

THE NO-HYPE FUNNEL

Sales Funnels and Email Marketing
for Beginners Selling Anything



Know What a Lead Is Worth,
Write Six Welcome Emails,
Fix One Step at a Time

AlexC

FREE SAMPLE: START HERE AND CHAPTER 1

The No-Hype Funnel

Sales Funnels and Email Marketing for Beginners Selling Anything: Know What a Lead Is Worth, Write Six Welcome Emails, Fix One Step at a Time

AlexC

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This book is general education about marketing and selling. It is not legal, tax or financial advice, and it does not promise any sales, income or result.

All business names, numbers and worked examples are illustrative unless a source is given. Rules and requirements change: every fact that can change carries the date it was checked and a link to its source. Check it again before you act.

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How this book was made: the author planned the method and the examples; the text was drafted with the help of AI tools, then checked against official sources (dated in the book), recalculated by script and reviewed for accuracy and for compliance with email and consumer rules.

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Start Here

You have something to sell. It might be a jar of spice, a knitting pattern, an hour of your time or a monthly app. People find you, some of them look around, and most of them leave without a word. This book is about the path between “found you” and “paid you”, and about the few numbers that tell you where that path is broken.

The path has a name: a **funnel**. The name sounds like a machine. It is not one. A funnel is a set of steps you can count, and once you count them you can fix them, one at a time.

Who this book is for

This book is for anyone who sells one thing online and wants more of the people who show interest to buy:

- a **physical product**, such as food, clothing, crafts or equipment;
- a **digital product**, such as an ebook, a template, a pattern or an online course;
- a **service**, such as bookkeeping, coaching, design or repairs;
- **software or a subscription**, such as an app with a monthly plan.

You do not need experience in marketing. If you can use a browser, a spreadsheet and an email account, you can do everything in this book. You do not need to write code.

How the book works

You build one funnel, in order. Each chapter adds one piece, and each piece leaves you with something you keep:

Chapter	The piece	What you keep
1	The funnel on one page	A funnel math sheet: what a lead is worth to you
2	Offer first, funnel second	A first offer card
3	The lead magnet	A lead magnet chosen with a scorecard
4	Sign-up page and thank-you page	Draft pages with consent wording
5	The welcome sequence	Six welcome emails written from frames
6	From lead to order	A sales page, checkout or booking step you have checked
7	Inbox and the law	An inbox-placement and email-law checklist
8	Measure and fix	A weekly review and a 30-day plan

The appendices collect the formulas (Appendix A), fill-in frames for every page and email (Appendix B), the checklists (Appendix C), a glossary (Appendix D) every source with the date it was checked (Appendix E), and a complete Brightjar funnel (Appendix F).

Every chapter has the same parts, so you always know where to look:

- a **box at the start** with the problem the chapter solves and what you will be able to do;
- **worked examples** with every number shown;
- **“Your turn”** boxes that point to an exercise;
- **“Check before you rely”** boxes for facts that can change, such as a platform rule;
- **“Risk”** boxes for practices that look tempting and cause harm, so you can recognize them;
- **“If you sell...” tables** where the method differs for physical, digital, service and software sellers;
- **exercises with answers** at the end, and a “Common mistakes” list in most sections.

The contribution figures are before acquisition, fixed costs and taxes; they are not net profit.

Appendix F contains a complete Brightjar funnel with pages, six full emails, checkout copy and operating rules. It is the corrected example, separate from the earlier drafts used to find problems.

What you need

You need a spreadsheet and four kinds of tool. This book describes what each tool must do and does not tell you which brand to buy:

- **An email tool** that can send from your own domain with proper authentication, confirm new sign-ups by email (double opt-in), tag contacts, send an automated sequence, and add one-click unsubscribe headers and a visible unsubscribe link. Chapter 7 explains why each of these matters.
- **A page tool or a website** where you can publish a sign-up page and a thank-you page.
- **A way to take an order:** a checkout, a booking calendar or a trial sign-up, depending on what you sell.
- **A way to see where visitors came from:** tagged links plus the visitor reports in your page tool or a free analytics tool. Chapter 8 shows how.

Many tools offer a free or low-cost plan that covers a first funnel. Check each tool’s current plan and features yourself before you commit; they change often.

Meet the examples

Three small businesses walk through every chapter with you. They are invented, and so are all their numbers. They are there so that you can see the method work on real-looking figures, not so that you copy their results.

Business	What it sells	First offer	Lead magnet	What goes wrong in Chapter 8
Brightjar Spice Co. (Noor, US)	Spice blends: a physical product	Starter Trio of three jars, \$24.00	One-Jar Week recipe cards	Shipping shown only at the last checkout step
Fernrow Knits (Kai, UK)	Knitting patterns: a digital product	Weekend Hats and Cowls pack, \$16.00	Free Weekend Beanie pattern and video	A thank-you page that says only “Thanks!”
Ledgerlark Bookkeeping (Dara, US and Canada)	Bookkeeping: a service with a monthly plan	Books Health Check, \$180.00	Month-End Checklist	Three questions the sales page never answers

A fourth business, **Quavernest**, appears only in the software column of the “If you sell...” tables. It is a scheduling app for music teachers, run by Mika, with a free studio policy template as its lead magnet, a 14-day free trial and then a monthly plan.

