finsi growth

✦ AI-Powered E-commerce Growth Agency ✦

The LTV Operating System

THE NEW OPERATING MODEL FOR DTC GROWTH

How we run profitable growth for DTC brands on unit economics, the system it runs on, and how you build the same thing for your brand.

PLATFORMS WE OPERATE IN

Meta Google Shopify Klaviyo TikTok

Read this first

Most DTC brands can tell you yesterday's ROAS to two decimal places. Almost none can tell you what the customer behind that purchase will be worth in 12 months.

That gap is the entire reason this guide exists.

ROAS is a receipt. It tells you what an ad did last week. LTV is the business. It tells you what a customer is worth over their whole relationship with your brand — and once you can see it, every decision changes. What you can afford to pay for a customer. Which products deserve the ad budget. Which discounts are building the business and which are quietly burning it.

At Finsi Growth we run every client account on this model. Not as a dashboard bolted onto the side of the old way of working, but as the system every acquisition, retention and budget decision runs through.

This guide is the map of that system.

It covers the WHY and the WHAT. Why ROAS-first growth caps what your brand can become. What the four parts of the system are. How we operate inside it week to week. And what it takes to reach the point where no scaling decision gets made without a payback number attached.

It doesn't cover the HOW for your specific brand — your data stack, your cohorts and your margins are yours. That's what a growth audit is for, and the last page tells you how to get one.

One idea to hold onto as you read...

Your data stack is the computer.
Unit economics are the operating system that runs on it.

A growth plan with no unit economics has nothing to run on. Build the foundation first.

ROAS thinking vs LTV thinking

Here's what we've watched across the DTC brands we audit.

Most are working hard on the same levers — new creative, new audiences, new landing pages. Most get a 10 to 20% lift out of each push, and give most of it back when CPMs rise or a winning ad fatigues. A smaller group compounds quarter after quarter, through the same auctions, in the same categories.

What's the difference? It isn't budget, and it isn't the ad account. It's the operating model.

The first group runs on ROAS thinking. Scale what returned 3x last week. Discount harder when CAC climbs. Judge every channel by its own last-click report. That model CAPS the brand, because it optimizes each transaction while staying blind to the asset the transactions create — the customer base.

The other group rebuilt the job. They didn't buy purchases, they bought customers — priced by what each segment is worth at month 12. They didn't react to CAC, they engineered payback. They didn't run channels side by side, they ran one P&L that every channel reports into.

That's the shift this guide is about. Not a better week in the ad account. A different way of operating, with customer lifetime value at the centre of it.

ROAS thinking · a 10–20% lift, then a plateau	**LTV thinking** · compounding
"Scale the campaign that hit 3x last week."	Bid to 12-month customer value by segment, so spend chases the customers who come back.
"CAC is up — run a sitewide discount."	Fix the retention curve so payback shortens and your CAC ceiling rises above competitors'.
"Each channel's dashboard says it's winning."	One P&L with contribution margin and cohort payback, read daily, that every channel reports into.

Campaigns vs systems

Most people think growth is the same activity everywhere. It isn't.

There are campaigns, and there is the system the campaigns run on. Same channels. Completely different economics.

A campaign talks to this quarter. It launches, it spends, it reports, it ends. Whatever it learned leaves with the slide deck. Next quarter starts from roughly zero, in a harder auction, against the same competitors. A good campaign is a good quarter.

A system DOES the compounding for you. Every cohort it acquires keeps paying after the campaign ends. Every experiment updates the playbook instead of evaporating. Every month of cohort data makes the next bidding decision smarter. The system starts slower than a hot campaign — and is untouchable by month 12, because its results stack while campaign results reset.

That's also why WHERE you make decisions matters. Decisions made inside a channel dashboard optimize the channel. Decisions made on the unit-economics layer optimize the business. That's where we operate, and it's where this guide takes you.

Campaigns · sprints	**The system** · compounding
Launches, spends, reports, ends	**Acquires cohorts that keep paying after the flight ends**
Results reset every quarter	**Cohort revenue stacks quarter over quarter**
Learnings leave with the slide deck	**Every test updates a playbook the next test reads**
A good quarter	**A durable P&L**

Your data stack is the computer. Unit economics are the OS.

