

Case Study:

Forecasting & Budgeting



Retail and Consumer Data SaaS Company

Selects  **RTD INSIGHTS**  for Forecasting & Budgeting

Company and Situation Overview

- Headquartered in Western U.S.
- ~\$28M in annual revenue with ~25% annual revenue growth
- Backed by a growth private-equity firm

Challenges without RTD Insights

- X One resource (Controller) to lead and manage all financial workflows
- X Required bottom-up operating budget for post-investment planning
- X Need for dynamic employee census to manage hiring and cost strategies
- X Lacked external benchmarks and KPIs to compare against business

Results with RTD Insights

- ✓ RTD Insights served as lead for creation and development of flexible and powerful tool for 2019 budget and 2020 planning
- ✓ 1.5 month turnaround to create detailed tool
- ✓ Provided insight into key operational benchmark and real-time maintenance of budget with updates for monthly results



Forecasting & Budgeting Representative Screenshots

Client Name: 2018A - 2020P
Multiple Scenario Summary (US\$ in 000's)

FYE December 31 (US\$ in 000's)	Base Case			Downside Case			Upside Case		
	2018B	2019P	2020P	2018B	2019P	2020P	2018B	2019P	2020P
Income Statement									
Revenue	\$48,212	\$47,895	\$109,281	\$47,218	\$52,860	\$77,438	\$56,124	\$55,841	\$136,842
Subscription Bookings	\$26,681	\$26,917	\$53,028	\$24,667	\$15,150	\$33,962	\$33,873	\$41,855	\$64,681
Total Bookings	\$31,840	\$26,084	\$64,328	\$29,146	\$17,969	\$40,895	\$39,239	\$51,607	\$78,113
Revenue by Type									
Subscription	\$33,346	\$30,060	\$54,037	\$31,108	\$44,796	\$61,573	\$34,691	\$63,175	\$105,329
Professional Services	6,867	7,420	11,646	5,635	2,204	7,103	6,878	8,581	14,416
Total Revenue by Type	\$40,213	\$38,089	\$95,883	\$36,743	\$47,000	\$68,676	\$41,569	\$71,756	\$120,845
Cost of Revenue by Type									
Subscription	5,921	11,140	10,790	5,796	9,451	12,648	6,111	10,655	17,387
Professional Services	8,523	6,952	7,297	8,211	8,292	6,718	8,541	6,903	7,815
Total Cost of Revenue by Type	\$14,444	\$17,832	\$23,046	\$14,177	\$18,743	\$19,367	\$14,652	\$19,558	\$24,903
Total Gross Profit by Type	\$6,442	\$10,967	\$18,204	\$6,642	\$7,814	\$12,477	\$6,729	\$13,098	\$24,011
Gross Margin %	64.1%	69.2%	75.9%	61.4%	66.5%	72.7%	64.8%	72.7%	79.4%
Operating Expenses									
Sales & Marketing	17,346	21,307	30,240	16,642	17,376	22,183	17,846	26,109	36,417
Research & Development	9,409	11,024	13,476	9,353	10,271	11,242	9,370	11,359	13,883
General & Administrative	12,274	15,003	16,003	12,117	14,344	14,700	12,327	16,305	17,837
Total Operating Expenses	\$38,929	\$47,334	\$59,719	\$38,111	\$41,991	\$48,125	\$39,543	\$53,773	\$68,137
Other Expense	1,791	1,051	1,051	1,791	1,051	1,051	1,791	1,051	1,051
EBITDA	\$18,081	\$18,191	\$11,877	\$17,334	\$11,788	\$4,873	\$14,156	\$12,404	\$28,884
EBITDA Margin %	-37.4%	-14.0%	12.5%	-47.2%	-25.1%	1.0%	-34.9%	-3.7%	22.2%

Break-even in Q4 2019 | Break-even in Q3 2020 | Break-even in Q4 2019

Client Name: 2018A - 2020P
Booked EBITDA Detail (US\$ in 000's)

