

SaaS Business Plan

Built for software startups. Includes the 2026 SaaS metrics every investor checks first.

Company name: _____

Stage (idea / MVP / paying customers / scaling): _____

Prepared by: _____ Date: _____

1. Executive Summary

1-page snapshot. Written last. Include MRR/ARR today, growth rate, runway, ask.

Company in one sentence

What you build, who you serve, and the outcome.

Stage & traction

MRR / ARR · # paying customers · growth % MoM · runway in months.

Funding ask

Amount, instrument (SAFE / equity / debt), expected milestones reached.

2. Product

What the product does, who it's for, and the wedge that wins the first 100 customers.

Core value

The one job customers hire your product to do. Quantified outcome.

Wedge feature

The single feature/workflow that gets them to swap from the incumbent.

Product roadmap (4 quarters)

Major releases. Tie each to an ICP expansion or pricing tier.

Tech stack & moat

Architecture choices that create a durable moat (data, infra cost, speed, integrations).

3. Market & ICP

The 'who you sell to' must be more specific than the deck of a competitor that just got funded.

TAM / SAM / SOM

Bottom-up: target accounts \times ACV. Top-down only as a sanity check.

Ideal Customer Profile (ICP)

Industry, company size, role, tech stack, trigger event.

Buyer vs. user

Who signs the check vs. who uses it daily. Different messaging for each.

Competitive map

5 competitors with ACV, positioning, weakness you exploit.

4. Go-to-Market

The motion: PLG, sales-led, hybrid. Pick one to lead, one to support, and don't try both at once.

GTM motion

Self-serve · inbound demo · outbound · partnerships · marketplace. Pick the primary.

Acquisition channels (top 3)

Channel · expected CAC · payback months · time-to-traction.

Sales cycle & process

Stages: lead → MQL → SQL → opp → close. Average days at each stage.

Activation & onboarding

Time-to-first-value (TTFV) target. Onboarding funnel and drop-off plan.

5. SaaS Metrics

The numbers that define a SaaS business. Fill what you have. Mark assumptions clearly.

MRR / ARR

Current MRR, ARR. Growth: MoM %, YoY %. New / Expansion / Churn split.

CAC & CAC payback

Blended CAC, paid CAC, payback months (target: <12 SMB, <18 mid-market).

LTV & LTV:CAC

$LTV = ARPA \times \text{gross margin} / \text{churn}$. Target ratio $\geq 3:1$.

Gross & net revenue retention (GRR / NRR)

$GRR \geq 90\%$, $NRR \geq 110\%$ are the 2026 benchmarks for healthy SaaS.

Churn

Logo churn % monthly, revenue churn % monthly. Cohort retention curves.

Rule of 40

$\text{Growth rate \%} + \text{EBITDA margin \%} \geq 40 = \text{healthy}$. Required for late-stage rounds.

Magic Number

$(\text{Net new ARR} \times 4) / \text{S\&M; spend.} \geq 0.75$ means it's working.

Burn multiple

Net burn / net new ARR. < 1 great, 1-2 ok, > 2 worrying.

6. Pricing

Pricing is product. Get it explicit — vague pricing kills sales velocity.

Pricing model

Per-seat · usage · platform fee + usage · tiered features · hybrid.

Tiers & price points

Free / Starter / Pro / Enterprise. List ACV target per tier.

Discount policy

Default annual discount (15-20%). Volume discounts. Negotiation guardrails.

Pricing tests planned

What you'll A/B test in the next 6 months (anchor, packaging, free tier limits).

7. Team & Hiring Plan

Current team

Founders + key hires. Why each is the right person for their role.

Hiring plan (next 12 months)

Roles, timing, comp band, and the milestone that triggers each hire.

Advisors / board

Names + what they unlock.

8. Financials & Funding

Three-year forward with stated assumptions. Investors will stress-test every number.

Revenue forecast (Y1-Y3)

Bottom-up: # customers x ARPA per segment per quarter.

Cost structure

Cost of revenue (infra, support), R&D;, S&M;, G&A.; Show % of revenue.

Cash flow & runway

Monthly burn, runway in months, cash-out date without raise.

Funding ask & use of funds

Amount, % to hiring / marketing / product / runway extension.

Milestones unlocked

What this round buys. Be specific: ARR target, key hires, market expansion.

Appendix — 2026 SaaS Metrics Cheat Sheet

Bookmark this page. Every formula on one sheet.

| Metric | Formula | 2026 healthy benchmark |
|-------------------------|---|---|
| MRR | $\Sigma(\text{monthly subscription revenue})$ | Growth: 10-20% MoM (early), 5-10% (scale) |
| ARR | $\text{MRR} \times 12$ | — |
| ARPA | $\text{MRR} / \# \text{ paying customers}$ | Set by segment |
| Gross margin | $(\text{Revenue} - \text{COGS}) / \text{Revenue}$ | $\geq 75\%$ for SaaS |
| CAC | $\text{S\&M spend} / \text{new customers}$ | — |
| CAC payback | $\text{CAC} / (\text{ARPA} \times \text{gross margin})$ | $< 12 \text{ mo SMB} \cdot < 18 \text{ mo mid-market}$ |
| LTV | $\text{ARPA} \times \text{gross margin} / \text{churn}$ | — |
| LTV : CAC | LTV / CAC | $\geq 3 : 1$ |
| Gross Revenue Retention | $(\text{Start MRR} - \text{churned} - \text{downgrades}) / \text{Start MRR}$ | $\geq 90\%$ |
| Net Revenue Retention | $(\text{Start MRR} - \text{churn} - \text{down} + \text{expansion}) / \text{Start MRR}$ | $\geq 110\%$ |
| Logo churn | $\text{Logos lost} / \text{starting logos}$ | $< 1\% \text{ monthly SMB} \cdot < 0.5\% \text{ mid-market}$ |
| Rule of 40 | $\text{Growth \%} + \text{EBITDA margin \%}$ | ≥ 40 |
| Magic Number | $(\text{Net new ARR} \times 4) / \text{S\&M spend}$ | ≥ 0.75 |
| Burn multiple | $\text{Net burn} / \text{net new ARR}$ | $< 1 \text{ great} \cdot 1-2 \text{ ok} \cdot > 2 \text{ worrying}$ |