

The Secret Language of Control

Do you measure the results of your business building tactics?

When you add up your expenses, including sales costs, your marketing probably accounts for around 10% of your operating budget – if not more. But many business owners and managers don't have much idea as to where all this money is going to, let alone the results that are being achieved. In other words they spend money on brochures, advertisements, web sites and so forth with no real way to link specific results to specific actions.

The 2 Most Important Metrics to Growing Your Business

1. Cost per Acquisition
2. Lifetime Customer Value

Knowing which marketing tactics pay dividends will save you time, money and effort by allowing you to focus your marketing budget on activities that work. This means that you should learn how to measure the effect of your marketing efforts to increase revenue and profit.

Create your dashboard

Think of it like this. You are flying your personal Learjet to the Caribbean for a well

earned break. You're flying at night at 30,000 feet and your only help are the instruments on the dashboard. Similarly, can a business guide its flight towards its objectives without a set of dashboard dials? Of course not!

Every business needs a set of dials or controls – or metrics as they are now called. We can have the best of plans but metrics are the things that drive them. The most important of course is profit. But what if I asked you to name a couple metrics that are fundamental to business success? Could you name them?

Two of the most important metrics for growing business are;

1. **Cost Per Acquisition**
2. **Lifetime customer Value**

These metrics are so robust that just knowing their values will give you a pretty clear idea of how well your business is doing – and what's more, how to make it even more successful. Just to make sure we are really clear about this let me explain what these metrics will do for you:

Cost Per Acquisition

This, concerns the marketing budget spent to attract customers, the costs of a representative if there is one, direct mail, advertising, networking etc, etc...

Lifetime Customer Value

The total value (in terms of money spent) of our average customers spanning the entire period that these customers are likely to do business with you.


Metrics will allow you to measure your marketing and business results, eliminate unproductive marketing tactics and they will help you save money and make more money,

by showing you which marketing tactics you should reinvest in.

Look out for further articles on this subject.

To read more about strategies to grow your business [click here](#)

Best wishes



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