

# Business Performance Review

November 02, 2025

## Executive Summary

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In Q1 2024, the company experienced critical early signs of operational stress, with revenue declining 3.28% QoQ to \$590K and net contribution falling 8.45% to \$130K. Despite stable gross margins around 45.76%, rising Customer Acquisition Cost (+8.47% to \$261.82) and decreased new customer acquisition (-5.17%) reflect mounting inefficiencies in marketing spend. Concurrently, customer churn increased by 5.56% (38 lost customers), eroding the customer base and threatening future revenue stability. An Isolation Forest anomaly detection flagged this quarter as an outlier, u

## Key Performance Indicators

Metric	Value	QoQ Δ
Revenue last	590000.0	-
Gross Margin % last	45.76	-
CAC approx last	261.82	-
Net Contribution last	130000.0	-
New Customers last	275	-
Churned Customers last	38	-
Revenue qoq %	-3.28	-
Gross Margin qoq pts	-0.14	-
CAC qoq %	8.47	-
Net Contribution qoq %	-8.45	-
New Cust qoq %	-5.17	-
Churn qoq %	5.56	-

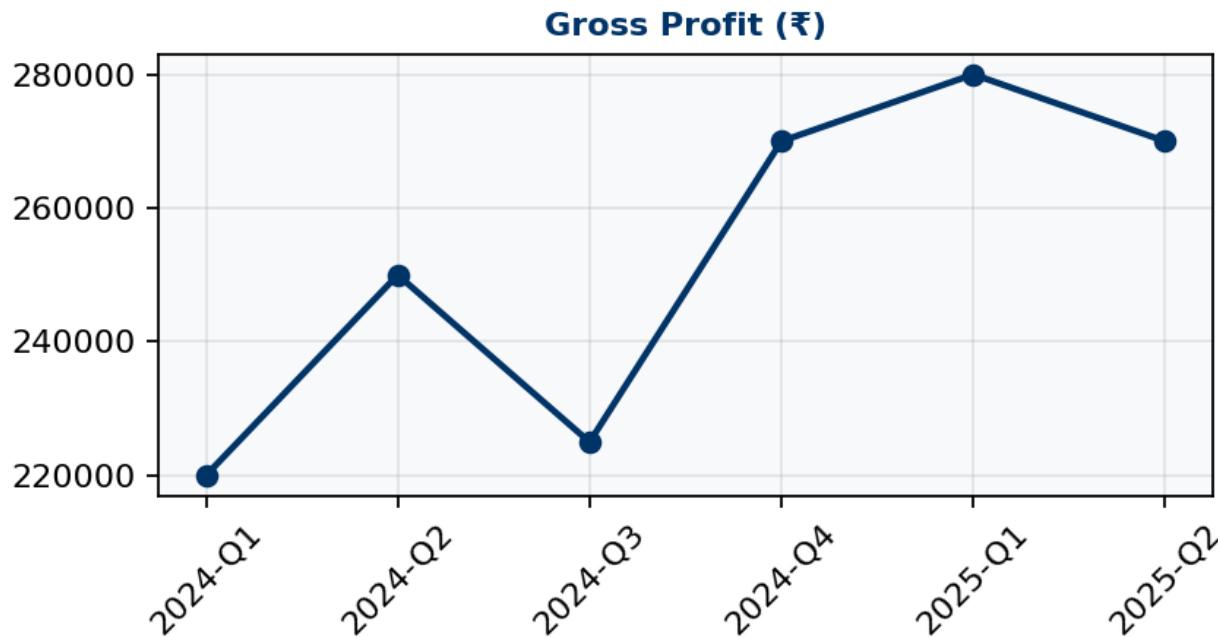
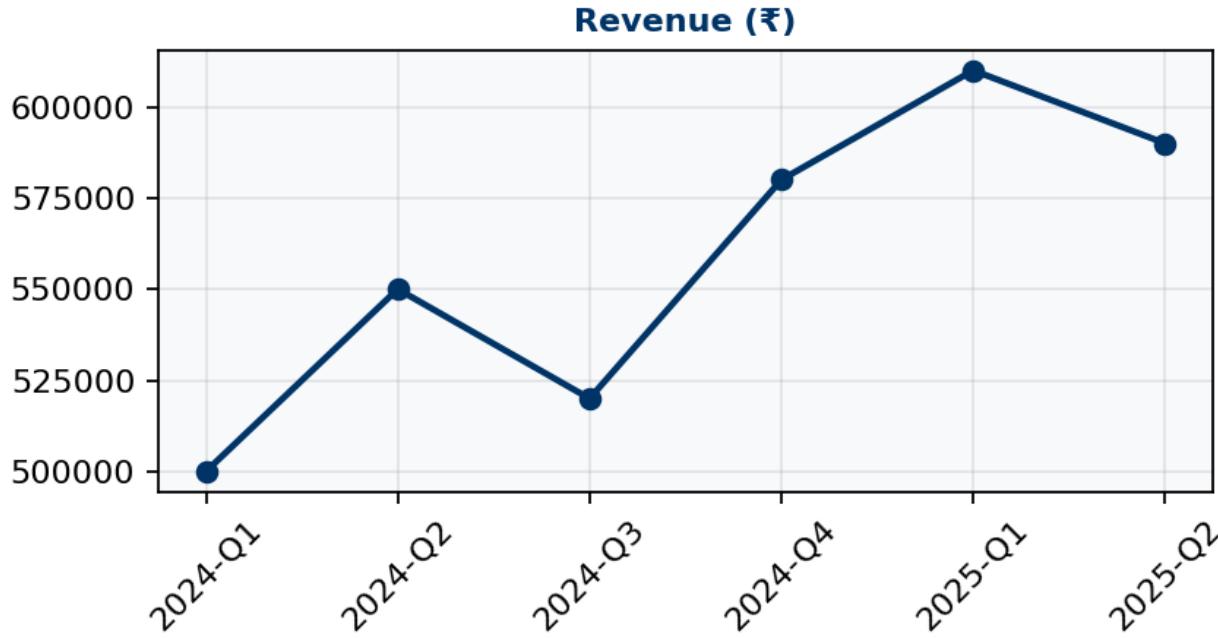
These KPIs reflect the latest quarter performance with comparative quarter-over-quarter metrics.

