



## **CASE STUDY 05**

### **Financial Modelling & Business Viability Assessment for an E-Commerce Startup**

#### **Client Situation**

An e-commerce startup required a comprehensive financial model to evaluate long-term business viability, funding requirements, customer economics, profitability, and growth scalability over a five-year horizon.

The engagement focused on:

- revenue forecasting,
- unit economics,
- profitability analysis,
- cash-flow visibility,
- debt planning,
- and business scalability assessment.

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#### **Problems Identified**

- Limited financial visibility for growth planning
- Unclear impact of customer acquisition cost (CAC) and churn on profitability
- Need for structured cash-flow and runway analysis
- Lack of scenario-based financial planning
- Need for investor-ready business projections and dashboards

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#### **Actions Taken**

##### **Developed 5-Year Integrated Financial Model**

Created a comprehensive model covering:

- revenue projections,
- COGS,

- operating expenses,
  - debt schedule,
  - income statement,
  - balance sheet,
  - and cash-flow analysis.
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### **Built Scenario & Sensitivity Analysis Framework**

Designed:

- Base Case
- Best Case
- Worst Case

to evaluate the impact of:

- growth rate,
  - churn,
  - marketing spend,
  - conversion rate,
  - and cost variations.
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### **Conducted Unit Economics & Profitability Analysis**

Analyzed:

- Customer Acquisition Cost (CAC)
  - Lifetime Value (LTV)
  - Gross Margin
  - Cash Burn
  - Runway Metrics
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### **Developed Interactive Business Dashboard**

Created management dashboards for tracking:

- revenue growth,
  - net income,
  - cash balance,
  - runway,
  - LTV,
  - CAC,
  - and units sold.
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### **Strategic Outcomes**

- Established structured financial visibility for business scaling
  - Enabled data-driven decision-making for growth planning
  - Identified the sensitivity of profitability to churn and CAC
  - Improved funding and cash-flow planning visibility
  - Created investor-ready financial planning framework
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### **Key Capabilities Demonstrated**

- Financial Modelling
- Business Forecasting
- Unit Economics Analysis
- Scenario & Sensitivity Analysis
- Cash Flow Planning
- Startup Financial Strategy
- Dashboard & KPI Development
- Business Viability Assessment