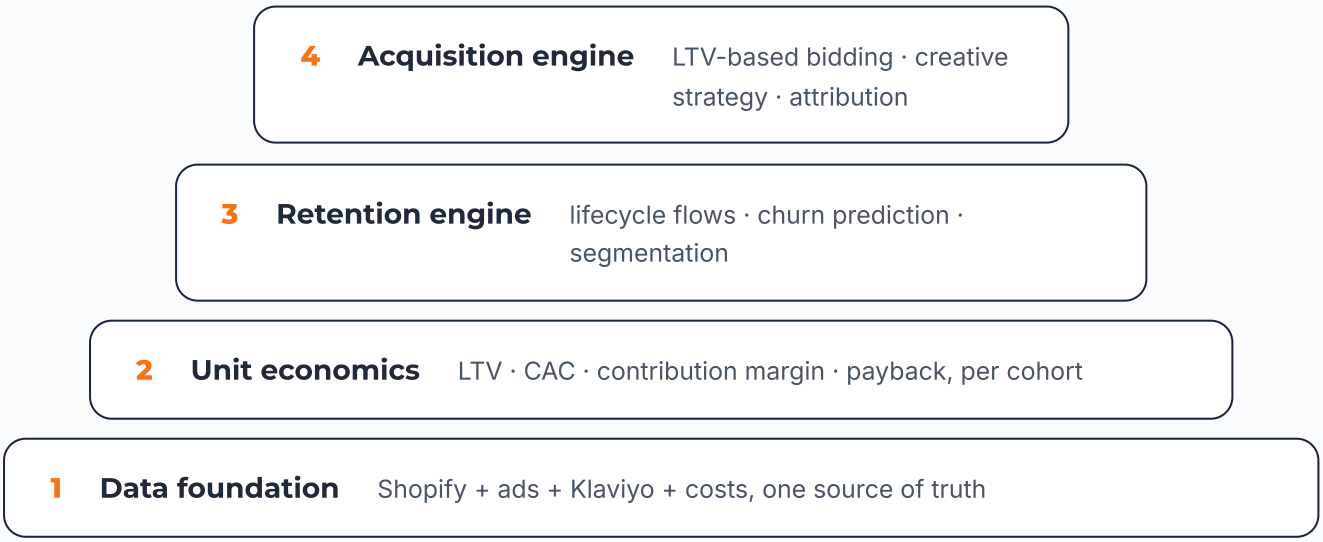
If you take one page from this guide, take this one.

A DTC brand on its own is a collection of disconnected reports — Shopify says one thing, Meta says another, the bank account disagrees with both. That's not a criticism. It's the starting point.

What turns it into a growth system is the stack around it. 4 parts.

1. **The data foundation** — Shopify, the ad platforms, Klaviyo and your cost data unified into one source of truth.
2. **Unit economics** — LTV, CAC, contribution margin and payback period, computed per cohort and per segment, updated daily.
3. **The retention engine** — lifecycle flows, churn prediction and segmentation that turn first orders into repeat revenue.
4. **The acquisition engine** — LTV-based bidding and a creative system that buys future customer value, not last-click receipts.

An engine with no economics under it has nothing to run on. A retention flow can't save a churn curve nobody measures. A bidding strategy can't chase a customer value nobody computes. So you build the foundation first, then the engines make it pay.



Layers 1 to 2 are the measurement. **Layers 3 and 4 are the growth that runs on it.**

PART 1

The data foundation

Part 1 is getting every revenue and cost signal into one place.

Your Shopify orders, your Meta and Google spend, your Klaviyo sends, your GA4 sessions, your product costs and shipping rates. Each platform's own dashboard is correct about itself and wrong about the business, because each one claims the same conversions and none of them can see your margins.

Here's the rule we apply to data, and it surprises people...

Connect every source. Even the boring ones.

The 3PL invoices. The payment-processor fees. The channel you paused a year ago. All of it is context that makes the math honest. A contribution margin that forgets shipping isn't a margin — it's a guess with confidence.

And there's a simple test for how connected you are. Try to answer one question without opening a spreadsheet: **"Which channel's customers are worth the most at month 12?"** If the answer takes an export, a VLOOKUP and an afternoon, that's not an analytics gap. That's the business running blind on its most important number.

The gap is much bigger than you notice until you close it. If your economics can't see everything money touches, they can't price your decisions.

Commerce + email

Shopify · Klaviyo · subscriptions · reviews

Paid media

Meta Ads · Google Ads · TikTok Ads

Analytics + costs

GA4 · COGS · shipping · fees · 3PL

Where a platform has no integration, the data still comes in — flat files on a schedule. Same result: one source of truth.

PART 2

Unit economics are the entire game

Out of the box, a DTC brand measures transactions. Revenue, orders, ROAS. All of it true, none of it decisive — because every number describes the past week instead of the asset you're building.

So we give the business an operating system. Five numbers, per cohort, per segment, updated daily.

