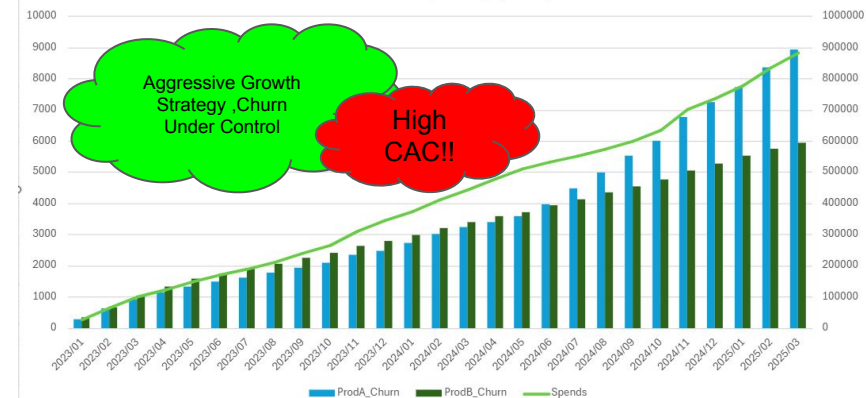


Gross Adds vs Spendings(Cum.)



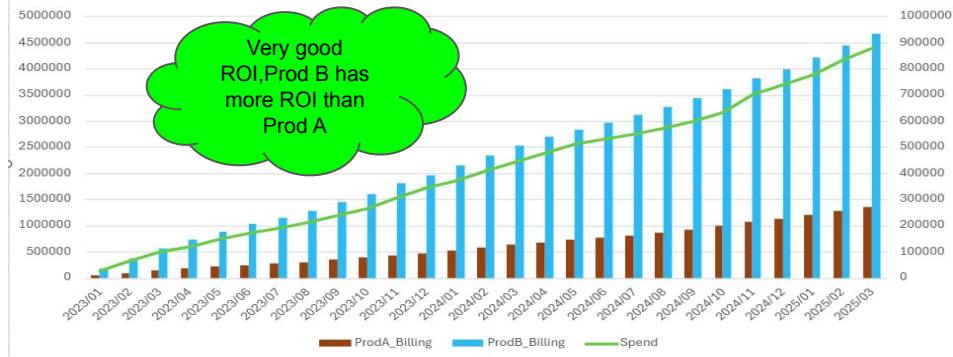
over time, more new customers or users many customers have been added/added to Prod A (without subtracting any losses), **does not account for churn**, so it doesn't tell how many users were lost

Churn vs. Spendings(Cum.)

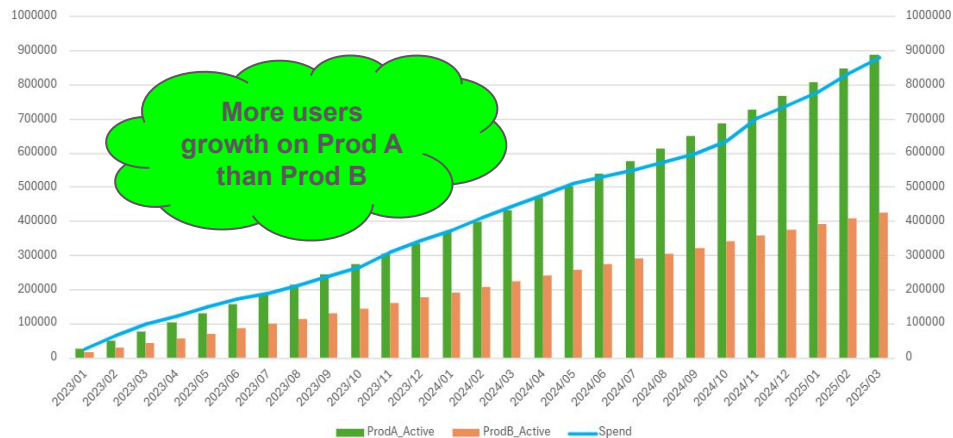


Comparative Analysis of Metrics

Billing vs Spending(Cum.)



ActiveUsers vs Spendings(Cum.)



2023-2025 Actuals

Total Marketing spend (€) 882187

Total Joint Billings (€) 6020605

➡ Positive ROI from Marketing



Billing vs Spend
(€)

Prod B has been consistently bringing good ROI and performing well.

