

IMPORTANT DETAILS ABOUT CUSTOMER COSTS AND ACQUISITION.

CURRENT CUSTOMER ACQUISITION COSTS

How long have you been in business? A=

How many customers are on your database, or do you think you have? B=

How much do you spend per year on advertising (print advertising, google Adwords, Facebook ads, posting on Facebook (your time or staff time), print based ads, online ads, brochures, mail outs, emails (include your time along with the monthly costs), product samples for press, press releases, yellow pages, website, sales staff) C=

What is your overhead per year (rent, wages, phone, building, warehouse) D=

$$C+D \times A = \$\text{TOTAL AMOUNT YOU HAVE SPENT}$$

To calculate the Average cost per customer

$$\$ \text{TOTAL COST} / B =$$