

MIKE RAYBONE

STRATEGIC MARKETING
LEADERSHIP.

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THE RAYBONE UNIT ECONOMICS CALCULATOR

SECTION 1: THE INPUTS (The Reality Check)

Business Owners enter their raw data here.

Row	Metric (Input)	Definition	Mike's Note (The Insight)
A1	Monthly Ad Spend (£)	Total spend on Meta, LinkedIn, Google Ads.	Do not include "brand awareness" spend. Only direct response.
A2	Agency / Staff Cost (£)	Monthly retainer for agency or salary of marketing lead.	Most companies forget this. If you pay an agency £2k to manage £1k of ads, your cost is £3k.
A3	Total Inquiries	Number of qualified leads (not just clicks) generated.	Exclude spam and solicitors.
A4	Sales Close Rate (%)	Percentage of inquiries that sign a contract.	If this is below 15% in B2B, your offer is weak or your leads are bad.
A5	Average Contract Value (£)	Revenue from one client in their first year.	Use actual revenue, not projected pipeline value.
A6	Gross Margin (%)	The profit margin on your service (after delivery costs).	Revenue is vanity. Margin is sanity.
A7	Monthly Churn Rate (%)	Percentage of clients who leave each month.	The silent killer of growth.

SECTION 2: THE OUTPUTS (The Diagnosis)

The calculator generates these automatically to reveal the health of the business.

Row	Metric (Result)	The Formula	The "Raybone" Benchmark (Target)
B1	True CAC (Cost Per Acquisition)	$(\text{Ad Spend} + \text{Agency Fees}) \div (\text{Inquiries} \times \text{Close Rate})$	Target: Your CAC should be recovered in the first 3 months of the contract.
B2	Lifetime Value (LTV)	$(\text{Avg Contract Value} \times \text{Margin \%}) \div \text{Churn Rate}$	Target: This must be at least 3x your CAC.
B3	LTV:CAC Ratio	$\text{LTV} \div \text{CAC}$	< 1:1 = You are losing money. 3:1 = Healthy Growth. 5:1 = You are under-spending; scale up immediately.
B4	Payback Period	$\text{CAC} \div (\text{Monthly Revenue} \times \text{Margin \%})$	Target: < 6 Months. If it takes 12 months to break even, cash flow will kill you.
B5	Contribution Margin	$\text{LTV} - \text{CAC}$	Target: This is your actual profit per new client. If this is low, stop "scaling" and fix your pricing.

SECTION 3: THE ACTION PLAN (Conditional Logic)

This section gives a specific recommendation based on the B3 Result (LTV:CAC Ratio).

Scenario	The Diagnosis	The "Neuro-Growth" Prescription
Ratio is < 1:1	CRITICAL FAILURE	Stop Ad Spend immediately. Your unit economics are broken. We need to raise prices or cut inefficiency before spending another penny.
Ratio is 1:1 to 3:1	The "Mushy Middle"	Do Not Scale. You are treading water. We need to optimize your Conversion Rate (Neuro-Persuasion) to lower CAC before adding volume.
Ratio is > 3:1	PRIME GROWTH	Deploy the Agents. You have a money-printing machine. We can safely triple your ad spend and let the AI agents hunt freely.