How numbers work in this book

Every business name, price and rate in the examples is **illustrative**. None of them is a benchmark, an average or a target. This book does not give “typical” sign-up or sales rates, because a rate that is normal for one product and one audience can be poor or excellent for another. The only benchmark that counts is your own last period: you measure, you change one thing, and you measure again.

Some facts can change: an email provider’s sender rules, a law, a penalty amount. Each of those carries a link to its official source and the date it was checked, 8 October 2026. Check it again before you act.

This book explains what rules say so that you can follow them. It is not legal advice. If your situation is unusual, or you sell in a regulated field, ask a qualified adviser.

What this book will not do

- It will not promise sales, sign-ups or income. A funnel is a way to measure and improve; what it brings depends on your product, your audience and your work.
- It will not teach you to press buttons in a particular tool. Screens change; the method does not.
- It will not set up paid ads. If you want to buy traffic, this book tells you the most you can afford to pay for a lead; the first book in this series, *Clicks You Can Afford*, covers capped ad tests. You do not need it to use this book.

- It will not cover search-engine optimization or growing a social media following. Those bring people to the top of your funnel; this book is about what happens once they arrive.
- It will not teach pressure tactics: invented deadlines, fake scarcity, fake reviews. They are named in Risk boxes so that you can recognize them, together with the honest alternative.

If you have 30 days

You can build a first version of the whole funnel in about a month of evenings and weekends. Section 8.6 gives the full plan:

- **Week 1:** choose your first offer and fill in your funnel math sheet (Chapters 1 and 2).
- **Week 2:** create the lead magnet and publish the sign-up and thank-you pages (Chapters 3 and 4).
- **Week 3:** write the six welcome emails, check your order step and set up your sending domain (Chapters 5 to 7).
- **Week 4:** send your first visitors and hold your first weekly review (Chapter 8).

Start with Chapter 1. It takes an hour, and it gives you the number every later chapter protects.

By the End You Will Have

Work through the eight chapters with your own product and you will finish with seven things you can use the next day:

1. **A funnel math sheet** that shows what a lead is worth to you and the most you can spend to get one. ([Chapter 1](#))
2. **A first offer** that fits what you sell: a trial or demo, a consult or audit, a starter bundle, or a low-price digital product, priced from your own numbers. (Chapter 2)
3. **A lead magnet chosen with a scorecard** that favors people likely to buy over people who just like free things. (Chapter 3)
4. **A draft sign-up page and thank-you page**, with consent wording written for where your readers live, checked against the official rules as of 8 October 2026. (Chapter 4)
5. **A six-email welcome sequence** that leads to your first offer, written from fill-in frames. (Chapter 5, Chapter 6)
6. **An inbox-placement and email-law checklist** to check your setup against the published sender rules of the big inbox providers and the email laws covered in the book. (Chapter 7)
7. **A weekly review routine** to find the step where people drop off and fix one thing at a time, plus a 30-day plan. (Chapter 8)

You will also know which questions to ask before you pay for any traffic, which pressure tactics to refuse, and how to tell a real improvement from a lucky week.

This book does not promise sales, sign-ups or income. It gives you the tools to measure your own funnel and to improve it honestly.

The Funnel on One Page: Stage Rates, Value per Lead and Allowed Cost per Lead

The problem. You want more people to buy what you sell, and every option costs something: an ad, a sponsored slot, a weekend of recipe videos. Without one number you cannot tell which of them pays: what a lead is worth to you. It is easy to start spending before you know it.

By the end of this chapter you will be able to:

- draw your funnel as counted stages and work out the rate between each pair (Sections 1.1 and 1.2);
- calculate contribution per order from your price and the cost of delivering one order (Section 1.3);
- calculate value per lead over a 90-day window (Section 1.4);
- set an allowed cost per lead and use it to accept or turn down any offer of leads (Section 1.5).

What you need first. A spreadsheet or a calculator. Your price and what one order costs you to deliver, if you know them. You do not need an email tool, a website or an ad account yet.

How to read this chapter. New to funnels? Read in order: each section uses the numbers of the one before. Already counting your stages? Go to [section 1.4](#) and [section 1.5](#), then fill in the math sheet in [section 1.6](#).

All business names and numbers in this chapter (Brightjar Spice Co., Fernrow Knits, Ledgerlark Bookkeeping, Quavernest) are **illustrative**: invented to show the method, not benchmarks or expected results. This chapter is pure method; later chapters give a link and a check date for every fact that can change.

1.1 What a funnel is, and what it is not

A **funnel** is the counted path a person takes from stranger to repeat customer. Each step on that path is a **stage**. This book uses five stages: stranger, visitor, lead, customer and repeat customer. A stranger has never heard of you. A visitor reaches your **sign-up page**, a page whose one job is collecting leads (often called a landing page). A lead asks to hear from you, a customer pays, and a repeat customer pays again.

