

# MARKETING ROI

## DESCRIPTION:

This module builds on several previous modules and explains how to calculate rates of return for four types of valuation methods: comparable costs, baseline-lift, funnel conversion, and customer equity (CLV).

**Tutorial:** 25 slides  
**Problem Sets:** 4 problem sets; 29 questions  
**Average Time:** 430 minutes

## Sample question from problem set:

**Course:** Faculty Access (All Modules in Alphabetical Order)

**Module:** Marketing ROI / Problem Set ID: 1097

Alicia is the owner-operator of Cool Beans, a local coffee shop. For the past year, Cool Beans sold **207,000** drinks at an average price of **\$2.83** per serving. Her average variable cost per serving was **\$1.17**. Currently, she has been using local TV and newspapers to generate interest and awareness at a cost of **\$157,000** per year. She recently contacted Brushfire Social Media and they estimated they could reach the same number of people in her community with a social media budget at **half the cost**, though it would require an additional one-time investment of **\$14,000** in their website and social platforms.

As an additional option, Brushfire suggested a separate promotional campaign that would offer a **\$1** discount to any person who likes their social media page. Brushfire estimates that Cool Beans would sell an additional **9,200** cups with this discount and this new campaign would cost **\$2,500**.

**What would be the net savings generated during the first year (including the investment in the website and social platforms) if Alicia chooses to go with the Brushfire plan using the website and social media to generate interest and awareness?**

TUTORIAL   dollars (\$)

PS1 1 2 3 4 5 6 7

SUBMIT ANSWER

EXIT

Problem Sets 0 4 0 Total Questions 29