Total Revenue	Fiscal Year Ended December 31					YTD Growth %			CAAGR %
	2016A	2017A	2018B	2019P	2020P	2017A	2018B	2019P	2020P
Total Revenue	\$51,358	\$46,614	\$49,208	\$73,779	\$123,081	28.5%	21.6%	41.4%	37.5%
Subscription	\$31,840	\$26,084	\$64,328	\$39,239	\$51,607	NA	NA	NA	NA
Professional Services	\$19,518	\$20,530	\$14,880	\$34,539	\$71,474	NA	NA	NA	NA
Sales & Marketing	\$17,346	\$21,307	\$30,240	\$17,376	\$22,183	NA	NA	NA	NA
Research & Development	\$9,409	\$11,024	\$13,476	\$10,271	\$11,242	NA	NA	NA	NA
General & Administrative	\$12,274	\$15,003	\$16,003	\$12,117	\$14,344	NA	NA	NA	NA
Other Expense	\$1,791	\$1,051	\$1,051	\$1,791	\$1,051	NA	NA	NA	NA
EBITDA	\$18,081	\$18,191	\$11,877	\$17,334	\$11,788	NA	NA	NA	NA
EBITDA Margin %	35.2%	39.0%	24.2%	23.5%	9.6%	NA	NA	NA	NA

Granular Case & Scenario Analyses

Sales Performance Build by Rep

Client Name: 2018A - 2020P
Balance Sheet and Cash Flow Build (US\$ in 000's)

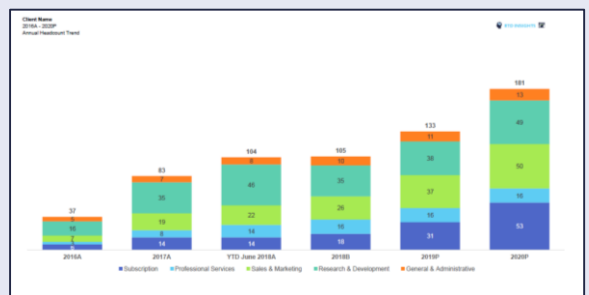
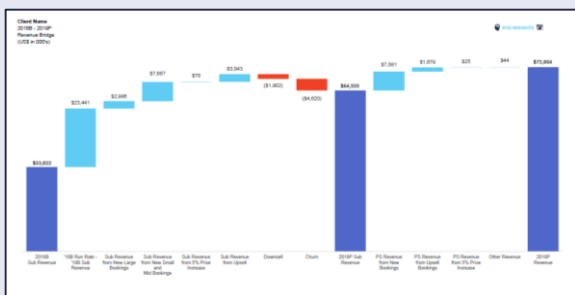
Total Revenue	Fiscal Year Ended December 31					YTD Growth %			CAAGR %
	2016A	2017A	2018B	2019P	2020P	2017A	2018B	2019P	2020P
Total Revenue	\$51,358	\$46,614	\$49,208	\$73,779	\$123,081	28.5%	21.6%	41.4%	37.5%
Total Cost of Revenue	\$6,800	\$13,609	\$17,274	\$22,078	\$26,366	46.8%	38.8%	23.9%	31.7%
EBITDA	\$18,081	\$18,191	\$11,877	\$17,334	\$11,788	NA	NA	NA	NA
EBITDA Margin %	35.2%	39.0%	24.2%	23.5%	9.6%	NA	NA	NA	NA

Client Name: 2018B - 2020P
Booked EBITDA Detail (US\$ in 000's)

ARR	As of December 31,		
	2018B	2019P	2020P
ARR	\$61,014	\$87,442	\$141,264
Run Rate Cost of Revenue	\$17,048	\$25,444	\$41,194
Booked Gross Profit	\$43,966	\$61,998	\$107,070
% Margin	72.1%	70.9%	75.8%
Run Rate Sales & Marketing	21,627	32,010	45,476
Run Rate Research & Development	11,376	14,770	19,539
Run Rate General & Administrative	17,745	19,457	22,200
Run Rate Operating Expenses	\$50,749	\$66,236	\$87,215
Booked EBITDA	(\$6,783)	\$(4,238)	\$19,855
% Margin	-11.1%	-4.8%	14.1%

Dynamic Debt & Financing Schedules

Run-Rate Analyses & Outlooks



Revenue and EBITDA Bridges

Detailed Headcount Build & Trends