Customer Acquisition Cost Deep Dive

Actual CAC data: Customer User Journey

£147k	£82k	£665k	£25k	£4k
Awareness	**Consideration**	**Purchase**	**Service**	**Loyalty**
Top 3 e.g.'s	Top 3 e.g.'s	Top 3 e.g.'s	Top 3 e.g.'s	Top 3 e.g.'s
Radio 18k	Autotrader 17k	Commission 221k	Parts pay 7k	Courtesy car Signage 1k
Roadside 13k	Norfolk show 16k	Commission 126k	DM email 5k	Vinyls 400
Print 10k	Ford 7k	Sales salary 121k	DM post 3k	Tree certif. 300

£923k spend 9mths

Key: New car sale   Used car sale   Aftersales   Corporate

Company level CAC broken down into New vs Used vs Service CAC

Company level CAC
One number

$$combined = \left(\frac{923k \; marketing \; \& \; sales \; expenses}{2,886 \; new \; customers} \right) =$$

£320

$$service = \left(\frac{17k \; marketing \; \& \; sales \; expenses}{1,639 \; new \; customers} \right) = \quad £10$$

$$used = \left(\frac{284k \; marketing \; \& \; sales \; expenses}{829 \; new \; customers} \right) = \quad £343$$

CAC breakdown
- New
- Used
- Service

$$new = \left(\frac{515k \; marketing \; \& \; sales \; expenses}{418 \; new \; customers} \right) =$$

£1,232
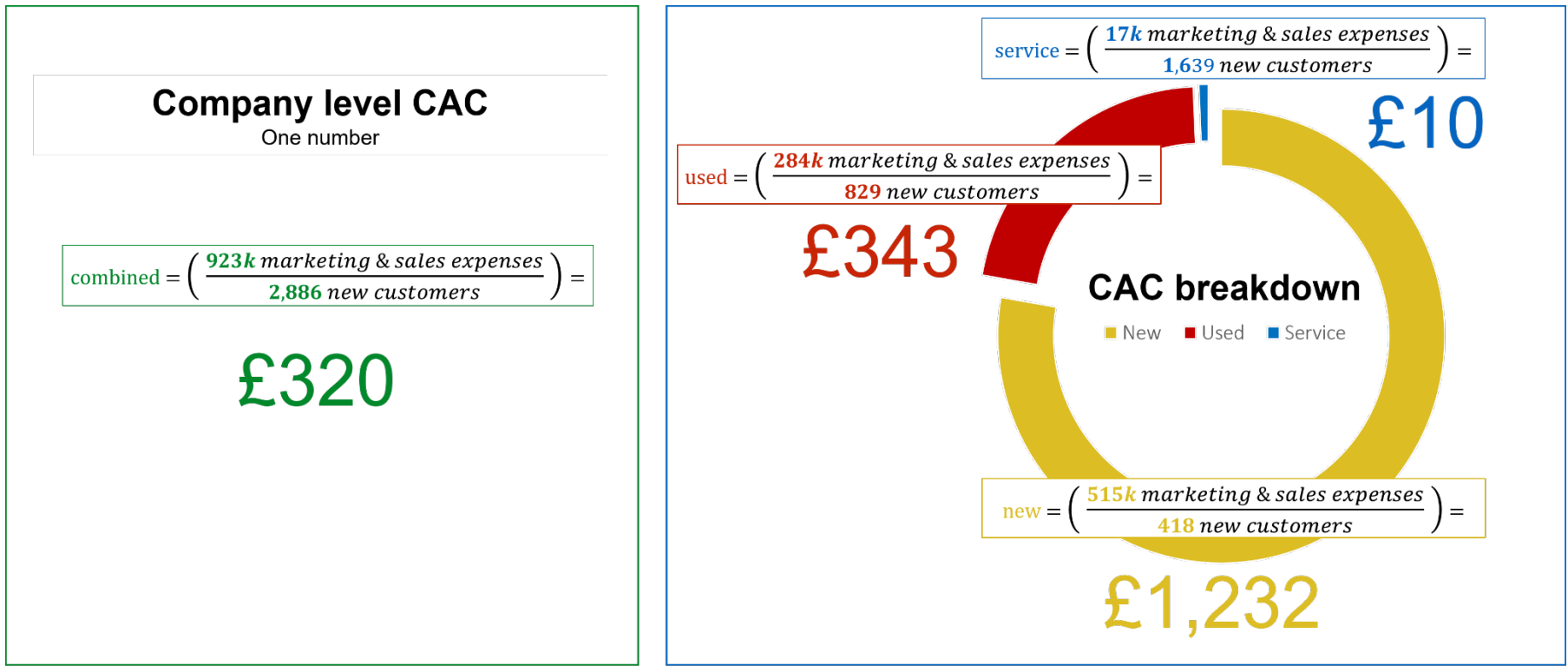
CAC limitations / challenges

- Only **26%** of this dealerships' marketing channels can be digitally tracked

- There will always be an element of manual entry which could lead to **human error**

- Without some form of **media attribution** tool (preferably CDK's new version currently being trialled) we will be unable to link where customers have come from online to an actual sale in the DMS – meaning data modelling will not be possible

- **To which media channel do you attribute a sale** if several channels are used to promote the same thing? In this project we will also create an industry standard within our prototype that we recommend to use (e.g. attribute actual sales to the last channel the customer used) but also provide options for using other attribution methods (like time decay or first click).