

ECOM BREAKFAST

● LIVE WEEKDAYS 7:30AM · 30 MINUTES

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CO-FOUNDER & CEO
VALENTTE

THE SHOW

Live and unfiltered. A 30-minute deep dive into the real challenges and opportunities facing e-commerce founders — every weekday at 7:30am.

The Acquisition Playbook

Growth isn't more ads. It's a better system — and you have to earn the right to get bigger.

£30m+
ANNUAL REVENUE, UP FROM £500K FIVE YEARS AGO

£17–£20
NEW-CUSTOMER CAC, DOWN FROM £40

200–600
NEW CUSTOMERS A DAY, 7 DAYS A WEEK

OVERVIEW

Growth doesn't happen in a straight line. It happens in steps. You grow, you hit a new level, and something breaks. Every time Valentte has stepped up, something broke. The founder's job is to work out exactly what broke, fix it, and only then grow again. Most founders feel the wobble and push harder: more ads, more channels, more ideas. All that does is make the crack bigger.

Five years ago Valentte was doing about £500,000 a year. Today it does over £30 million. We didn't get there by doing more. We got there by building a system, finding what broke at each step and fixing it. This playbook sets out that system for founders doing £1m–£10m a year: the numbers that break first, then how to acquire, convert and grow customers profitably, and what to do when new-customer CAC goes wrong.

THE THESIS IN ONE LINE

The answer to growth isn't doing more. It's doing less, in much more depth.

FOUNDATION	PART 1	PART 2	PART 3
Your numbers	Acquire	Convert	Grow
Daily profit, split margin, nCAC vs eCAC, payback.	One traffic source, one offer, one landing page.	Pop-ups, a long welcome flow, four abandonment flows.	Repeat buyers, AOV, and the nCAC reset.

FOUNDATION

01

What breaks first: your numbers

When you're small you can get away with a rough feel. Money's in the bank, orders are going out, it feels fine. As you grow, the gaps in your unit economics get bigger, and by the time you notice they've already cost you a lot. Get these four right and when something breaks you'll see it straight away, not three months later.

THE FOUR NUMBERS TO GET RIGHT

01 **Profitability, every day.** Not monthly, and not when the accountant sends something over.	02 **Contribution margin,** split between new and existing customers.
03 **nCAC and eCAC,** never blended CAC.	04 **Payback period,** if you lose money on a first order.

Daily profitability. Be as accurate as you can. We use a mix of real numbers we can see every day and estimates based on last week's or last month's actuals. Find out once a month and you can spend four weeks losing money before you know it's happening.

Contribution margin, split. Contribution margin is what's left from an order after all the costs of making and delivering it, including the marketing that got it. A new customer had to be acquired, and you paid for that. An existing customer probably

came back on their own, from an email or a small advertising nudge. Their margins look nothing alike. Mash them together and you can't see either clearly.



Don't use blended CAC. Blended CAC is total marketing spend divided by the number of new customers, and it lies to you because returning customers make it look cheap. Split it. nCAC is the spend aimed at acquiring new customers divided by the number of new customers. eCAC is the spend associated with existing customers divided by the number of existing customers.

VALENTTE NCAC

£17–£20

Spend on acquiring new customers ÷ new customers. The number that tells you whether acquisition is working.

VALENTTE ECAC

£2

Spend on existing customers ÷ existing customers. A 10x difference — so be careful of blended numbers.

Know your payback period. Plenty of brands lose money on a customer's first order. That can be fine, but only if you know exactly how many days it takes for that customer to become profitable. Valentte's payback period used to be 150 days: we funded every new customer for months before we made a penny back. That's a lot of cash tied up, and a lot of risk if anything changes. Today we're profitable on the first transaction, and our head of paid is targeted on £2,000 a day in profit from new customers on their first order. The shorter your payback, the faster you can safely grow.

- Calculate yesterday's profit every morning.
- Never judge acquisition on blended CAC.
- Split margin and CAC into new and existing.
- If payback is long, make shortening it the priority.