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## Visual KPI Dashboard

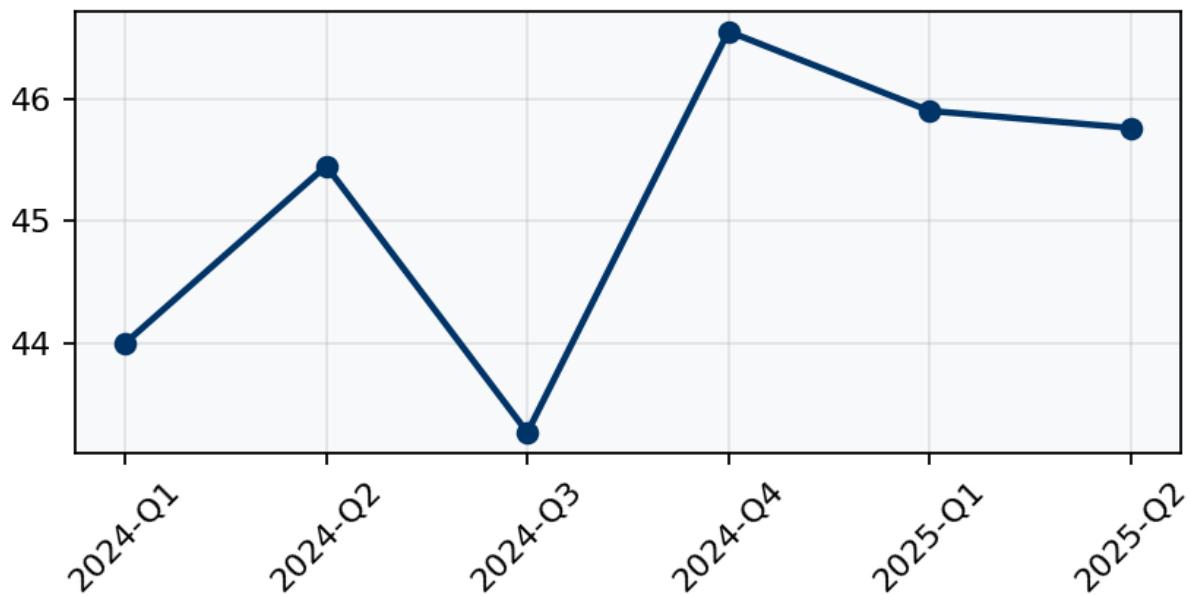
The following charts visualize trends in core financial and customer metrics.



