



# D2C Insider

## Case Study: Enhancing Customer Acquisition for a SaaS Startup

### Scenario

CloudPeak, a SaaS startup offering project management software, has 5,000 paying users, generating Rs.2 million in annual recurring revenue (ARR) with a 20% profit margin (Rs.400,000). The customer acquisition cost (CAC) is Rs.500 per user, and the conversion rate from free trials to paid plans is only 10%. Feedback indicates users find the onboarding process complex (40% of complaints) and lack awareness of premium features (30%). CloudPeak aims to grow ARR to Rs.3 million and improve the profit margin to 25% (Rs.750,000) within 9 months.

### Objective

Develop a strategy to improve customer acquisition and profitability through enhanced onboarding and marketing.

### Key Questions

1. What are the key barriers to trial-to-paid conversion based on user feedback?
2. Propose 3-5 initiatives to streamline onboarding and increase feature awareness (e.g., tutorials, targeted campaigns).
3. Estimate the cost and revenue impact of each initiative, projecting the path to Rs.3 million ARR and 25% profit margin.
4. How can CloudPeak measure success (e.g., KPIs like conversion rate, CAC, churn)?