



Data Specialist training

Module BM01: Digital marketing

Individual exercise for establishing relations between KPIs

Using following parameters ...

Traffic, UU: objective (visits are normally equivalent to unique users - the number of different people (different IP) that visit your web page) = **100 000**

Average cart per transaction (value of items that may be added to the shopping cart) = **100**

Cost per Click = EUR 0.2

Conversion rate (how many website or app visitors complete an action out of the total number of visitors) = **2%**

Click through rate (how many people clicked your ad to visit a website or landing page) = **10%**

... try to answer to the following questions:

1. What is the **estimated turnover** to reach under conditions mentioned above?
2. What is the **minimum quantity** of products to be sold when the objective is done?
3. What is the **estimated profit** when the margin equals 30%?



SOLUTION:

Estimated turnover

EUR 100 000 x 0.2 x 100 = EUR **2 000 000** turnover

Minimum quantity

EUR 2 000 000 / EUR 100 = **20 000 pcs sold**

Estimated profit

Cost of campaign EUR 100 000 x 0.2 = EUR **20 000**

Margin EUR 2 000 000 x 0.3 = EUR **600 000**

Profit EUR 600 000 – EUR 20 000 = EUR **580 000**