PART 1 · ACQUIRE

02

Do less, in much more depth: traffic, offer and landing page

When most founders say they're working on growth, they mean they're trying to get better at ads. Alex Hormozi asks: do you have an ads problem, or a business problem? Almost certainly it's a business-model problem, and the solution is a better system. Growth comes from the whole system working together: the traffic, the offer, the landing page, how you capture people who don't buy straight away, how you convert them, and what happens after their first order. If any one of those is weak, the system fails and acquisition costs go sky high. No amount of clever work in your ad account will fix it.

So do less, but much more in depth. One type of customer. One main traffic source. One offer. One landing page. Then test and iterate obsessively until each part is really good.



Traffic: pick one source. If you have the money to run ads, for most of you that's Meta. If you don't, start with organic social; the skills carry straight across when you're ready to spend. Don't try to be on five platforms at once. You'll end up average on all of them, and e-commerce doesn't reward average.

The offer: your biggest lever. It's the thing you should test the most. Alex Hormozi's *$100M Offers* is the bible here. You want an offer people feel stupid saying no to.

1 **Start with what people want**
Lead with the product customers really want to buy.

2 **Stack free stuff on top**
So it feels like they're getting the main thing for free.

3 **Put a strong guarantee behind it**
So buying feels completely safe.

4 **Name it the way customers talk**
A name your customer would actually say out loud.

5 **Test it, then test it again**
The offer is never finished.

The landing page: congruence. Whatever you promised in the ad, email, SMS or WhatsApp message, the page has to carry on that exact message. Same promise, same offer, same feeling, or people bounce. Start with one landing page built for one customer avatar. Valentte and brands like Loop have many avatars with full supporting funnels; that doesn't mean you should. One page gives you time to test and improve it, make it resonate, and load it with proof: reviews, real customers, real results.

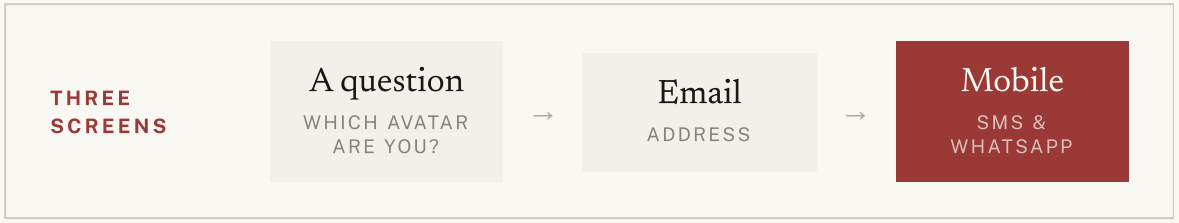
£40	£17–20	200–600	7
VALENTTE NCAC, BEFORE	NCAC NOW, SPENDING MORE	NEW CUSTOMERS A DAY	DAYS A WEEK

- One customer, one traffic source, one offer, one page.
- Stack value and a guarantee onto what people want.
- Meta if you can pay; organic social if you can't.
- Every touchpoint and the page say the same thing.

PART 2 · CONVERT

03 Capture: two pop-up sequences

Most people who land on your website won't buy on their first visit. If your system relies on them buying straight away, you're throwing most of your traffic away. Instead, capture them with pop-ups. Valentte runs two "new subscriber" pop-up sequences, each with three screens. If someone closes the first, they see the second 60 seconds later: a second chance to capture someone who just wasn't ready.



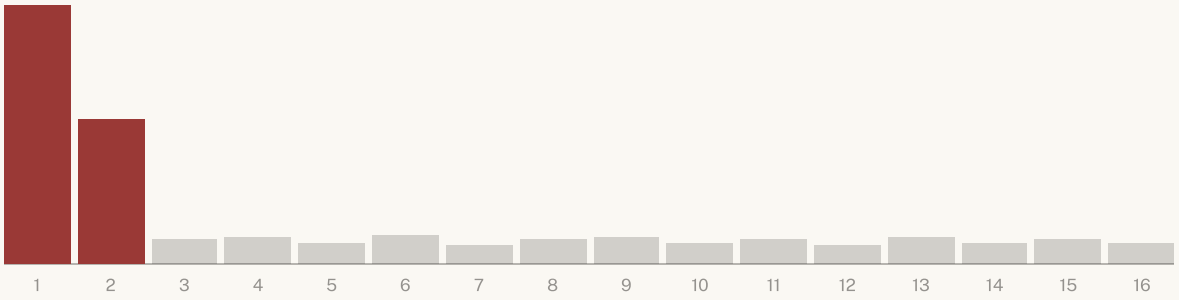
The question comes first because it's easy to answer and it tells you who they are. It puts the customer in a box: list the top four or five reasons people buy your product and turn them into the answers. Everything you send next can then talk about what they care about, across landing pages, email, SMS and WhatsApp.

