DeltaDeck CRM

Monthly Board Pack (**CORE** VERSION)

OCTOBER-2025

Overview

Board Report, Oct-2025

Market Update, OCT-2025

Channel costs are rising and compliance is tightening while incumbents shift packaging—creating room for a lean, lower-TCO SMB CRM to win switches.

- **What moved:**
  1. Messaging economics: WhatsApp switched to **per-message pricing** on Jul 1, 2025; U.S. **A2P** fees also rose (TCR/Verizon), lifting per-contact costs. *Facebook for Developers*
  2. Deliverability rules: Gmail/Yahoo enforcement requires **DMARC + one-click unsubscribe** for bulk senders—non-compliance risks reach and cost. *Google Help*
  3. Competitive packaging: HubSpot continues **seat-based + credits**; Pipedrive rolled out **new 2025 plans**; Zoho launched an **in-house LLM/AI agents** push. *The Economic Times legal.hubspot.com*

- **Implications:**
  1. Margins: Higher WhatsApp/A2P costs threaten GM%; tighten message triggers, suppress low-engagement audiences, and maintain compliance to protect deliverability. *Facebook for Developers*
  2. Distribution/positioning: Incumbent seat/credit complexity raises perceived TCO—position DeltaDeck as **faster setup, fewer seats, lower overhead** to drive displacement. *legal.hubspot.com*

- **Focus this month:** Complete **DMARC/A2P** readiness and instrument **per-message ROI** for WhatsApp/SMS; launch partner-led "switch" offers targeting over-packaged incumbents.

KPI Summary, OCT-2025 (1/2)

Metric	Oct-2025 Actual	Nov-2025 Actual	Nov-2025 Target
New Leads	1,240	1,320	1,350
Lead→Customer Conversion (%)	3.1	3.4	3.6
Orders (New Paid Customers)	38	45	49
Average Order Value (AOV / ARPA, $)	90	92	94
New MRR added ($)	3,420	4,140	4,606
MRR, end of month ($)	92,000	97,600	99,000
Gross Profit ($)	78,200	83,936	85,140
Gross Profit Margin (%)	85.0	86.0	86.0
EBITDA ($)	-44,000	-42,000	-40,000

KPI Summary, OCT-2025 (2/2)

Metric	Oct-2025 Actual	Nov-2025 Actual	Nov-2025 Target
New Leads	1,240	1,320	1,350
Churn Rate (logo, %)	3.2	3.0	2.8
Repeat Purchase / Upsell Rate (%)	12.0	13.0	14.0
LTV (proxy, $)	2,391	2,637	2,887
CAC ($)	310	300	295
Cash Balance, end of month ($)	520,000	495,000	500,000
Cash Runway (months)	11.6	11.0	11.1

Variance Analysis, OCT-2025

October shows strong gross margin and acceptable payback, offset by negative EBITDA and churn drag; variances vs LastMo/Plan are n/a.

- **Positive 1:** **Gross Profit $78.2k** on **GM% 85.0**; variance **n/a**. **Driver:** lean COGS and steady **ARPA $90**supporting contribution.
- **Positive 2:** **LTV $2,391** vs **CAC $310 (~7.7×)**; **payback ≈ 4.1m**; variance **n/a**. **Driver:** stable pricing and channel mix.
- **Drag 1:** **EBITDA −$44k**; variance **n/a**. **Driver:** fixed costs above contribution. **Quick fix:** pause non-core spend; hold **CAC ≤ $300**.
- **Drag 2:** **Churn 3.2% (logo)**; variance **n/a**. **Driver:** single-store closures/low usage. **Quick fix:** activation nudges and save-offers for at-risk cohorts.

- **Actions:**
  1. Raise conversion **3.1%→3.3%** (form cut, trial-day nudge): **≈+3 orders**, **≈+$270 MRR** (↑ GP, ↓ payback).
  2. Lift ARPA **+$2** via add-on bundles/extra seats: **≈+$1.7 contribution/account/month** (↑ GM$).
  3. Tighten paid mix; shift budget to SEO/partners to maintain **CAC ≤ $300** (↓ CAC, ↑ ROI).

Sales Analysis, OCT-2025

Throughput is constrained at conversion, not lead volume—unlocking the middle of the funnel will move bookings fastest.

- **Where it moved:**
  1. Top-of-funnel: 1,240 leads (MoM: **n/a**, Plan: **n/a**).
  2. Conversion: 3.1% → **38 orders**; every **+0.1pp ≈ +1.2 orders** at current lead levels (MoM/Plan: **n/a**).
  3. Monetization: ARPA $90 → **+$3.4k new MRR**; upsell/expansion activity **12.0%** (MoM/Plan: **n/a**).

- **Why:**
  1. Lead volume is adequate; the binding constraint is turning trials/sign-ups into paid—reflected in the **3.1%** step-through.
  2. **CAC $310** pressures payback; without channel efficiency gains, added leads won't translate to profitable growth.

- **30-day experiments:**
  1. Shorten the signup/checkout flow (e.g., 6→3 fields) and add an **in-flow ROI snippet**; target **3.3%** conversion (**≈+3 orders, ≈+$270 MRR**, ↑ GP).
  2. Mid-trial day-10 nudge with value proof and 1-click activation; measure lift in trial→paid.
  3. Prune weakest paid sources to hold **CAC ≤ $300**; allocate to **SEO/partners** with higher assisted conversion.

Financial Analysis, OCT-2025

Attractive unit economics (high GM%, strong LTV/CAC) with payback ≈ 4.1 months; fixed costs keep EBITDA negative.

