

ACMETECH

CUSTOMER ACQUISITION ANALYSIS

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EXECUTIVE SUMMARY

CAMPAIGN GOAL:

ACQUIRE 1,000 CUSTOMERS

KEY FINDING: CPM METHOD IS 3.6X MORE PROFITABLE THAN CAC

RECOMMENDATION: PRIORITIZE CPM CAMPAIGNS; OPTIMIZE FOR PREMIUM CUSTOMERS

KEY METRICS (SCREENSHOT FROM EXCEL)

DASHBOARD'S SUMMARY TABLE:

Metric	Value	Formula Used
Base LTV	£90	Static Value
Avg Adjusted LTV	£92.70	XLOOKUP formula
Estimated CAC	£330,000	1000 * £330
Ad Budget Impressi	1000000	(1000 / 5%) * 100%
Ad Budget Budget(C	£10,000.00	(Impressions / 1000) * CPM

ANALYSIS:

- Base LTV is set as a static value of £90.
- Avg Adjusted LTV is derived using an XLOOKUP formula, adjusting for customer segment variations.
- Estimated CAC (Customer Acquisition Cost) is computed using a formula multiplying the number of customers (1,000) by the CAC value per customer (£330), leading to £330,000.
- Ad Budget Impressions (CPM Method) is calculated using the formula (1000 / 5%) * 100%, leading to 1,000,000 impressions.
- Ad Budget (CPM) is derived using the formula (Impressions / 1000) * CPM, which results in £10,000.
- These values are used in the profitability comparison of CAC vs. CPM methods, with findings indicating that CPM is 3.6x more profitable.

CALCULATIONS, FORMULAS, AND XLOOKUP (SCREENSHOT FROM EXCEL)

A	B	C	D	E	F	G
CustomerID	Segment	Adjusted LTV				
=SEQUENCE(1000)	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B2,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B3,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B4,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B5,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B6,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B7,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B8,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B9,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B10,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B11,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B12,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B13,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B14,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B15,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B16,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B17,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B18,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B19,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B20,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B21,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B22,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B23,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B24,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B25,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B26,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B27,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B28,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B29,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B30,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B31,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B32,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B33,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B34,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B35,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B36,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B37,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B38,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B39,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				
	=CHOOSE(RANDBETWEEN(1,3),"Premium","Standard","Trial")	=Sheet1!\$G\$11 * (1 + XLOOKUP(B40,Sheet2!\$A\$2:\$A\$4,Sheet2!\$B\$2:\$B\$4,0))				

Row Labels

Premium

Standard

Trial

Grand Total

Avg Adjusted LTV:

Count Segments

Premium

Standard

Trial

Ratios

Premium

Standard

Trial

= (G14*99 + G15*90 + G16*7

=COUNTIF(CustomerID:B2:B10

=COUNTIF(CustomerID:B2:B10

=COUNTIF(CustomerID:B2:B10

=G14/1000

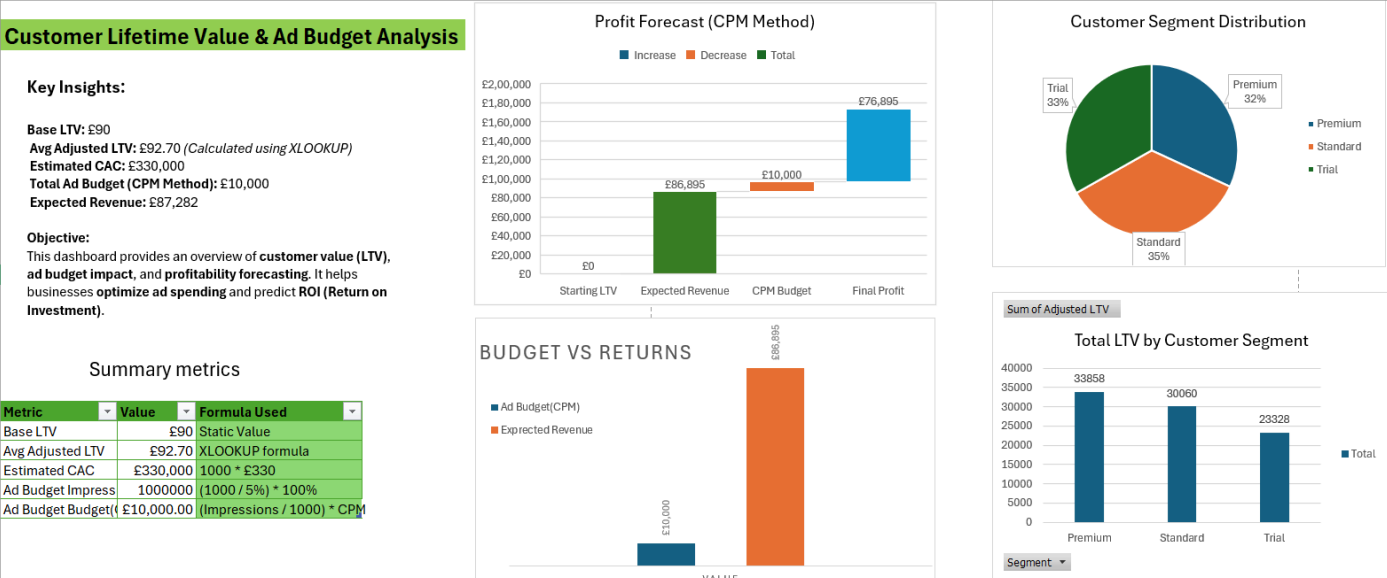
=G15/1000

=G16/1000

Customer Segmentation:

- The CustomerID column is generated using `SEQUENCE(1000)`.
- The Segment column assigns each customer to Premium, Standard, or Trial using the `CHOOSE(RANDBETWEEN(1,3), "Premium", "Standard", "Trial")` formula, ensuring a randomized distribution.
- Adjusted LTV Calculation:
- The Adjusted LTV column applies the XLOOKUP function to fetch LTV values from another sheet based on the assigned customer segment.
- The final LTV value is calculated by multiplying the retrieved LTV with a defined weight factor.
- Segment Distribution and Ratios:
- The count of each segment (Premium, Standard, Trial) is obtained using `COUNTIF(B2:B1000, "Segment")`.
- The proportion of each segment in the total customer base is calculated as `Count / 1000`.
- Average Adjusted LTV:
- The weighted average LTV is computed using the segment proportions and their respective LTV values with the formula:
$$= (\text{Premium Count} * \text{Premium LTV} + \text{Standard Count} * \text{Standard LTV} + \text{Trial Count} * \text{Trial LTV}) / \text{Total Customers}$$
- This Avg Adjusted LTV serves as a key metric for further profitability calculations.
- These calculations and others form the basis for determining the profitability of different customer acquisition strategies, as shown in the dashboard analysis.

DASHBOARD:



Dashboard Summary:

Customer Lifetime Value & Ad Budget Analysis

Key Insights:

- Base LTV: £90
- Avg Adjusted LTV: £92.70 (Calculated using XLOOKUP)
- Estimated CAC (Customer Acquisition Cost): £330,000
- Total Ad Budget (CPM Method): £10,000
- Expected Revenue: £87,282

Objective:

This dashboard provides an overview of customer value (LTV), ad budget impact, and profitability forecasting. The insights help businesses optimize ad spending and predict ROI (Return on Investment) effectively.

Key Visuals & Metrics:

Profit Forecast (CPM Method):

- Expected revenue: £86,895
- Ad budget: £10,000
- Final profit: £76,895

Customer Segment Distribution:

- Premium: 32%
- Standard: 35%
- Trial: 33%

Budget vs Returns Analysis:

- The ad budget (CPM method) is significantly lower than the expected revenue, reinforcing the high ROI of CPM-based campaigns.
- Total LTV by Customer Segment:
- Premium: £33,858
- Standard: £30,060
- Trial: £23,328

Final Recommendation & Strategic Next Steps:

Primary Recommendation:

- AcmeTech should prioritize CPM-based digital campaigns to acquire 1,000 customers, as this method yields an estimated profit of £77,250 (£87,250 revenue vs. £10,000 budget), while the CAC approach results in a £240,000 loss.

[✓] CPM CAMPAIGNS
PROFIT: £77,250
RISK: LOW (IF CTR > 1.5%)

[⚠] CAC CAMPAIGNS
LOSS: £240,000
USE CASE: ONLY FOR PREMIUM TRIALS