20–25%	1,200	£12k	£3k
OF VIEWERS OPT IN	NEW SUBSCRIBERS A DAY	A DAY, POP-UP ONE	A DAY, POP-UP TWO

04 Convert: a long welcome flow and four abandonment flows

Once they've opted in, the welcome flow turns them into customers. Valentte's real data: 9% of new subscribers buy in the first seven days, another 5% in the second week, then it settles at 0.6–1% every single week. Our cohort data showed people still making their first purchase at that rate sixteen weeks after signing up.

SHARE OF SUBSCRIBERS MAKING A FIRST PURCHASE, BY WEEK



Week 1: 9%. Week 2: 5%. Weeks 3–16: 0.6–1% every week. Weekly values from week 3 are illustrative within that range.

So your welcome flow needs to be much longer than you think: not a week, but three, four, even six months. And it can't just be email. Use email, SMS, WhatsApp and direct mail together. Valentte's welcome flow does about £3,500 a day from SMS alone.

THE FOUR ABANDONMENT FLOWS

01 **Abandoned site.** They visited but didn't look at anything.	02 **Abandoned browse.** They looked at products but didn't add to basket.
03 **Abandoned cart.** They added something but didn't check out.	04 **Abandoned checkout.** They started checking out and stopped.

Each runs across email, SMS and WhatsApp. For abandoned cart and abandoned checkout, the very last message is direct mail: something physical through their letterbox. If your email marketing is still basic, don't build all of this at once. Start with the pop-ups and the welcome flow, then add the abandonment flows one at a time.

BUILD ORDER

Pop-ups
START HERE

→

Welcome flow
3–6 MONTHS

→

Abandonment
ONE AT A TIME

PART 3 · GROW

05 Post-purchase: shopped once, or twice or more

Stop lumping everyone together as “customers”. Think about two groups: people who’ve shopped with you exactly once, and people who’ve shopped twice or more. They’re completely different.

SHOPPED ONCE	SHOPPED TWICE OR MORE
Order 2	**More, more often**
Not really your customer yet; they’re still trying you out. Everything you send has one job: get the second order.	They’ve decided they like you. Bring them back more often and get them to spend a bit more: bundles, upsells, the range they come back for.

About 80% of Valentte’s transactions come from returning customers, and we’ve done that without a subscription model. You don’t always need one for good retention, and acquisition is generally more expensive for subscriptions, so test, and test some more. But do this in the right order: first purchase first. If new customers aren’t coming in profitably yet, that’s where your effort goes, not loyalty schemes.

06 Average order value: take the pressure off CAC

Over the last twelve months Valentte has added £10 to its average order value with three things. It matters because the more each customer spends, the more you can afford to spend on ads to acquire them. A higher AOV takes the pressure off your CAC.

1 **Price increases**
Most founders are far too scared of them. We increased prices by 40%; sales dropped by £25,000 a day, but we were much more profitable than before. You have to know your numbers to make that call.

2 **Bundles**
Put products together and push people towards the higher-value bundles. When we launched the Ready Set Scent bundle, sales went up by £200,000 a week and stayed there.

3 **Upselling**
Offer something extra as they go through: on the product page, in the basket, at checkout and after they've paid.

+£10	+40%	−£25k	+£200k
AOV IN 12 MONTHS	PRICE INCREASE	SALES A DAY, MORE PROFIT	A WEEK FROM ONE BUNDLE

Like everything else in the system, test it. Test your prices, your bundles and your upsells. Then test them again.

07 When nCAC isn't where it needs to be

This bit will feel wrong, but it might be the most important part of the playbook. If your new-customer CAC isn't where it needs to be, the answer is not to spend more. It's to cut your ad spend and regroup. A high nCAC is telling you your system isn't good enough yet to spend at that level: the offer isn't strong enough, the landing page isn't converting, the pop-ups aren't capturing enough people, or the welcome flow isn't turning them into buyers. Pouring more money in doesn't fix any of that. It makes it worse.