Many people enter at the top, and fewer reach each stage below. That is normal. The point is not to remove the shape but to count it, so you can see which stage loses more people than it should.

The path does not end when someone pays. Deliver what you promised, on time, and invite customers to pass your sign-up page to anyone who could use it. Let those people sign up themselves; do not email names a customer gives you, because those people never asked to hear from you (Chapter 7). Those two habits feed the repeat stage and bring new strangers to the top.

Why the lead comes before the order

Think of Noor, who sells spice blends at a monthly makers' market. Hundreds of people walk past the stall. Some stop, smell a jar and walk on. If Noor has no way to reach them, they are gone. A person who writes their email address on Noor's sign-up card has asked to hear more, and Noor can write to them next week.

That is why this book collects the lead first and asks for the order second. Many people are not ready to buy the first time they meet you. A lead gives you time to show that what you sell is worth the price.

Your **list** is everyone you may lawfully email. It is the one channel you control. A social platform decides who sees your posts. Nobody else decides who on your list you write to, although inbox providers still decide where your email lands (Chapter 7).

A measuring tool, not a machine

A funnel does not run itself, and nothing in it is automatic income. Emails can go out automatically; people still decide whether to read and buy. Treat the funnel as a measuring tool that shows where people drop off, so you can fix one stage at a time (Chapter 8).

Brightjar Spice Co. is Noor's small online shop. Its sign-up page offers free recipe cards, and its first paid product is a Starter Trio of three small jars. Figure 1.1 shows one 4-week period: 2,500 visitors, 500 leads, 20 customers and 7 repeat orders, with the rate on each arrow.

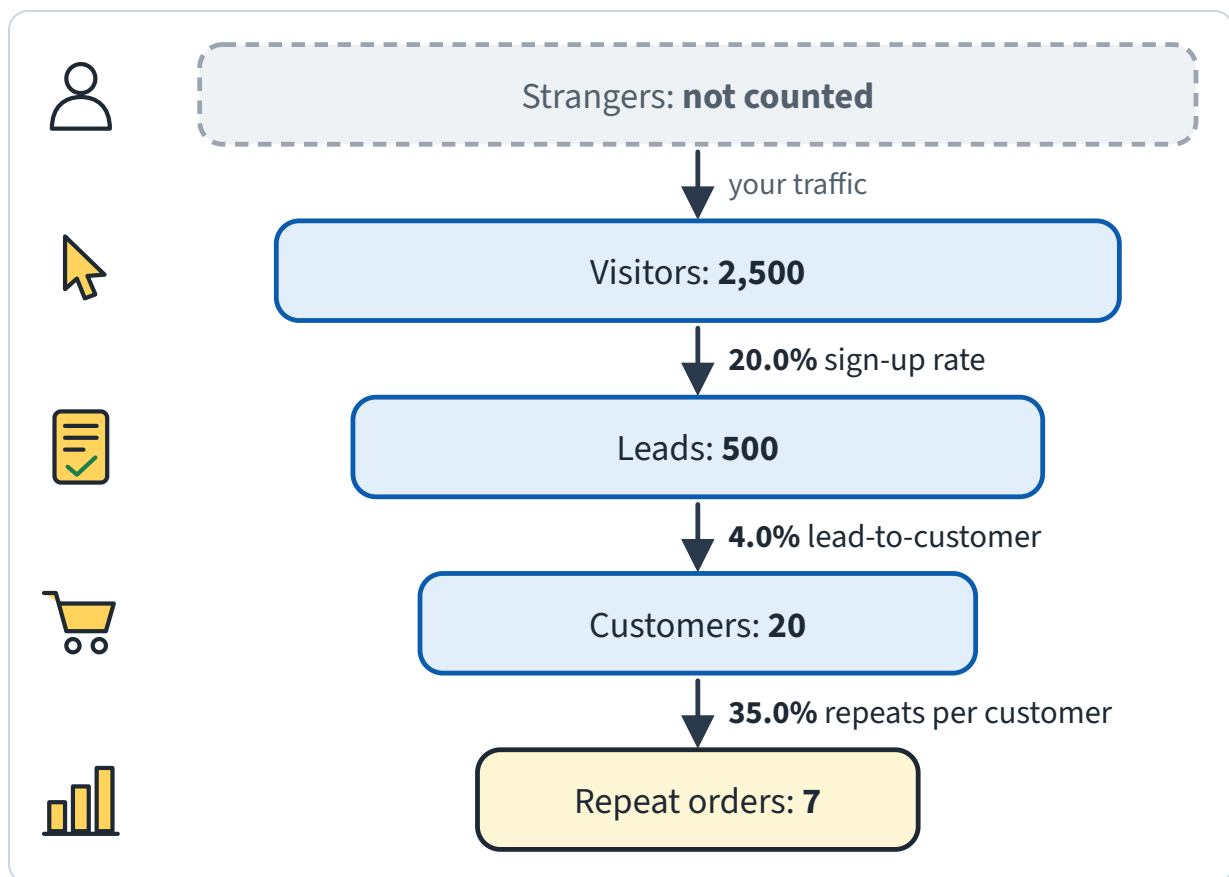


Figure 1.1. Brightjar's funnel for one 4-week period: each stage counted, each arrow a stage rate.

