**Application Requirements**

Our investment decisions are based on data and in-market evidence, thus favoring scrappy entrepreneurs who have moved beyond market research and have built rough prototypes or conducted scrappy field experiments that measure end-user behavior through their actions, not their words or intentions. As such, our applications encourage facts-per-second versus prose.

1. **Brief description of the entrepreneur, why this quest is important to you, and what your vision of success includes.**
2. **A clearly defined customer problem statement, answering the following prompts:** 
   1. Describe the target customer highlighting their attributes, characteristics and motivations.
   2. Describe what they are trying to do (their desired outcome or reason for needing a new solution)
   3. Describe what problem or barrier is preventing them from achieving that desired outcome using existing methods available
   4. What is the root cause of the barrier (usually discovered through asking the 5 why’s)
   5. Describe the feeling or emotion that problem or barrier creates in the target customer’s life
3. **Then clearly define the benefit most being sought by the target customer.** 
   1. Is their goal to save time, find an easier solution to get the job done, have access to a broader selection, have more money in their pocket, etc.. Preferably pick one, but there should be no more than three.
4. **Share the ideal state the customer seeks from a solution.** 
   1. In a perfect world, the customer would wish for what outcome (this should be aspirational and borderline unachievable), producing what benefit in their life, and leaving them with what emotion or feeling?
5. **Finally, depending on the stage of your idea, provide in-market evidence or other data to demonstrate reasons-to-believe you are onto something worth investing in. We use a method called Success-ion Metrics, and seek answers to these questions:** 
   1. Unit of One and Cohort Metrics (Product-Market Fit)
      1. Demonstration of customer benefit when using your product or service
      2. Proof the customers is actively using your product or service

* + 1. Willingness to recommend your product or service to a friend or family member (preferably as measured by a Net promoter Score, but user reviews and other means are helpful)
    2. A hypothesis for how you will be able to monetize your product or service
  1. Market Success (demonstrating ability to compete relative to alternatives while scaling the business profitably)
     1. Win/loss ratio of last cohort of sales leads, or market share relative to alternatives in the market.
     2. Funnel metrics that measure awareness, consideration, trial, purchase, retention of those who have been exposed to your product or service.
     3. The revenue or sales generated for customers and the cost to acquire those customers … are sales per customer improving and are the costs to acquire those customers decreasing as you add more customers, why or why not?
  2. Financial success (demonstrating viable business economics to justify adding a second location, adding sales people, introducing a new product, etc.)
     1. Customer growth relative to market alternatives.
     2. Revenue growth relative to last period measured, internal goals and external competition.
     3. Profitability relative to last period measured, internal goals and external competition (if known).
     4. Net Promoter Score relative to last period measured, internal goals and external competition.

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