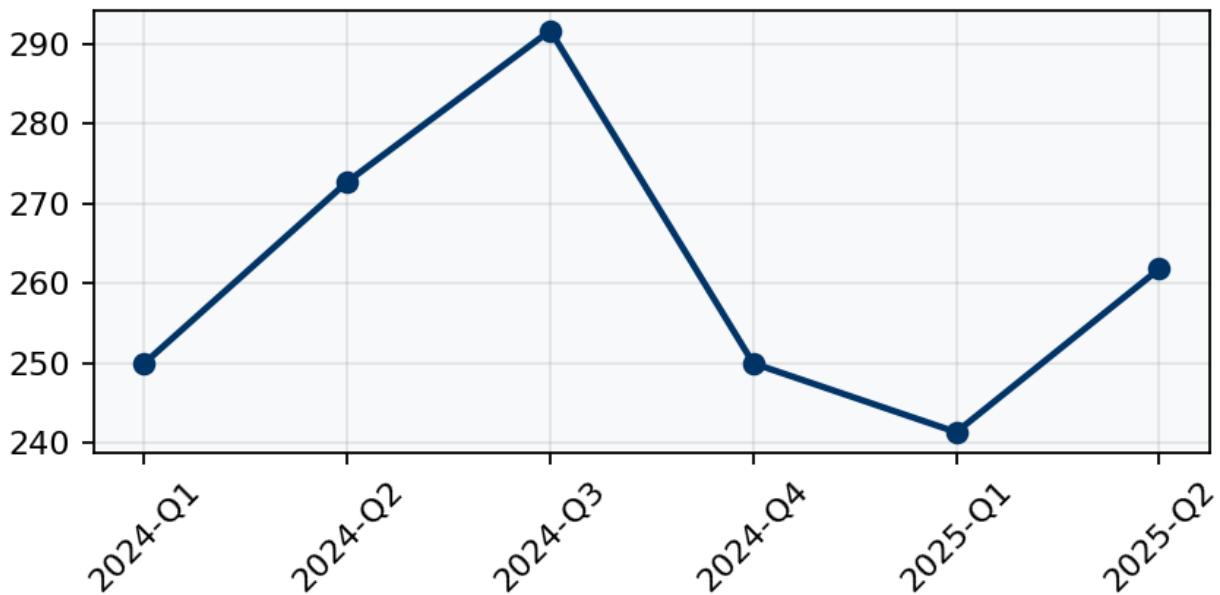
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## Gross Margin (%)