Common mistakes in this section

- **Sending visitors straight to a sales page with no way to stay in touch.** Many visitors are not ready on day one. Give them a reason to become a lead first.
- **Expecting the funnel to work once it is built.** A funnel is a set of counts. It improves only when you read the counts and change one stage.

1.2 Count every stage, then its rate

To improve a funnel, you need counts that mean the same thing every time. This book uses four fixed definitions.

- A **visitor** is a unique visitor to your sign-up page in the period. One person who visits three times counts once.
- A **lead** is a person who signed up and, if you use **double opt-in**, confirmed. Double opt-in means the person confirms the sign-up by clicking a link in an email (Chapter 4).
- A **first order** is a lead's first paid order within 30 days of signing up. A **customer** is someone who has paid you at least once.
- A **repeat order** is any later paid order, or subscription payment, within 90 days of signing up.

What the lead signs up for is your **lead magnet**: the free, useful thing you offer in return for an email address. Brightjar's is a set of printable recipe cards called the One-Jar Week. The first thing a lead can buy is your **first offer**; Chapter 2 helps you choose it.

A **stage rate** is the share of one stage that reaches the next:

$$\text{Stage rate} = \text{people in the next stage} \div \text{people in this stage}$$

Two stage rates get their own names. The **sign-up rate** is $\text{leads} \div \text{visitors}$. The **lead-to-customer rate** is $\text{first orders} \div \text{leads}$. For software sold with a free trial, the lead is often a trial sign-up, and the same rate is then called the **trial-to-paid rate**.

Quavernest, the software example in the tables, has two sign-ups: teachers who download its free studio policy template, and teachers who start its 14-day free trial. In its math, a lead is a trial sign-up, because every paying customer starts there. Template sign-ups are an earlier stage that it also counts. If you sell software, decide which sign-up is your lead, write it on your math sheet, and keep it the same every period.

Worked example: Brightjar's stage rates

Inputs (illustrative). One 4-week period: 2,500 visitors to the sign-up page, 500 confirmed leads, 20 first orders within 30 days, 7 repeat orders within 90 days.

Steps.

$$\begin{aligned}\text{Sign-up rate} &= 500 \div 2,500 = 20.0\% \\ \text{Lead-to-customer rate} &= 20 \div 500 = 4.0\% \\ \text{Repeat orders per customer} &= 7 \div 20 = 35.0\%\end{aligned}$$

Result. One visitor in five became a lead (**20.0%**). Four leads in a hundred bought the Starter Trio (**4.0%**). Customers placed 7 repeat orders for every 20 first orders (**35.0%**). The last figure counts repeat orders by the 30-day first-purchase customers, not people. It is not a stage rate and can pass 100%: one customer may order twice. Track late-first-purchase customers separately when computing this ratio; include all their in-window orders in 90-day value.

Why this matters. Each rate belongs to one stage, so each points to a different part of the work. A low sign-up rate points at the sign-up page and the lead magnet. A low lead-to-customer rate points at the emails, the offer or the checkout.

Small numbers move a lot

Twenty orders is a small count. Three orders more or fewer would move Brightjar's lead-to-customer rate from 4.0% to 3.4% or to 4.6%, and that can happen by chance. Treat one period's rate as a first reading, not a fact about your business. Section 8.5 shows how to read small numbers.

Your own last period is the benchmark

This book gives no “good” sign-up rate and no “typical” lead-to-customer rate. Published averages mix very different products, prices and ways of counting. The only benchmark that counts is your own last period, measured the same way. Brightjar’s 20.0% is not a target for you.

Common mistakes in this section

- **Mixing visits and unique visitors.** Page tools often show both. Use unique visitors in every period, or your sign-up rate will move when nothing else did.
- **Dividing by form submissions when you mean confirmed leads.** With double opt-in, some people fill in the form but never confirm. Fernrow Knits had 1,330 form submissions but 960 confirmed leads in one period. Only confirmed leads receive your welcome sequence, so divide by them.
- **Treating an example rate as a target.** Every rate in this book is illustrative. Compare your rates with your own earlier periods only.

1.3 Contribution per order, not revenue

Revenue is what a customer pays, not what you keep. To know what a lead is worth, you need what each order leaves you.

Contribution per order is the price minus the cost of delivering that order: goods or contractor time, packing, payment and platform fees. Shipping you charge to the buyer at cost goes in and straight back out, so leave it out on both sides. Overheads such as rent, monthly tools and your own salary are not part of one order, so leave them out too.

This is **contribution per order**, often called contribution margin: money available for acquisition, fixed costs and taxes. It is not net profit. Count owner time used to fulfill an order as a delivery cost; leave a fixed owner salary in overheads. Include refunds, returns, fee losses and shipping subsidies when they apply. Shipping charged at cost nets out only if no extra fee or subsidy remains.

