

2023 Challenge Puzzle

Please add some analysis to the below financials and answer the following questions:

	2018	2019	2020	2021	2022	2023
Gross Sales	\$1,000	\$1,500	\$2,200	\$3,000	\$8,000	\$16,000
Discounts	\$50	\$75	\$250	\$225	\$300	\$350
Gross Margin	\$600	\$950	\$1,250	\$1,600	\$5,250	\$11,000
Opex	\$200	\$300	\$800	\$1,000	\$1,100	\$1,300

1. What are the main drivers of the revenue model for a typical DTC start-up?
2. What are the most important KPIs for us to track?
3. How do you think about margin? How do Wholesale sales affect margin?
4. If a large B2B order asked for a 5% larger discount what would you do to see if we should offer it, and how would that work impact all three departments you would be helping with (sales, operations and finance)?
 - a. How would it affect the 3 financial statements?
5. If you know our cash position, top selling items and margin on every item, how would you start thinking about placing purchase orders for holiday?
6. Anything you would like to point out or highlight about the financials?