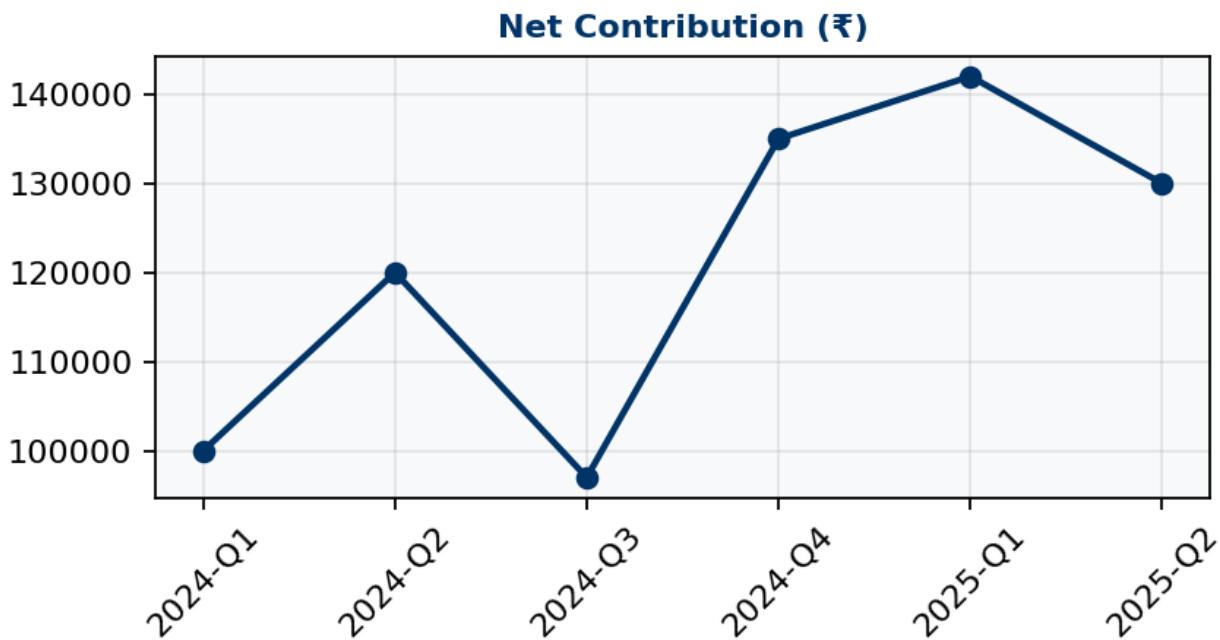


## Customer Acquisition Cost (₹)



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## Strategic Recommendations

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### Top 5 Recommendations

#### 1. Sales & Marketing - Launch Targeted Sales Growth Initiatives

- Action: Implement focused campaigns and sales outreach on high-potential segments.
- Expected Impact: Stem revenue decline and drive incremental sales growth.
- KPI: Revenue QoQ % change (target:  $\geq 0\%$  next quarter).

#### 2. Marketing - Optimize Customer Acquisition Strategy

- Action: Reallocate budget to higher-ROI channels, refine targeting, and enhance lead qualification.
- Expected Impact: Lower CAC and increase new customer acquisition efficiency.
- KPI: CAC versus previous quarter (target: reduction of at least 5%).

#### 3. Customer Success - Strengthen Retention Programs

- Action: Identify at-risk customer segments and deploy personalized retention initiatives.
- Expected Impact: Reduce churn and improve customer lifetime value.
- KPI: Churn rate % quarterly change (target: decrease by 5%+).

#### 4. Finance & Operations - Conduct Cost Driver and Margin Review

- Action: Analyze cost structure for inefficiencies and streamline processes to protect margins.
- Expected Impact: Prevent margin erosion and improve operational efficiency.
- KPI: Gross Margin % stabilization or improvement (target: no further decline).

#### 5. Executive Leadership - Establish Cross-Functional Taskforce

- Action: Form a dedicated team to diagnose root causes of Q1 anomalies and coordinate interventions.
- Expected Impact: Ensure rapid, cohesive response to reverse negative trends and secure

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medium-term growth.

- KPI: Completion of actionable plan with timelines within 30 days; monitor overall KPIs for improvement.

*These recommendations are prioritized based on financial impact, feasibility, and urgency to restore growth trajectory.*