Worked example: Brightjar’s two kinds of order

Inputs (illustrative). The Starter Trio sells for \$24.00. Delivering one costs \$7.40 for blends and jars, \$1.30 for labels and packing, and \$1.00 in payment fees. A repeat order of full-size jars averages \$38.00, and delivering it costs \$15.10 in all.

Steps.

Contribution per first order = $\$24.00 - (\$7.40 + \$1.30 + \$1.00) = \$14.30$

Contribution per repeat order = $\$38.00 - \$15.10 = \$22.90$

Result. Each first order leaves Noor **\$14.30**; each repeat order leaves **\$22.90**.

Why this matters. If Noor used revenue, a Starter Trio would look like \$24.00 of value, about two thirds more than it leaves. Every later number, including what Noor could pay for a lead, would be too high by the same share.

If you sell...

What goes into the cost of one order depends on what you sell. The table shows what to count for each type, with one illustrative order each.

What to count	Physical	Digital	Service	Software
Cost of one order	Goods, packing, payment fee, any shipping you pay yourself	Payment and platform fees, a share of video or file hosting	Contractor time, or your own time at an hourly cost; software; payment fee	Hosting, payment fee, support time per paying user
Also allow for	Returns and breakage	Refunds, if you offer them	Jobs that run longer than planned	Refunds and support peaks
Example (illustrative)	Brightjar Starter Trio: \$24.00 – \$9.70 = \$14.30	Fernrow pack: \$16.00 – \$1.30 = \$14.70	Ledgerlark Health Check: \$180.00 – \$70.00 = \$110.00	Quavernest month: \$18.00 – \$3.50 = \$14.50
Leave out	Rent, monthly tools, your salary	Same as physical	Same as physical	Same as physical

If you do not know a cost exactly, use the higher figure you think likely. That makes every later number a little cautious, which is the safe direction.

Common mistakes in this section

- **Using revenue instead of contribution.** It overstates what a lead is worth by the whole cost of delivery. Subtract the cost of each order first.
- **Forgetting the payment fee.** It looks small, but it is part of every order. Take the real amount from your payment statement.
- **Loading overheads onto each order.** Rent and monthly tools do not change with one more order. Review them for the business as a whole.

1.4 Value per lead

You now have the counts and the contribution per order. Together they tell you what one lead brings in.

Value per lead is the 90-day contribution from one period's leads, divided by those leads. It means contribution before acquisition, fixed costs and taxes, not revenue or net profit. Count every attributable order within 90 days of each lead's sign-up, including a first purchase on days 31 to 90:

Value per lead = total contribution from all cohort orders within 90 days ÷ cohort leads

For the two-order-type examples, use the following breakdown. They assume no first purchases on days 31 to 90:

$$\text{Value per lead} = (\text{first orders} \times \text{contribution per first order} + \text{repeat orders} \times \text{contribution per repeat order} + \text{late first-order contribution}) \div \text{leads}$$

Late first-order contribution is the total from first purchases on days 31 to 90. It is zero in the running examples. A first purchase on day 45 enters 90-day value, but not the 30-day lead-to-customer rate. For value calculations and worksheet line 4, repeat orders include later purchases by both early and late first-purchase customers within day 90. This is broader than the early-buyer repeat ratio in Section 1.2. Count each order once. If order types or costs vary, sum their actual contributions rather than using one average.

Worked example: what one Brightjar lead is worth

Inputs (illustrative). From Sections 1.2 and 1.3: 500 leads, 20 first orders at \$14.30 contribution, 7 repeat orders within 90 days at \$22.90 contribution.

Steps. First, count the first orders only:

$$\begin{aligned}\text{First-order contribution} &= 20 \times \$14.30 = \$286.00 \\ \text{Value per lead, first orders only} &= \$286.00 \div 500 = \$0.57\end{aligned}$$

Then add the repeat orders that arrived within 90 days:

$$\begin{aligned}\text{Repeat contribution} &= 7 \times \$22.90 = \$160.30 \\ \text{90-day contribution} &= \$286.00 + \$160.30 = \$446.30 \\ \text{Value per lead} &= \$446.30 \div 500 = \$0.89\end{aligned}$$

Result. A Brightjar lead is worth about **\$0.89** of contribution over 90 days. Counting first orders only, it is worth **\$0.57**.

Why this matters. Each lead is worth less than a dollar, even though the Starter Trio costs \$24.00. Most of Brightjar's leads did not buy in the period, and the few who did carry the rest. That is the number every later decision has to respect.

Figure 1.2 shows where Brightjar's \$446.30 comes from and how it is shared across the 500 leads.



Figure 1.2. Brightjar’s value per lead: 90-day contribution shared across 500 leads.

The other two examples, in one line each

Fernrow Knits sells knitting patterns and video workshops. A Fernrow lead is worth \$0.55 from first orders alone and **\$0.92** over 90 days.

Ledgerlark Bookkeeping sells a fixed-price Books Health Check, then a monthly plan. A Ledgerlark lead is worth \$4.40 from first orders alone and **\$10.91** over 90 days. The jump comes from three customers who started the monthly plan, each paying more per month than a Health Check. A recurring plan can lift value per lead well above what a one-off order gives.

