



Demo Report

Quarterly Performance Report – NovaTech Solutions

1. Company Overview

NovaTech Solutions is a mid-sized B2B software company specializing in workflow automation tools for enterprise clients. The company serves over 120 corporate customers across North America and Europe.

During the last quarter, NovaTech focused on expanding into the financial services sector while continuing to support existing manufacturing and logistics clients.

2. Financial Performance

Revenue for the quarter reached **\$4.2 million**, representing a **7% increase** compared to the previous quarter. However, operational costs increased by **14%**, mainly due to higher cloud infrastructure expenses and new hiring in sales and marketing.

Gross margin decreased from **62% to 55%**, which raises concerns about long-term profitability if cost growth continues at the same pace.

3. Sales & Marketing

The sales team closed **18 new enterprise contracts**, mainly in the banking and insurance industries. Average contract value increased by **12%**, indicating improved positioning of the product.

However, customer acquisition cost (CAC) rose by **20%** due to increased spending on paid advertising and trade events. Organic lead generation remained flat.

4. Product & Technology

NovaTech released two major product updates focused on AI-powered workflow automation. Early customer feedback has been positive, especially regarding time savings and ease of use.

However, the engineering team reported growing technical debt due to rushed feature development. Several critical components require refactoring to ensure system stability and scalability.

5. Risks & Challenges

- Rising cloud infrastructure costs may significantly impact profitability.
 - Increased technical debt could lead to performance issues and outages.
 - Dependence on paid advertising makes revenue growth vulnerable to marketing budget changes.
 - Entry into financial services introduces regulatory and compliance risks.
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6. Opportunities

- High interest from financial institutions creates strong upsell and expansion potential.
 - AI-powered features differentiate NovaTech from competitors.
 - Improving organic marketing channels could reduce CAC.
 - Refactoring the core platform could enable faster and safer product development.
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7. Conclusion

NovaTech is experiencing healthy revenue growth and strong market interest, especially in the financial sector. However, cost control, technical stability, and sustainable customer acquisition must be addressed to ensure long-term success.