

The D2C Founder's Cash Flow Checklist

Most D2C brands don't run out of customers - they run out of cash while looking successful on paper. Work through these four sections before you scale ad spend, raise a round, or make your next big inventory bet.

01

Margin Health

- ☐ I know my contribution margin per SKU - not just an overall blended gross margin.
- ☐ My margin calculation includes shipping, packaging, and payment gateway fees, not just product cost.
- ☐ I've factored in my returns / RTO rate to get the realized margin, not the on-paper margin.
- ☐ I know which SKUs are margin-positive and which are quietly margin-negative.

02

Cash Timing

- ☐ I know my Cash Conversion Cycle (days inventory + days receivable - days payable).
- ☐ I know how many days of inventory I'm holding on average across my catalog.
- ☐ I've negotiated payment terms with key vendors instead of paying everything upfront.
- ☐ I track how long marketplaces and payment gateways actually take to settle into my account.

03

Burn & Runway

- ☐ I know my exact monthly burn rate, not a rough guess.
- ☐ I know my runway in months at my current burn rate.
- ☐ I've mapped my runway against my next fundraise, breakeven, or big seasonal push.
- ☐ I review burn every month, not just when cash suddenly feels tight.

04

Before You Scale Ad Spend

- ☐ I know my breakeven ROAS, accounting for full costs - not just COGS.
- ☐ I check incremental margin before increasing any channel's budget.
- ☐ My ad budget is set as a percentage of last month's actual revenue, not a wishlist number.
- ☐ I have a kill-switch CAC or ROAS number where I pause spend and reassess.

THE MONTHLY RITUAL

Five numbers to check every single month: contribution margin, cash conversion cycle, monthly burn, runway in months, and CAC payback period. If you can't answer all five in under a minute, that's exactly the gap we help close.

Want us to run these numbers for your brand?

Book a free strategy call and we'll walk through your actual numbers - no generic advice.

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