MARKETING ANALYTICS: Case Study   Name: _____

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Case No.	Chapters	Case Title
5B	5	**Strategic Metrics: Footwear Market**

Background:

You are the marketing manager for Acme Shoes, a (fictitious) progressive manufacturer and seller of shoes for the youth market. Customers purchase the shoes because of their comfortable fit and Acme's successful branding efforts. Acme Shoes faces its largest competitor in Brand X Shoes, who manufactures and sells shoes into the same market. You plan to assess and monitor strategic metrics for both Acme Shoes and Brand X shoes to understand Acme's competitive advantages and keep tabs on Brand X.

1. You have collected the company performance data below for Acme Shoes and Brand X.

Data	Acme Shoes	Brand X Shoes
Customer Costs (average)	$90,000	$90,000
Customer Revenue (average)	$120,000	$100,000
Discount Rate	8.0%	9.0%
Durability (for brand equity)	0.60	0.40
Effective Market Share	0.14	0.08
Margin (per customer)	$6	$5
Marketing Spending	$10,000	$10,000
Relative Price	1.10	0.90
Retention Rate (customers)	0.6	0.4
Revenue from Marketing	$100,000	$80,000
Revenue, Year 1	$120,000	$100,000
Revenue, Year 2	$140,000	$110,000
Revenue, Year 3	$160,000	$105,000
Selling Price per Unit	$40	$35
Variable Cost per Unit	$26	$28

2. Calculate the strategic metrics listed in the table below.

Strategic Metrics	Acme Shoes	Brand X Shoes
Brand Equity Index		
Contribution Margin		
Customer Lifetime Value		
Customer Profit (average)		
Revenue CAGR, Years 1 - 3		
Revenue YOY Growth, Years 1 - 2		

3. Record your observations about the state of Acme Shoes and Brand X Shoes.