Even there was little decrease in billing in the beginning of Q2 2024 but it picked up later , and the forecast(Q2-Q4) in 2025 suggest the same

Performance Forecast CY25

Forecasting function to which considers value from 202301-202503 to forecast rest of the months of 2025

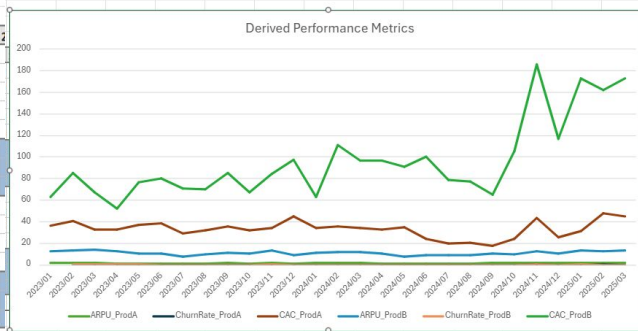
Forecasted

considers value from 202301-202503 to forecast rest of the months of 2025

Forecasted

	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL
1																							
2																							
3																							
4																							
5	2024/02	2024/03	2024/04	2024/05	2024/06	2024/07	2024/08	2024/09	2024/10	2024/11	2024/12	2025/01	2025/02	2025/03	2025/04	2025/05	2025/06	2025/07	2025/08	2025/09	2025/10	2025/11	2025/12
6	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
7	1080	919	1062	963	845	1022	1113	1377	1492	1573	1389	1303	1164	1040	1339.5	1368	1414.1	1468.8	1499.6	1535.2	1556.5	1575.7	1595.1
8	304	229	161	183	366	535	489	546	488	747	475	493	628	593	565.6	594.1	632.9	669.2	703.9	736.7	765.6	792.4	820
9	32816	33506	34407	35187	35703	36239	36767	37607	38589	39454	40057	40186	40564	40960	42199.4	42896.5	43595.6	44307.8	45010.7	45710.9	46398	47072	47732.4
0	56382	53740	45007	41904	41577	50102	53160	61903	66767	83279	58336	70313	75775	75840	70474.6	72581.8	75185.5	78770.1	81091.3	83376	85048.7	86327.7	87882.3
1	342	325	356	369	204	253	298	370	341	366	300	236	345	271	281.7	277.5	277	280.7	281.2	278.1	268.4	255.3	245
2	208	196	188	144	207	199	216	211	217	289	211	269	210	184	188.3	192.9	199.3	207.7	217.6	225.8	225.7	226.7	227.6
3	15968	16097	16265	16490	16515	16546	16624	16775	16900	16975	16987	16961	17055	17116	17664.9	17799.1	17931	18063.1	18191.1	18313.3	18431.6	18541.7	18647
4	190423	196761	174725	120014	148601	145190	151361	168961	168778	214092	174089	221725	218684	227938	191618.7	194907.6	199189.4	204707.2	209378.9	212420.2	215025.6	214627	216111
5	38081	31399	34549	33629	20416	20000	23000	24000	36002	68055	35045	40785	55905	46828	41845.8	42628.4	43705.4	45188.6	45975.7	47001.9	47687.7	47958.7	48328

		2023/01	2023/02	2023/03	2023/04	2023/05	2023/06	2023/07	2023/08	
		1	2	3	4	5	6	7	8	
Product A	Gross adds	727	953	1018	671	757	596	630	694	
	Churn	256	362	285	238	196	144	127	155	
	Active	24641	25232	25965	26398	26959	27411	27914	28453	
	Billings (€)	39644	45063	55115	35471	35346	28575	26480	33581	
	ARPU	1.6	1.8	2.1	1.3	1.3	1	0.9	1.2	
	Churn Rate		0.01	0.01	0.01	0.01	0.01	0	0.01	
	CAC	36.68	40.99	32.6	33.01	37.02	38.21	29.1	31.92	
Product B	Gross adds	423	460	493	426	366	283	259	317	
	Churn	332	329	329	318	268	148	170	172	
	Active	13816	13947	14111	14219	14317	14452	14541	14686	
	Billings (€)	178529	186003	194207	174586	149593	147844	107488	145347	
	ARPU	12.9	13.3	13.8	12.3	10.4	10.2	7.4	9.9	
	Churn Rate		0.02	0.02	0.02	0.02	0.01	0.01	0.01	
	CAC	63.03	84.92	67.31	52	76.36	80.48	70.78	69.88	
Marketing spend		Paid spend (€)	26663	39065	33183	22152	28021	22776	18332	22151