- **Metrics:**
  1. GM% 85.0; **Contribution Margin % (proxy) ≈ 85.0** (no variable costs beyond COGS provided); **Contribution/account ≈ $77** (= $90 × 85%).
  2. CAC $310; **Payback ≈ 4.1 months** (= 310 ÷ (90 × 0.85)).
  3. LTV (proxy) ≈ $2,391 (= 90 × 0.85 ÷ 0.032); **LTV/CAC ≈ 7.7×**.
  4. **Monthly burn ≈ $44k** (using EBITDA); **runway ≈ 11.6 months**.

- **Drivers (vs LastMo / Plan):**
  1. Within-month picture shows contribution supported by lean COGS and steady ARPA; **CAC** level dictates payback, and **logo churn 3.2%** caps net MRR growth.
  2. Negative **EBITDA −$44k** reflects fixed costs exceeding contribution at current scale.

- **Next-month lever:**
  Reduce CAC to ≤ $300 by pruning weakest paid sources and shifting to SEO/partners; at **$300**, payback improves to **≈ 3.9 months** while preserving LTV/CAC > **7×** (↑ unit efficiency, faster cash recovery).

Cash and Runway, OCT-2025

Cash is stable but trending down; runway sits at 11.6 months with negative EBITDA.

- **Current state:** Ending cash **$520k** (Oct); proxy burn **~$44k/mo** (EBITDA), implying runway **11.6 months**.
- **Current state:** November shows **$495k** and runway **11.0 months** (context), despite higher MRR—draw continues.
- **Moving pieces:** Payback ≈ **4.1 months** (CAC **$310**, ARPA **$90**, GM **85%**) slows cash recovery; **3.2%** churn caps net MRR growth. Hitting **$99k MRR** target (vs **$92k** Oct) would add **~$7k** revenue; at **85%** GM that's ≈ **$6k** GM$—helpful but insufficient against **$44k** burn.

- **Action: Spend phasing + CAC cap**—prune lowest-ROI paid sources to hold **CAC ≤ $300**, freeze non-core opex until payback ≤ **4.0 months**. This concentrates acquisition on faster-return channels and should extend runway by **≥2 months**; precise impact **n/a**.

Risk Analysis, OCT-2025

Overall posture: moderate—strong GM% but rising messaging costs, negative EBITDA, and churn constrain cash and net growth.

- **Messaging cost & deliverability** → exposure: higher WhatsApp/A2P costs; compliance status **n/a**; GM% at **85.0%** at risk → **mitigation:** complete DMARC/A2P and cap unprofitable sends; instrument per-message ROI. **Early-warning:** unit cost per engaged message trending up.

- **CAC & payback** → exposure: **CAC $310**, payback **≈4.1m**; runway **11.6m** sensitive to acquisition efficiency → **mitigation:** prune weakest paid, shift to SEO/partners, enforce **CAC ≤ $300**. **Early-warning:** weekly blended CAC > **$300**.

- **Churn/activation** → exposure: logo churn **3.2%** limits net MRR growth → **mitigation:** activation nudges + save offers for low-usage accounts. **Early-warning:** day-7 activation rate below baseline (**n/a**).

- **Burn/EBITDA** → exposure: **EBITDA −$44k**; cash **$520k**; runway **11.6m** drifting down → **mitigation:** phase spend and freeze non-core opex until payback ≤ **4.0m**. **Early-warning:** cash balance < **$500k**.

Business Outlook, OCT-2025

Base case: with tighter conversion, CAC discipline, and messaging compliance, we stay on track for $97–99k MRR and preserve ~11 months of runway.

Next 30 days

- Lift trial→paid from **3.1%** → **3.3–3.4** (shorter form, day-10 nudge, clearer value in-flow): **≈+3–5 orders**, **≈+$270–$460 MRR**, faster payback.
- Hold **CAC ≤ $300** by pruning weakest paid sources; reallocate to **SEO/partners** to sustain volume at lower acquisition cost.
- Complete **DMARC/A2P** and instrument per-message ROI; suppress low-engagement sends to protect **GM 85–86%**.

Next 90 days

- Launch partner-led “switch” offers targeting over-packaged incumbents to lift qualified lead share and shorten cycle time.
- Raise **ARPA +$2–$4** via add-on bundles/extra seats; target **payback ≤ 4.0 months** at CAC discipline.
- Reduce logo churn from **3.2%** → **≤3.0%** with activation nudges and save-offers for low-usage accounts.

Assumptions

- **Top-of-funnel & conversion:** leads **1,320–1,350**; trial→paid **3.3–3.6%**.
- **Economics: GM 85–86%**, **CAC ≤ $300**, **ARPA $92–$94**, payback improves from **~4.1** → **≤4.0 months**.
- **Operating context:** DMARC/A2P completed; platform fees stable; non-core opex flat.

CEO Summary, OCT-2025

October shows healthy unit economics (GM 85%, LTV/CAC ~7.7×, payback ~4.1m) but EBITDA remains negative and cash is drifting.

- **What worked:** Contribution held with **GM $78.2k** on **ARPA $90**; **$3.4k** new MRR; upsell/expansion **12%**supported monetization.
- **What needs work:** **EBITDA −$44k** and runway **11.6m**; **churn 3.2%** caps net growth; messaging cost/compliance risk rising (DMARC/A2P status **n/a**).
- **What we're doing (next 30 days):** Lift trial→paid from **3.1%** → **3.3–3.4** (shorter form, day-10 nudge); hold **CAC ≤ $300** by pruning weakest paid and shifting to **SEO/partners**; complete **DMARC/A2P** and instrument per-message ROI; package add-ons/extra seats to lift **ARPA +$2–$4**.
- **Asks for the board:** Approve **budget-neutral** reallocation from low-ROI paid to SEO/partners with guardrail **CAC ≤ $300** and 30-day review; endorse a **temporary non-core opex freeze** until payback is **≤ 4.0 months**.

Q&A