Keep the same group of leads

A **cohort** is the group of leads who signed up during one stated period. Match each order to that lead and to days since sign-up. Do not divide this week’s orders from older leads by this week’s new sign-ups. Use a stable contact identifier; keep the link to orders private.

For a cohort acquired from 1 to 28 January 2026, the last lead’s 30-day window ends on 27 February. Its 90-day window ends on 28 April. A review on 28 February can finalize the 30-day rate, but the 90-day value is still provisional. Record cohort dates, the data cut-off date and the number whose window remains open. All these dates are illustrative.

Use the same attribution rule each period. Exclude orders by existing customers outside the cohort and avoid crediting one order to two campaigns. A UTM tag names a source; it does not, by itself, connect a later order to a lead.

Why 90 days, and not “lifetime value”

You may see a number called “lifetime value”: what a customer is worth over all the years they stay. This book does not use it, because it rests on a guess about how long customers stay. Guesses about the far future are where hype tends to live.

A 90-day window is short enough to count and check. It leaves out contribution that may arrive later, so it is cautious on purpose. If a decision makes sense on 90 days of contribution, later contribution only adds a cushion.

Common mistakes in this section

- **Counting lifetime value.** It rests on a guess about the future. Use the contribution you can count within 90 days of sign-up.
- **Comparing two periods before both windows have closed.** A period that started three weeks ago has not had 90 days to produce repeat orders. Compare first-orders-only values until both windows are complete.

1.5 Allowed cost per lead

Value per lead tells you what a lead brings in. The next question is how much you can spend to get one.

The **break-even cost per lead** is equal to value per lead. This is acquisition break-even only: paying it uses up the whole 90-day contribution before fixed costs and taxes. It is not the business's break-even point.

The **allowed cost per lead** is 70% of value per lead:

$$\text{Allowed cost per lead} = 0.7 \times \text{value per lead}$$

The missing 30% is a **safety margin** in this planning convention, not a measured rule or a promise of profit. It must also leave room for fixed costs, cash-flow needs and uncertainty; it may be too small for your business. The 70% ceiling is the same convention as in *Clicks You Can Afford*, the first AlexC book; if you buy traffic, that book covers small, capped tests.

Worked example: Brightjar's ceiling

Inputs (illustrative). Value per lead \$0.89 (from Section 1.4), for 500 leads with a 90-day contribution of \$446.30.

Steps.

$$\text{Break-even cost per lead} = \text{value per lead} = \$0.89$$

$$\text{Allowed cost per lead} = 0.7 \times \$0.89 = \$0.62$$

Result. Noor should pay at most **\$0.62** for a lead. If Noor had paid that for all 500 leads, the leads would have cost \$310.00 and left \$136.30 of the \$446.30.

Why this matters. At \$0.62, acquisition leaves some contribution for fixed costs and taxes. It does not establish net profit. At \$0.89, acquisition leaves almost nothing before those costs.

Inputs (illustrative, what-if). If fixed costs allocated to this cohort were \$150.00, the \$136.30 left after acquisition would give $\$136.30 - \$150.00 = -\$13.70$ before tax. The 70% rule did not make this business profitable. Use a lower ceiling when overheads or cash-flow needs require it.

Figure 1.3 shows the same ceiling as a ruler, from nothing to break-even.

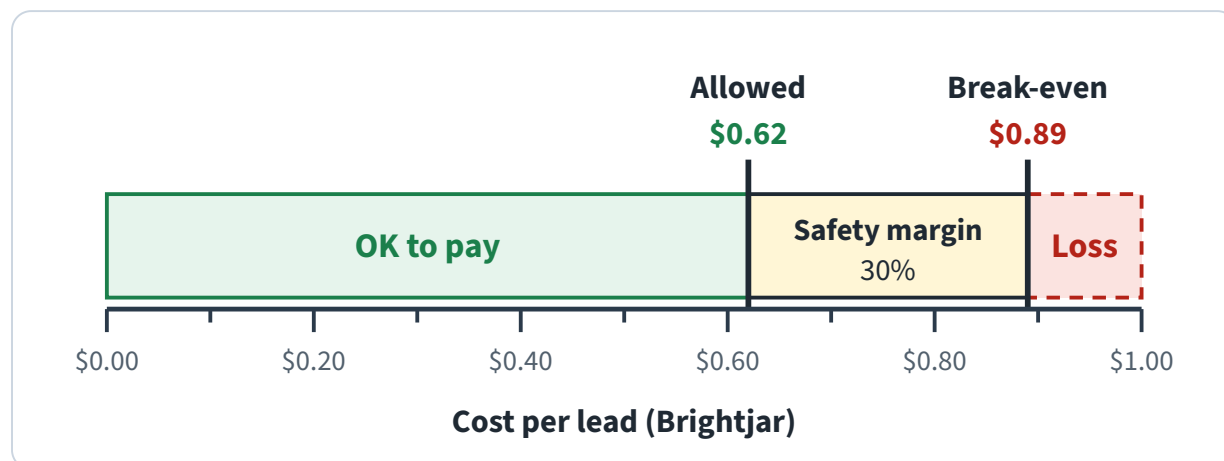


Figure 1.3. Brightjar’s allowed cost per lead, \$0.62, sits 30% below the break-even cost of \$0.89.