METRIC	WHAT IT IS	THE QUESTION IT ANSWERS
LTV	Revenue (or margin) a customer generates over 12+ months	What is a customer actually worth?
CAC	Fully-loaded cost to acquire one new customer	What are we paying for them?
LTV : CAC	Value created per acquisition dollar	Is growth building value or renting revenue?
Contribution margin	Revenue minus COGS, shipping, fees and ad spend	Does this order make money after everything?
Payback period	Days until a cohort's margin covers its CAC	How fast does spend come back as cash?

Price a decision once, and it's priced forever on that brand.

The 3x-ROAS campaign that acquires one-and-done buyers stops looking like a winner. The "expensive" channel whose customers subscribe starts getting the budget it deserved all along. The 10th week on this system is nothing like the 1st, because every decision arrives with a payback number attached.

This is the part most brands skip, and it's the part that decides whether growth becomes an asset you own or a bill you keep paying. Engines before economics is the most common mistake we see.

Acquisition rents revenue. Retention owns it.

Unit economics are how you tell which one your ad budget is doing.

PART 3

The retention engine

Part 3 is turning first orders into repeat revenue — the highest-margin revenue your brand will ever earn, because it arrives with no acquisition cost attached.

The engine has three moving parts.

Lifecycle flows. Welcome, post-purchase, cross-sell, replenishment, win-back. Built once in Klaviyo, earning around the clock. Flows are the difference between email as a channel you blast and email as infrastructure that compounds.

Churn prediction. By the time churn shows up in revenue, it's months old. Purchase frequency, engagement decay and subscription signals predict it while there's still time to act — so the save offer goes out before the customer is gone, not after.

Segmentation. A $280-AOV furniture buyer and a $30 replenishment buyer should never get the same message, the same offer or the same send time. Segments built on value and behaviour, not just demographics, are what make the first two parts convert.

What this looks like when it works:

HOMENEST DECOR

22%

repeat purchase rate, from a standing start — no email program existed

HOMENEST DECOR

8.4x

ROI on the lifecycle email program

FITFUEL NUTRITION

−45%

subscriber churn, driven by predictive save flows

The retention engine is also what powers the acquisition engine. Every point of repeat rate you add raises what a customer is worth — which raises what you can afford to bid. Retention isn't the alternative to acquisition. It's the subsidy for it.

PART 4

The acquisition engine

Part 4 is where the stack turns into spend — and where most of the visible action happens. Three disciplines, all reading from the same economics.

LTV-based bidding. The platforms optimize to whatever you feed them. Feed them purchases and they buy you cheap one-time buyers. Feed them customer value by segment and they hunt for the people who come back. Same budget, different business.

Creative strategy. Data-driven creative production — hook-angle frameworks tested in volume, fatigue detected before performance decays, winners forecast before the budget commits. Creative is the biggest lever left inside the ad account; economics decide which angles earn the next test.

Attribution and incrementality. Every platform claims the same conversions. Multi-touch attribution plus incrementality checks reveal which spend actually created the customer — and which spend was buying orders that were coming anyway.

One engagement shows all three working together:

LuxSkin Co. · premium skincare, $120K/month on Meta.
Attribution revealed that 40% of Google's claimed revenue came from customers who would have purchased organically — a reported 3.2x ROAS that was really 1.4x incremental. Spend moved to Meta prospecting against high-LTV lookalikes, bids switched to 12-month value, and retention flows picked up the customers acquisition brought in.

LUXSKIN CO.

412%

ROAS after the rebuild

LUXSKIN CO.

−52%

customer acquisition cost

LUXSKIN CO.

+38%

LTV, as repeat rate rose from 18% to 34%

Nothing scales without a payback number. That rule is written into every account we run.

What it solves

Here's what the system changes day to day. Every one of these used to be a debate, a gut call or a quarterly surprise. Now it's a number.

Scaling decisions

BEFORE Gut feel plus a ROAS screenshot

NOW Cohort payback math says scale, hold or cut

Discounting

BEFORE Sitewide sales whenever revenue dips

NOW Margin-aware offers, sized per segment

Email & SMS

BEFORE Batch-and-blast when someone remembers

NOW Lifecycle flows earning around the clock

Churn

BEFORE Discovered in the P&L months later

NOW Predicted and intercepted while it's savable

Ad bidding

BEFORE Platforms optimize to any purchase

NOW Bids priced to 12-month customer value

Attribution

BEFORE Every channel claims the same sale

NOW Incrementality shows who really earned it

Reporting

BEFORE Five dashboards that disagree

NOW One P&L, contribution margin daily

Creative

BEFORE Opinions about which ad "feels strong"

NOW Hook-angle testing with forecast performance

Same recipe every time: the data, the economics, the engine, the decision.

