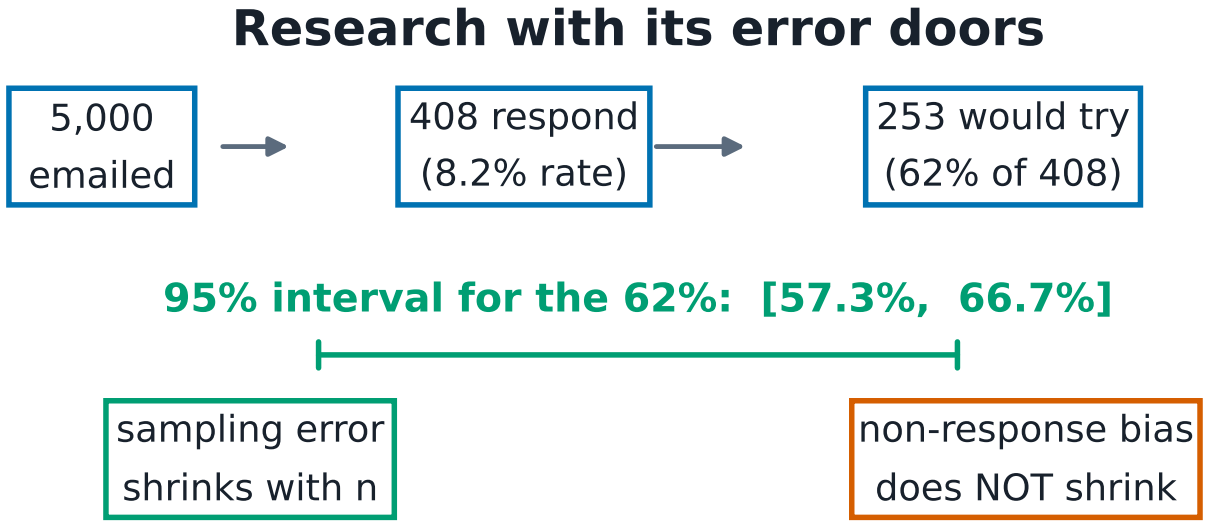
Exercise walk-through

7.5 Channels

University Business

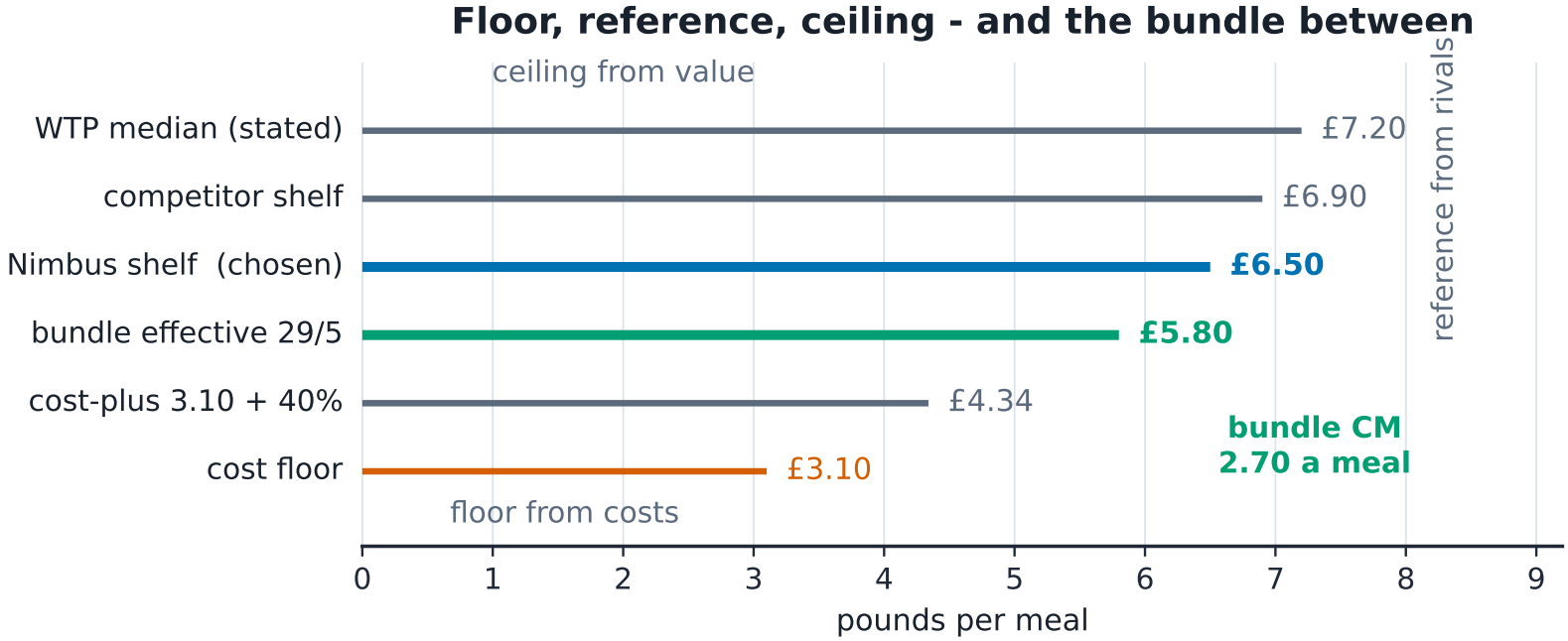
Research: make the belief killable



the survey aims; the A/B offer to 200 (27 accept, 13.5%) decides

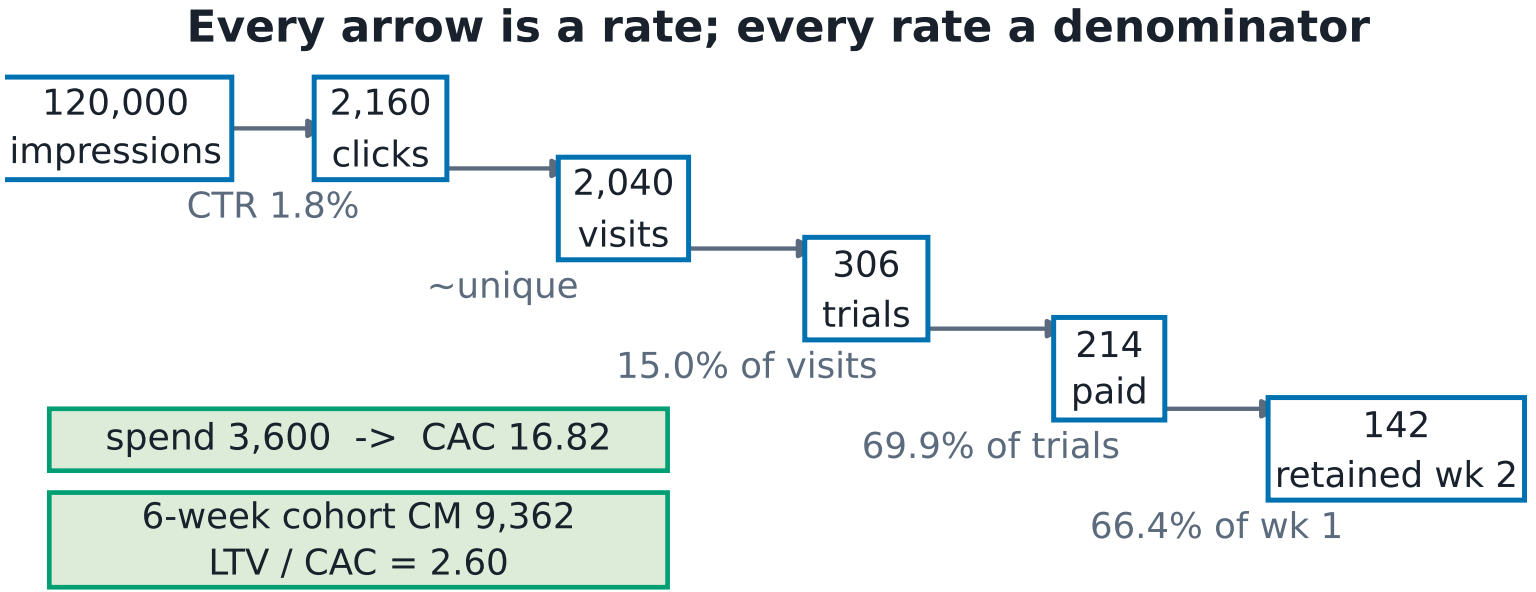
5,000 emailed, 408 replied: 62% intent, interval [57.3, 66.7].

Pricing: floor, reference, ceiling



Floor from cost 3.10, reference from rivals 6.90, ceiling from **value** 7.20.

Promotion: honest denominators



120,000 impressions become 142 retained: CAC 16.82, LTV/CAC 2.60.

Exercises 2.1–2.2

2.1 Compute the maker's revenue and CM per candle in each channel. [4]

2.2 The boutique learns the site sells at £22 and objects. Design two priced answers that keep both channels. [4]

Exercises 2.1·2.2

2.1 Compute the maker's revenue and CM per candle in each channel. [4]

2.1

- Boutique: maker receives $24 \times 0.6 = £14.40$.
- CM $= 14.40 - 7 = £7.40$.
- Site: receives $22 - 0.88 - 0.30 - 3.80 = £17.02$.
- CM $= £10.02$ – richer AND owns the customer file.

2.2 The boutique learns the site sells at £22 and objects. Design two priced answers that keep both channels. [4]

2.2

- Differentiate: site-exclusive bundle (3-wick gift set + refill plan) at a price the shelf cannot quote – commitment product, not the same candle.
- Share: in-store card with a QR to the site, finder's fee £2 a sale – still £8 net and the boutique is paid for discovery.

Exercise 2.3

2.3 In one line each: what job does the boutique do that the site cannot, and what does the site return that the boutique never will? [2]

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2.3

- Boutique: discovery, touch/smell, gift-buying impulse – the shelf IS advertising.
- Site: the customer list, reorder data, margin – the information flow.