The other examples work the same way. Fernrow: break-even \$0.92, allowed **\$0.64**. Ledgerlark: break-even \$10.91, allowed **\$7.64**. Quavernest sells a scheduling app with a 14-day free trial, and in its math a lead is a trial sign-up (Section 1.2): break-even \$4.53, allowed **\$3.17** per trial sign-up.

What the number is for

The allowed cost per lead is a ceiling for any source of leads you pay for: ads, a sponsored slot in someone else’s newsletter, a paid stall that collects sign-ups. If a source costs more per lead, say no, or ask for a lower price. Bought lists of email addresses are not a source of leads in this book: those people never asked to hear from you (Chapter 7).

For free traffic, the number is a reality check. A recipe video costs Noor hours, not money. If a week of videos brings 40 leads, those leads are worth about \$36 of 90-day contribution. That tells Noor how much time the videos can justify.

Check a new source separately. Leads from free recipe posts and leads from a paid placement may buy differently. Do not transfer the old cohort’s value to a new source as a fact. Track contribution and acquisition spend by source, and use a capped learning budget when the value is still unknown.

What changes it

Four inputs move the allowed cost: the price, the cost of each order, the lead-to-customer rate and the repeat rate. Here is one what-if for Brightjar, with prices and costs unchanged.

Inputs (illustrative, what-if). The lead-to-customer rate falls from 4.0% to 3.0%, so 500 leads give 15 first orders. Repeat orders stay at 35% of customers, which projects 5.25 repeat orders.

90-day contribution = $15 \times \$14.30 + 5.25 \times \$22.90 = \$214.50 + \$120.23 = \$334.73$

Value per lead = $\$334.73 \div 500 = \text{about } \0.67

Allowed cost per lead = $0.7 \times \$0.67 = \text{about } \0.47

One percentage point off the lead-to-customer rate cuts the allowed cost from \$0.62 to about \$0.47. It also shows what the safety margin is for. If Noor had paid \$0.62 per lead and the rate then fell to 3.0%, each lead would still leave about \$0.05 of contribution. If Noor had paid the full \$0.89, each lead would lose about \$0.22.

Your turn (exercise 2). Decide whether to buy sign-ups from a newsletter at a fixed price per lead.

Common mistakes in this section

- **Spending up to break-even.** Break-even leaves no room for a worse period. Use the allowed cost as your ceiling.
- **Keeping an old allowed cost after something changed.** A new price, a higher cost or a lower rate moves the ceiling. Recalculate it whenever one of the four inputs changes.

1.6 Your funnel math sheet

Worksheet WS-ch01-1 below holds every number from this chapter. Fill it in now, and again in Chapter 8 when you have measured a full period.

Use the low and high columns for estimates and the measured column for counts from a real period. If you already sell, start with the measured column. If not, fill both estimate columns and compute the sheet twice. Recalculate lines 7 to 13 whenever a line from 1 to 6 changes. The small table under it checks any paid source of leads against line 13.

For this worksheet, lines 3 and 8 use first purchases within 30 days. Line 10 adds the contribution of any first purchases on days 31 to 90. Record that late contribution separately below the table; zero means measured zero, not missing data. Use first-orders-only value only after the 30-day window has closed.

When you have no data yet

Fill the estimates from your own small evidence, never from an “industry average”: past sales, pre-orders, replies to a post that asked who wanted it, sign-ups at a market stall. The low estimate is the number that would disappoint you; the high one is the best you think honest. If a source of leads costs more than the low allowed cost, treat it as a gamble, not a test.

If you have no purchase evidence, do not manufacture a positive acquisition ceiling. Start with known price and variable costs. Interview likely buyers about their past behavior, then publish a small working offer to traffic you can already reach. Record sign-ups and actual purchases by cohort. Label early numbers provisional until their windows close. A waitlist shows interest, not willingness to pay.

A paid pilot, if needed, has a fixed amount you can afford to lose for learning; it is not spending justified by an unmeasured value per lead. Stop when that budget is used, whether or not a purchase arrives. Use the first measured cohort to replace assumptions. If you cannot fund a pilot, use existing reach and direct buyer conversations first.

“Not known yet” is a correct entry. An invented number is not. Brightjar’s measured column would read 2,500, 500, 20, 7, \$14.30 and \$22.90 in lines 1 to 6.

Worksheet WS-ch01-1. Your funnel math sheet. One 4-week acquisition cohort. Dates (from, to):

Data cut-off: _____. Last lead has had 30 days? _____. 90 days? _____.

