

Commercial Due Diligence Checklist

Tick prepared items and assign owners/dates to open gaps.

| Document category | What to include |
|---------------------------------------|--|
| Market definition & sizing | <ul style="list-style-type: none"> <input type="checkbox"/> Market size model (TAM/SAM/SOM) with clear category and segment boundaries <input type="checkbox"/> Independent sources/benchmarks validating size and growth <input type="checkbox"/> Addressable segment logic aligned with buyer behaviour <input type="checkbox"/> Growth limits analysis (saturation, share ceilings, channel constraints) |
| Demand drivers & tailwinds | <ul style="list-style-type: none"> <input type="checkbox"/> Structural drivers (regulation, technology shifts, buyer trends) documented <input type="checkbox"/> Cyclical exposure and downside sensitivity assessed <input type="checkbox"/> Evidence that tailwinds are durable (not one-off stimulus) |
| Customer reality check | <ul style="list-style-type: none"> <input type="checkbox"/> Customer list organised by segment (industry, size, geography, use case) <input type="checkbox"/> Revenue concentration view (top accounts, % of revenue, renewal risk) <input type="checkbox"/> Retention analysis (churn by cohort, reasons for churn) <input type="checkbox"/> Contract duration and switching barriers summary <input type="checkbox"/> Independent customer interview or referencing summary |

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|--|--|
| Competitive landscape & positioning | <ul style="list-style-type: none"><input type="checkbox"/> Map of real purchase alternatives (direct + substitutes)<input type="checkbox"/> Pricing benchmarks and discounting norms across the segment<input type="checkbox"/> Win/loss data and reasons buyers choose alternatives<input type="checkbox"/> Differentiation proof supported by customer evidence<input type="checkbox"/> Competitive intensity and saturation assessment |
| Go-to-market & sales engine | <ul style="list-style-type: none"><input type="checkbox"/> Channel mix breakdown and defined responsibilities<input type="checkbox"/> Sales cycle length and funnel stage definitions<input type="checkbox"/> Conversion rates, win rates, pipeline coverage metrics<input type="checkbox"/> Sales capacity vs growth plan alignment (headcount, ramp time, quotas)<input type="checkbox"/> Customer acquisition cost (CAC), payback period, and LTV assumptions |
| Pricing & revenue quality | <ul style="list-style-type: none"><input type="checkbox"/> Pricing architecture and discount policy documentation<input type="checkbox"/> Realised vs list price analysis<input type="checkbox"/> Revenue drivers decomposed (volume vs price vs mix)<input type="checkbox"/> Margin durability under pricing pressure scenarios |

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|--|---|
| Forecast validation & scenarios | <ul style="list-style-type: none"><input type="checkbox"/> Forecast model with explicit assumptions tied to historical evidence<input type="checkbox"/> Benchmark checks against market growth and peer performance<input type="checkbox"/> Base and downside scenarios (churn sensitivity, pricing compression)<input type="checkbox"/> Quantified sensitivity and risk analysis |
| Red flags review | <ul style="list-style-type: none"><input type="checkbox"/> Overstated market size or unclear segment focus identified<input type="checkbox"/> Pipeline reconciled with revenue trends and sales capacity<input type="checkbox"/> Customer concentration and channel dependency assessed<input type="checkbox"/> Differentiation gaps documented with mitigation view<input type="checkbox"/> Aggressive forecasts stress-tested for realism |