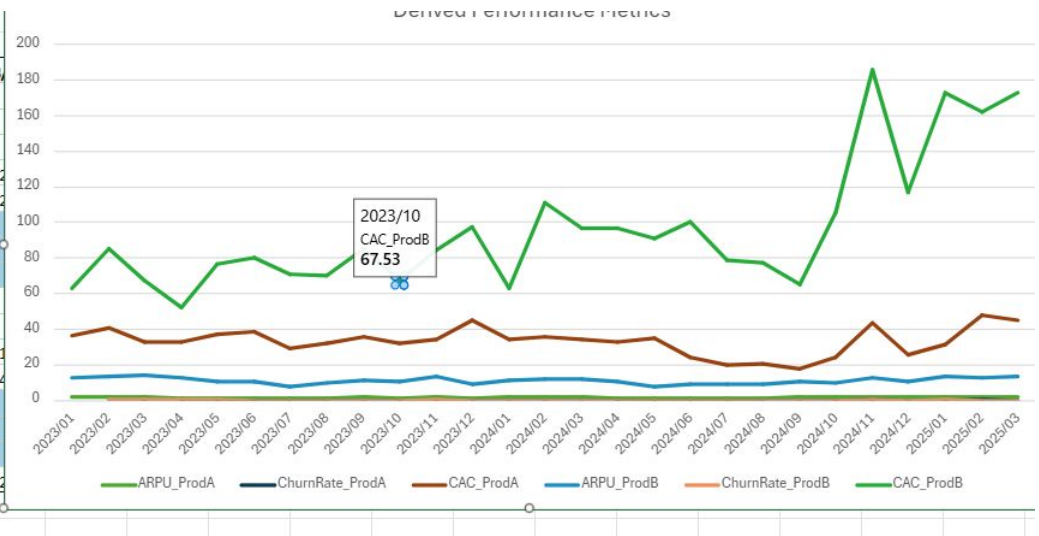
2025/03	2025/04	2025/05	2025/06	2025/07	2025/08	2025/09	2025/10	2025/11	2025/12
27	28	29	30	31	32	33	34	35	36
1040	1340	1368	1414	1469	1500	1535	1567	1576	1598
593	566	594	633	669	704	737	766	793	826
40960	42199	42896	43995	44308	45011	45711	46398	47072	47732
75840	70475	72582	75186	78770	81091	83376	85049	86328	87882
1.9	1.7	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8
0.01	0.01	0.01	0.01	0.02	0.02	0.02	0.02	0.02	0.02
45.03	31.36	31.37	31.7	31.66	31.61	31.76	31.9	31.82	31.81
271	282	278	277	281	281	278	268	255	245
184	188	193	199	208	218	226	226	227	228
17116	17665	17799	17931	18063	18191	18313	18431	18542	18647
227938	191619	194908	199189	204707	209379	212420	215257	217622	216111
13.3	10.8	11	11.1	11.3	11.5	11.6	11.7	11.6	11.6
0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
172.8	149.02	154.36	161.82	165.49	168.75	173.35	185.34	196.65	207.39
46828	42022.6	42911	44824.4	46002.5	47418.3	48746.5	49672.3	50146.2	50738

Customer Acquisition Cost (CAC): How much you pay to acquire each user. If CAC is low its a good sign.

Churn Rate: Low churn = high retention = more recurring revenue.

Average Revenue Per User (ARPU): If ARPU is stable or growing, it's a good signal for revenue forecasts.

		2023/01	2023/02	2023/03	2023/04	2023/05	2023/06
		1	2	3	4	5	6
Product A	Gross adds	727	953	1018	671	757	
	Churn	256	362	285	238	196	
	Active	24641	25232	25965	26398	26959	
	Billings (€)	39644	45063	55115	35471	35346	
	ARPU	1.6	1.8	2.1	1.3	1.3	
Product B	Churn Rate		0.01	0.01	0.01	0.01	
	CAC	36.68	40.99	32.6	33.01	37.02	
	Gross adds	423	460	493	426	366	
	Churn	332	329	329	318	268	
	Active	13816	13947	14111	14219	14317	
Marketing spend	Billings (€)	178529	186003	194207	174586	149593	
	ARPU	12.9	13.3	13.8	12.3	10.4	
	Churn Rate		0.02	0.02	0.02	0.02	
	CAC	63.03	84.92	67.31	52	76.56	
	Paid spend (€)	26663	39065	33183	22152	28021	



What does High CAC mean?

Prod B already throws an warning sign: spending more on marketing than retaining from existing customers, this could be a warning sign unless those new customers are of high-value and stick around.

Prod A has a relatively stable CAC than Prod B. But for Prod B the CAC is too high which is red flag. Although the ARPU is higher in Prod B than A, but doesn't add to benefit if CAC is high.

Budget Including Forecasted

	Average	2023-2025	
	ARPU	Churn Rate	CAC
ProdA	1.57	0.01	32.8
ProdB	11.09	0.01	115.56

Based on this insight I plan my budget
For assumption I take forecasted spend as it is based on previous values from Q12023-2025.

