Turning one-time clients into subscribers — case study

Turning one–time clients into subscribers

›› **Client:** Proper Good, DTC ready meals brand

›› **Challenge:** What subscription benefits can we offer?

›› **Current status:** Small subscription discount

›› **Solution:** Estimate the difference in Customer Lifetime Value (CLV) to Customer Acquisition Cost (CAC) between one–time customers and subscribers. Next, based on this, estimate the value of discounts and benefits.

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›› **Observations:**

CLV:CAC ratio is much higher for subscriptions – there is room for a price reduction, ensuring good subscription margin at the same time.
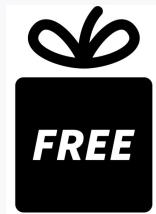

CLV 12 months   CAC

■ Subscriber ■ Non-subscriber

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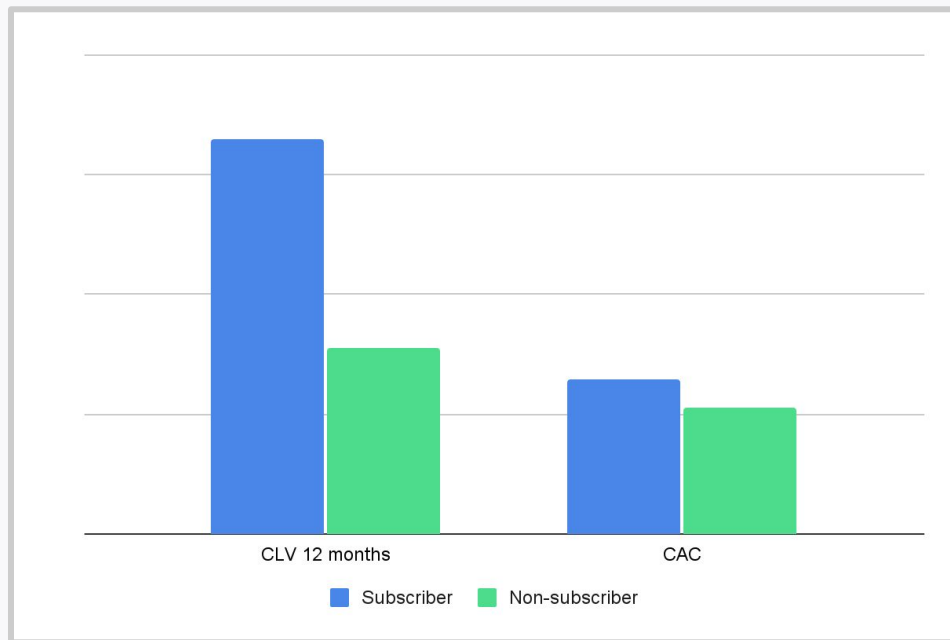
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›› **Optimization:** Attract clients to subscription via 20% discount and $10 worth Free Gift

›› **Result: +7%** gross margin in 12M

20% discount on subscription

$10 worth Free Gift

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THANK YOU

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