THE RESET	Reduce	→	Improve	→	Scale
	UNTIL NCAC WORKS		OFFER, PAGE, POP-UPS, FLOWS		ONCE NCAC IS BACK

Move the counters together. You can't fix everything at once. Imagine every part of your system is a counter on a table: offer, landing page, ads, pop-ups, welcome flow, abandonment flows, post-purchase. Your job is to move them all across the table, but you can't push one all the way and leave the others behind. Find the counter furthest behind and nudge it forward until it's good enough, not perfect. Then find the next one. Keep them roughly level.

Then keep going. Monitor every part of the system every day and keep refining it, because every time you step up and increase sales, something else will break, and you'll do this again. That's not failure. That's how growth actually works.

> *You have to earn the right to get bigger by being a good enough operator.*
>
> LUKE BREAM, VALENTTE

Implementation checklist

Sixteen moves, in the order an operator would run them.

- [ ] Work out yesterday's profit, and set up a daily profitability view from real numbers plus estimates.
- [ ] Split contribution margin into new and existing customers.
- [ ] Replace blended CAC with nCAC and eCAC in every report.
- [ ] Calculate your payback period and set a target to shorten it.
- [ ] Choose one customer avatar, one traffic source, one offer and one landing page.
- [ ] Rebuild the offer: core product, free stack, strong guarantee, a name customers would say.
- [ ] Audit congruence from ad, email, SMS and WhatsApp through to the landing page.
- [ ] Load the landing page with proof: reviews, real customers, real results.
- [ ] Launch pop-up sequence one: question, email, mobile.
- [ ] Add pop-up sequence two, shown 60 seconds after the first is closed.

- [ ] Extend the welcome flow to three to six months across email, SMS, WhatsApp and direct mail.
- [ ] Add the abandonment flows one at a time: site, browse, cart, checkout.
- [ ] Split post-purchase journeys: shopped once vs twice or more.
- [ ] Test a price increase, a higher-value bundle and upsells at four points.
- [ ] If nCAC is too high: cut spend, fix the furthest-behind counter, then scale.
- [ ] Review every part of the system daily; expect the next thing to break.

Conclusion

Growth happens in steps, and every time you step up, something breaks. The thing that breaks most often is your numbers, so know your profitability every day, split your margin and CAC into new and existing, and know your payback period if you lose money on new customers.

Then build a system, not just better ads: one source, one offer, one landing page; two pop-up sequences; a long welcome flow and four abandonment flows across email, SMS, WhatsApp and direct mail. Treat one-time and repeat buyers differently and keep pushing AOV up. If nCAC isn't right, cut spend, fix the system and scale again. Your one action this week: work out yesterday's profit, then split your CAC into new and existing. If you've never done it, you'll learn something about your business you didn't know.

TAGS Growth System · Unit Economics · Contribution Margin · nCAC · eCAC · Payback Period · Offer Design · Landing Pages · Pop-ups · Welcome Flow · Abandonment Flows · Retention · AOV · Meta Ads

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Calling all e-commerce founders

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Dreaming of £10m or maybe more?

Mon–Fri	7:30am	30 min	Live
EVERY WEEKDAY	BEFORE THE DAY STARTS	DEEP DIVE, NO FILLER	UNFILTERED, UNEDITED

It's not a podcast. It's not an interview. It's a 30-minute deep dive, Monday to Friday at 7:30am, live and unfiltered – analysing the day-to-day challenges and opportunities you're facing right now. Just two founders talking.

Ask me anything. The goal is simple: 30 minutes of clear, actionable advice you can take away and use that day.

Content creation · Meta ads · Landing pages · Email · Manufacturing · Operations · Recruitment · Leadership

A BIT ABOUT ME

I'm Luke Bream, co-founder and CEO of Valentte, a home fragrance DTC brand. We launched in 2011 on a market stall and stayed small for almost a decade. Covid hit, we moved online, and growth took off.

50×	140	£30m+
BIGGER	STAFF	SALES THIS YEAR

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