Average of ARPU, Churn rate and CAC.Calculations as follows:

- Gross Adds=ROUND((PaidSpend/Avg.CAC),0)
- Churn=ROUND((Prev.Year_Churn*0.99),0)(assuming 1% reduction in churn)
- Active = Previous Month’s Active + Gross Adds – Churn
- Billings = Active Customers × Avg.ARPV

Forecasted

Budget

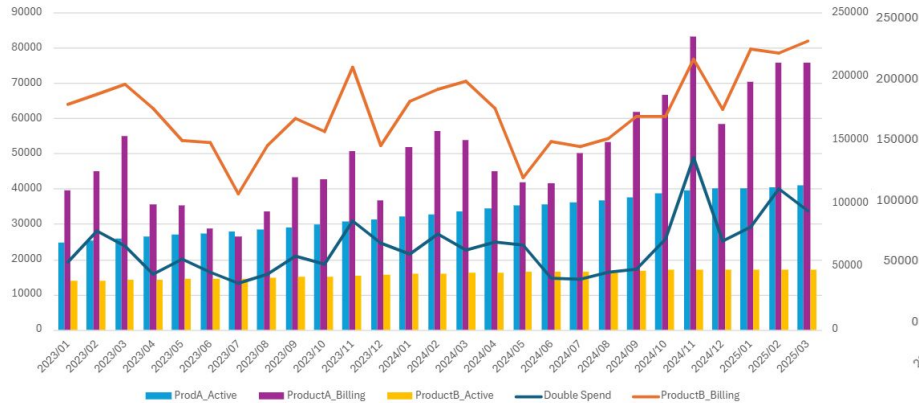
	2025/03	2025/04	2025/05	2025/06	2025/07	2025/08	2025/09	2025/10	2025/11	2025/12	2026/01	2026/02	2026/03	2026/04	2026/05	2026/06	2026/07	2026/08	2026/09	2026/10	2026/11	2026/12	
5	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	
4	1040	1340	1368	1414	1469	1500	1535	1557	1576	1595	1568	1590	1651	1697	1733	1789	1831	1880	1927	1940	1944	1944	
3	593	566	594	633	669	704	737	766	793	820	488	622	587	786	798	813	820	817	811	812	825	833	
4	40960	42199	42896	43595	44308	45011	45711	46398	47072	47732	48812	49780	50844	51755	52690	53666	54677	55740	56856	57984	59103	60214	
5	75840	70475	72582	75186	78770	81091	83376	85049	86328	87882	76635	78155	79825	81255	82723	84256	85843	87512	89264	91035	92792	94536	
9	1.9	1.7	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8													
2	0.01	0.01	0.01	0.01	0.02	0.02	0.02	0.02	0.02	0.02													
3	45.03	31.36	31.37	31.7	31.66	31.61	31.76	31.9	31.82	31.81													
5	271	282	278	277	281	281	278	268	255	245	450	456	474	487	497	513	525	539	553	557	558	558	
0	184	188	193	199	208	218	226	226	227	228	266	208	182	223	224	225	225	225	220	219	218	217	
5	17116	17665	17799	17931	18063	18191	18313	18431	18542	18647	18831	19079	19371	19635	19908	20196	20496	20810	21143	21481	21821	22162	
4	227938	191619	194908	199189	204707	209379	212420	215257	214627	216111	208836	211586	214824	217752	220780	223974	227301	230783	234476	238224	241995	245777	
3	13.3	10.8	11	11.1	11.3	11.5	11.6	11.7	11.6	11.6													
1	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01													
4	172.8	149.02	154.36	161.82	165.49	168.75	175.35	185.34	196.65	207.09													
5	46828	42022.6	42911	44824.4	46502.5	47418.3	48746.5	49672.3	50146.2	50738	51758	52472	54495	56004	57195	59025	60411	62026	63583	64036	64154	64160	

Impact Analysis

$$\text{CPA (Cost per Acquisition)} = \text{Paid Spend} / (\text{Gross Adds of both products})$$

Marketing	Paid spend (€)	26663	39065	33183	22152	28021	22776	18332	22151	29170	25863	43113	34235
	Double Paid spend (€)	53326	78130	66366	44304	56042	45552	36664	44302	58340	51726	86226	68470
	Cost Per Acquisition	46	55	44	40	50	52	41	44	51	43	48	62

Active and Billing Impact on Double Spend



Active and Billing Impact on CPA



- **CPA** is the amount you pay to acquire one new customer or user. It directly influences how much you need to spend to hit growth targets.
- High CPA: You need to spend **more** to get the same number of users., Low CPA: You can acquire more users for less money.
- Budget Planning:
 - If CPA **goes up**, your **marketing budget must increase** to hit the same growth.
 - If CPA **goes down**, you can **either reduce spend** or **acquire more users** for the same budget.