

## Client Acquisition Cost (CAC) and Return On Investment Annualized

Client	Month & Year Acquired	Initial CAC *	Year ( 2005 )									
			Total Sales	Total GP**	New CAC***	ROI in \$'s(1)	# of Referrals	Referral Name	Total GP	Client Value in Sales	Client Value in Referrals	Total Value
Example												
XYZ	Aug. 2005	\$3,000	\$5,000	\$3,000	N/A	00.00	2	ABC 123	\$900 \$1,400	\$5,000	\$5,000	\$10,000
ABC	Oct. 2005	Referral from XYZ	\$2,000	\$1,000	\$100	\$900	None	N/A	N/A	\$2,000	\$00.00	\$2,000
123	Nov. 2005	Referral from XYZ	\$3,000	\$1,500	\$100	\$1,400	None	N/A	N/A	\$3,000	\$00.00	\$3,000

\* See next page for worksheet

\*\* Gross Profit (Total Sales less costs of goods or services.)

\*\*\*New CAC is for any additional maintenance costs associated with the customer or client

(1) ROI in \$'s is Total Sales less Total GP, less any New CAC and less initial CAC.

As you are looking to the next year's marketing budget, this tool will help you determine where some of those dollars should be invested. In the example presented, even though XYZ Company had no return on investment, the company provided two referrals and dollars should be budgeted to maintain this account for at least the next 6 months.

### Initial Client Acquisition Cost (CAC)

Marketing Item	Cost
Chamber Membership Annual Dues (1)	
Chamber Membership Annual Dues (2)	
Monthly Meetings Food Cost	
Monthly Meetings Car Cost (mileage or gas)	
Hours to attend meetings @ \$100/hr	
Hours to drive to meetings @ \$100/hr	
Salary of additional personnel	
Professional Association Membership Dues (1)	
Professional Association Membership Dues (2)	
Monthly Meetings Food Cost	
Monthly Meeting Car Cost	
Hours to attend meeting @ \$100/hr	
Hours to drive to meetings @ \$100/hr	
Salary of additional personnel	
Professional Networking Group Membership (1)	
Professional Networking Group Membership (2)	
Monthly Meetings Food Cost	
Monthly Meetings Car Cost	
Hours to attend meetings @ \$100/hr	
Hours to drive to meetings @ \$100/hr	
Salary of additional personnel	
Other Networking Events (fee + time + travel + food)	
Internet Lead Site Membership Fee (1)	
Internet Lead Site Membership Fee (2)	
Hours to respond to leads @ \$100/hr	
Internet web site development & maintenance	
Internet web site hosting fees	
Hours to make changes @\$100/hr	
Lead Generation List Fee of Fees	
Direct Mail Cost (stationery + postage)	
Business Cards	
Brochures, Flyers, etc.	
Give-Aways/Gifts/etc.	
Tradeshaw Fees, Hours to Work, Food & Travel Costs	
Sponsorships for Not for profit events/Other Advertisements	
Meeting/Appointment Food Costs	
Hours to attend meetings/appointments @ \$100/hr	
Radio paid advertisements	
Print paid advertisements	
TV/Cable paid advertisements	
Internet Adwords	
<b>OTHER:</b>	
Sales Salaries	
Sales Expenses not identified above	
<b>TOTAL</b>	

**NOTE:** The \$100/hr is for the business owner's time.