

WORKED EXAMPLE

One cohort, four calculations

Ben Adams Consulting | Illustrative figures only | October 7, 2026

Every figure on this card is illustrative. None are benchmarks or client results.

Inputs

INPUT (ILLUSTRATIVE)	AMOUNT	COUNTS TOWARD
Media spend	\$40,000	Blended and paid
Creative production	\$5,000	Blended and paid
Agency and contractor fees	\$10,000	Blended and paid
Salaries, benefits and commissions	\$80,000	Blended
Marketing and sales software	\$5,000	Blended
Events and sponsorships	\$6,000	Blended
Referral and partner payouts	\$4,000	Blended
Allocated overhead	\$10,000	Blended
Total acquisition cost	\$160,000	Blended CAC
Paid-channel cost (first three lines)	\$55,000	Paid CAC
New customers, all sources (March cohort)	80	Blended CAC, LTV
New customers from paid channels	25	Paid CAC
Revenue per active customer per month	\$400	LTV, payback
Gross margin	75%	LTV, payback
Customers leaving each month	about 2.6%	LTV
LTV window	24 months	LTV

Calculations

CALCULATION	WORKING	RESULT
Blended CAC	$\$160,000 \div 80 \text{ customers}$	\$2,000
Paid CAC	$\$55,000 \div 25 \text{ customers}$	\$2,200
Cohort LTV, 24 months	1,440 active customer-months $\times$ \$300 monthly gross margin = \$432,000, $\div$ 80 starting customers	\$5,400
LTV to CAC	$\$5,400 \div \$2,000 \text{ (blended CAC)}$	2.7 to 1
CAC payback, simple formula	$\$2,000 \div \$300 \text{ monthly gross margin per customer}$	about 6.7 months
CAC payback, cohort check	Running gross margin per starting customer: \$1,942 after month 7, \$2,192 after month 8	Month 8

Why the two payback figures differ: the simple formula assumes every customer stays, and the cohort check counts the customers who left.

Definitions used

Costs follow the fully loaded list above. Customers are grouped by the month they signed. LTV uses gross margin over a fixed 24 month window. The payback clock starts on the date the customer signs.