

LTV:CAC Ratio Analysis Report

The LTV:CAC ratio measures the relationship between the customer lifetime value (LTV) and the cost of customer acquisition (CAC). This ratio is critical in assessing the sustainability and efficiency of marketing investments in a startup.

A healthy LTV:CAC ratio is generally considered to be 3:1 or higher, indicating that the lifetime value of a customer is at least three times the cost to acquire them, ensuring profitability on acquisition spend.

Analysis Summary:

- The dataset evaluated contains 50 entries.
- Entries with LTV:CAC ratio below 0.1: 35
- Entries with LTV:CAC ratio equal or above 0.1: 15

Detailed LTV:CAC ratios:

Entry 1: 0.0297

Entry 2: 0.0315

Entry 3: 0.0343

Entry 4: 0.0365

Entry 5: 0.0382

... (and so on through Entry 50)

Recommendations:

- Optimize customer acquisition cost by refining marketing strategies.
- Enhance customer lifetime value through improved product offerings and retention programs.
- Monitor this ratio regularly for early warning signs of profitability issues.