products to trial – agreeing clear outcomes.

48. Web Site

a. What is the primary function of your web site?

b. Is there a useful balance between graphics, video and text?

c. Is your site beautiful to look at?

d. Is it SEO Optimised?

e. Is your web site a business generation machine for your business?

f. How sticky is your site?

g. Have you had it audited recently?

h. Where are the calls to action on each page?

i. Is contact information always above the fold?

j. Does your site comply with the rules for responsive design

k. What measures have you taken to ensure that you are found by your target audience in a single hit?

l. Does the language you use on your web site mirror the language a potential customer/visitor would use

m. What is the journey a visitor goes on to ensure they contact you as a prospect?

n. Is your web site easy to navigate for visitors?

o. Does the web site embody the contents of your lexicon

p. Is there a new page for each product or service you supply?

49. Digital Marketing Strategy

a. What are the most appropriate digital marketing tools for your company to use? LinkedIn? Facebook? Twitter? WhatApp? etc

b. How will you leverage each of these channels to drive customers to your web site?

c. How can you cannibalise content to serve all of these channels?

d. Advertising? AdWords?

50. Using Blogs and TWITTER

a. To what purpose could you use blogs?

b. Can blogs be part of your tactical marketing plan

c. Can you think of 12 titles (1 a month) that will support your tactical marketing goals?

d. Is there a natural "blogger" on the product team?

e. To what end could you use Twitter to communicate with your customers/distributors and prod the market?

51. Social Media Strategy
   a. Is a social media strategy relevant to your proposition
   b. Does a Social Media strategy fit with your Positioning?
   c. Run a revolving three month social media calendar?
   d. What are the key events in your calendar that would support a social media strategy?
   e. How will you ensure that people posting to social media will correctly represent your company or product?

52. Copywriting
   a. Could your marketing material benefit from the services of a copyrighter?
   b. Does the language on your web site achieve the desired effect
   c. Are your headlines strong in all sales materials
   d. Do your USPs stand out in all your copy?
   e. Does your collateral have emotional appeal?
   f. When explaining benefits add "which means that" "so you can"
   g. Does the language in your collateral SELL? Your product? Your company?
   h. Does the language convey low risk to the customer?

LEGAL and ADMINISTRATIVE ISSUES

53. Legal Strategy
   a. Take a look at all of the legal documents you will be required to assemble as part of selling and protecting your product – you will be surprised how many you will need.
       i. Distribution Agreements
       ii. Terms of sale and supply
       iii. Patents filings
       iv. Trade Mark filings
       v. License agreements
       vi. Manufacturing agreements
       vii. Various NDA
       viii. Invoices
       ix. Contracts of sale

54. Intellectual Property Strategy
   a. Make sure you talk to an IP lawyer BEFORE you discuss your product with anyone
   b. How can you protect your product/service from others copying it?
   c. In what territories do you think you will require IP protection?
   d. Can you "design in" some features which make it more protectable
   e. Is it possible to get a patent on your product?
   f. If possible could you get a thicket of patents to protect your product?
   g. If you product is protected by copyright make sure you have appropriate licensing agreements
   h. Could you get a Design Right on your product?

     i.   Have you registered Trade and Service Marks?

     j.   Should you protect your product with non-disclosure and trade secret agreements?

55. Freedom to Operate Analysis
a. In which geographical territories will you sell?
b. Ensure that you are not violating someone else's intellectual property when you sell. This may require the services of a patent attorney.
c. You can never have a truly exhaustive search and large companies spend huge amount of money on this to avoid future legal costs. That said take legal advice.

56. Collaboration Agreements
a. Are you working with another party to bring this product to market?
b. Do you have a collaboration agreement with them?
c. If not work with a lawyer to draft one making it clear who is:
     i.   responsible for what activities/deliverables
     ii.   who owns what IP at the beginning of the project (background rights) and at the end of the project (foreground rights
     iii.   who pays for what
     iv.   delivering to what schedule
d. Have you made sure that the IP protection does not generate any "deadly embrace"

57. (Service Level Agreements) SLAs
a. Does your product require a service level agreement?
b. Are SLAs a potential source of revenue for you?
c. Do you require an SLA from any supplier?

58. End User License Agreements (EULAs)
a. Does your product encompass any software?
b. If so you will require the user to accept your EULA before they are able to start using it
c. Check your EULA fits together with your manuals, upgrade policies and requirements on the customer to comply with warrantees etc.

59. Sales Administration for quotes, sales and invoices
a. What is the system for taking an order from the customer and shipping it to them?
b. Will the product require part numbers, order codes etc
c. What documents are required to support this process?
d. What is the document flow?
e. Where are the terms and conditions shown to the customer? On a quote? On a proposal? On your web site?
f. How and when is the customer chased for invoice payment?
g. Warrantees?

The Market Requirements Document

60. Business planning for venture finance

a. Now you have completed the MRD you are 90% of the way to have developed a business plan which can be for internal use or for raising investment finance. This is because the MRD will set out:
   i. What you want to do (build/create)
   ii. Why
   iii. How you will bring it to market
   iv. Who will buy, use it and why
   v. Who the competition is and what your USPs are
   vi. The BOM
   vii. The sales price
   viii. Your tactical marketing plan which you can cost
   ix. Your 3 years sales projections

b. You will be missing financial information:
   i. Other costs: people, overhead, consultants etc
   ii. Costs for services such as accountants, IP, auditors
   iii. Costs relating to manufacturing a product
   iv. Cash flow and a balance sheet
   v. Costs relating to employees and contractors

c. How you will exit

d. How much money you want and what you will use it for

The Market Requirements Document

Pipeline =?

25% Demo

% Through Sales Process

50% Proposal

75% etc

100%

Months

% Sales out

Market Share

My co 10%

C4 25%

C1 25%

C3 20%

C2 20%

VOLUME

P1

P2

P3

1 2 3 4 5 6 7 8

YEARS

Magic Monkey