Why it compounds

Here's why this changes the shape of your growth, not just the speed.

Every cohort makes the next quarter easier. The customers you acquired in Q1 are still buying in Q3 — at full margin, with zero acquisition cost. Every point of repeat rate raises what a customer is worth, which raises what you can afford to bid, which buys better customers, which raises repeat rate again.

Now run the flywheel against a competitor who can't see their LTV. You can profitably outbid them for the exact same customer — not because your ads are better, but because the customer is worth more to you. They're priced out of their own auction and can't see why. That's not a tactic they can copy by next quarter. It's an operating system they'd have to rebuild.

From the outside it looks like better marketing. From the inside it's a revenue base that gets cheaper to defend every quarter — and NEVER resets.



Quarter 1
Nearly every dollar is bought with ad spend.

Quarter 2
First cohorts return. Flows start earning.

Quarter 3
Repeat revenue funds sharper bidding.

Quarter 4
Payback shortens. CAC ceiling rises.

Quarter 5+
A revenue base that costs nothing to re-win.

Share of monthly revenue from returning customers, illustrative. Every cohort stays. Every quarter stacks.

How we operate

This is what running a brand on the system actually looks like, week to week.

Every week runs the same loop. Read the cohorts. Price the biggest leak. Ship the fix. Measure against the cohort baseline, not last week's screenshot. Fold what worked into the playbook so it never has to be re-discovered.

AI does the math. Operators make the calls. Our AI layer ranks every opportunity in the account by revenue impact — which segment is slipping, which creative is fatiguing, which flow is leaking. A senior operator decides what ships. The judgement stays human; the waiting goes.

Plan first, then spend. Anything with more than one moving part gets priced before it gets budget. You argue with a payback model, not with a burned month of ad spend.

Most of the work is feedback. The system produces a decision queue, not a report. Approve, adjust or kill — and every call you make teaches the next week's queue.

You are the strategy layer. No model knows that your 3PL is switching, that a competitor just repriced, or what your brand should never say in an ad. Every recommendation gets operator review before it touches spend.

Anything that runs on a clock becomes automation. The daily margin check. The weekly cohort read. The fatigue alert. If it produces the same shape of output every time, it shouldn't need a human in the chair.

1
Read the cohorts
What is each segment worth this week?

2
Price the leak
Churn, CAC drift, margin decay — in dollars.

3
Ship the fix
One acquisition lever, one retention lever.

4
Measure vs baseline
Cohorts, not screenshots.

5
Fold it in
The playbook learns. Nothing is re-discovered.

↺ The next week starts already knowing what this one learned.

Where to start: your first week

You can start this today. No new tools, no migration, no agency. A spreadsheet, your Shopify exports and one honest hour.

1. **Pull the five numbers.** 12-month LTV, blended CAC, LTV:CAC, contribution margin per order, and payback period. Rough is fine — a number you can defend beats a dashboard you don't trust. If one is impossible to produce, that gap IS finding #1.
2. **Add the leading indicator.** 90-day repurchase rate: of the customers who bought 90 days ago, what share came back? It's the single best early predictor of where your LTV curve is heading.
3. **Find your one-and-done rate.** What share of last year's customers never made a second purchase? For most DTC brands it's 70%+. Every point you claw back is margin that compounds.
4. **Ship one fix per engine.** One retention fix (the missing post-purchase flow is usually the biggest, fastest win) and one acquisition fix (kill the campaign whose customers never return — whatever its ROAS says).
5. **Re-read the cohorts in 30 days.** Against the baseline you wrote down in step 1 — not against memory.

The rule for your first quarter: no scaling decision without a payback number attached.

On your own, you'll get there in a few quarters. That path works. It's just slower — and every quarter of one-and-done customers is margin you don't get back.

The shortcut is a growth audit. We connect your data, compute the five numbers per cohort, and hand you the ranked list of leaks in dollar terms — what we'd fix first, and what each fix is worth. Free for qualified brands.

Book your free growth audit → cal.com/finsi/audit

Takes 2 minutes to book. You'll see your own cohort math before we talk.

finsi growth

Data-first growth for ambitious e-commerce operators

340% average ROAS across managed accounts	**+22%** LTV increase within the first 90 days
$4.2M client revenue generated in 2025	**−45%** churn through AI-driven retention

Book your free growth audit

Takes 2 minutes at **cal.com/finsi/audit** · Deep dive into your data stack, cohorts and growth leaks — free for qualified brands.