No.	Line	Low estimate	High estimate	Measured
1	Visitors: unique visitors to the sign-up page			
2	Leads: confirmed sign-ups			
3	First orders within 30 days of sign-up			
4	Repeat orders within 90 days of sign-up			
5	Contribution per first order: price minus delivery cost			
6	Contribution per repeat order			
7	Sign-up rate: line 2 ÷ line 1			
8	Lead-to-customer rate: line 3 ÷ line 2			
9	Value per lead, first orders only: line 3 × line 5 ÷ line 2			
10	90-day contribution: line 3 × line 5 + line 4 × line 6 + late first-order contribution			
11	Value per lead: line 10 ÷ line 2			
12	Break-even cost per lead: same as line 11			
13	Allowed cost per lead: 0.7 × line 11			
14	Where lines 1 to 6 came from			

Late first-order contribution (days 31 to 90): low ____; high ____; measured _____. Add these amounts to line 10. In the book's running examples they are zero.

Business check: acquisition spend ____; contribution after acquisition ____; allocated fixed costs ____; amount left before tax _____. If it is negative, line 13 is too high for these assumptions.

Before you pay for leads, check each source against line 13.

Source of leads	Cost per lead	Allowed cost (line 13)	Below it?	Decision

Your turn (exercise 3). Fill in the sheet for what you sell, with a low and a high estimate in every line you cannot measure yet.

Common mistakes in this section

- **Filling the sheet with someone else's rates.** A rate from a blog post or from this book describes another business. Use your own evidence, or write "not known yet".
- **Writing one number when you only have a guess.** A single guess looks more certain than it is. Two estimates show how wide your uncertainty is.

1.7 Chapter summary

The idea to carry forward. Know what a lead is worth before you spend money or months getting one. Count your stages, use contribution rather than revenue, and keep to a 90-day window. Pay no more than 70% of what a lead is worth.

What the chapter covered:

- **Funnel.** Counted stages from stranger to repeat customer; a measuring tool.
- **Stage rates.** Next stage $\div$ this stage; your own last period is the benchmark.
- **Contribution per order.** Price minus the cost of delivering that order; no overheads.
- **Value per lead.** 90-day contribution $\div$ leads; Brightjar's is \$0.89.
- **Allowed cost per lead.** $0.7 \times$ value per lead, a ceiling with a 30% safety margin; Brightjar's is \$0.62.
- **Math sheet.** One page with low, high and measured columns, filled in again in Chapter 8.

Where to go next. Chapter 2 puts line 13 of your sheet, your own allowed cost per lead, to work: it asks whether your first offer can pay for its own leads. At Brightjar's allowed cost of \$0.62, about \$15.50 of lead cost sits behind each Starter Trio order, which leaves \$14.30 of contribution, so something else must close the gap. Chapter 3 then chooses a lead magnet aimed at people likely to buy.

Exercises

Answers and their reasoning follow. Try each exercise on paper first.

Exercise 1: Ledgerlark's math sheet

Ledgerlark Bookkeeping is Dara's two-person bookkeeping service. *Inputs (illustrative)*: in one 4-week period, 1,250 visitors reached the sign-up page and 175 became confirmed leads. Within 30 days, 7 leads bought the Books Health Check, which leaves \$110.00 contribution each. Within 90 days, there were 6 monthly plan payments, which leave \$190.00 contribution each.

Calculate (a) the sign-up rate and the lead-to-customer rate, (b) value per lead from first orders only and over 90 days, and (c) the allowed cost per lead.

Hint: add the contribution from both kinds of order before you divide by leads. Sections 1.4 and 1.5 print some of the results: work them out first, then check yourself against them.

[Go to the answer to exercise 1](#)

Exercise 2: Should you buy these sign-ups?

A candle seller (invented for this exercise) had, in one 4-week period, 1,800 visitors and 270 confirmed leads. Within 30 days, 9 leads placed a first order, each leaving \$21.00 contribution. Within 90 days, there were 3 repeat orders at \$26.00 contribution each. A newsletter offers sponsored sign-ups at \$1.10 per lead.

- Calculate the sign-up rate and the lead-to-customer rate.
- Calculate value per lead over 90 days and the allowed cost per lead.
- Should the seller buy the sign-ups at \$1.10? At what price would you accept?
- Recalculate value per lead and the allowed cost if the repeat orders are ignored. What happens to the decision?

[Go to the answer to exercise 2](#)

Exercise 3: Your own sheet

Fill in Worksheet WS-ch01-1 for one thing you sell or plan to sell. Use the measured column for any line you can count. Use low and high estimates for the rest, and write in line 14 where each estimate came from.

[Go to the answer to exercise 3](#)

Check your understanding

Answer in your own words, then [check the answers](#).

- Why does value per lead use contribution and not revenue?
- Why do you divide by confirmed leads and not by form submissions?

3. What does the 30% safety margin protect you against?
4. A lead first buys on day 45. Where does that order enter, and where does it not?

Answers and reasoning

Answer to exercise 1

[Back to exercise 1](#)

- a. Sign-up rate = $175 \div 1,250 = \mathbf{14.0\%}$. Lead-to-customer rate = $7 \div 175 = \mathbf{4.0\%}$.
- b. First-order contribution = $7 \times \$110.00 = \770.00 , so value per lead, first orders only = $\$770.00 \div 175 = \mathbf{\$4.40}$. Plan contribution = $6 \times \$190.00 = \$1,140.00$. 90-day contribution = $\$770.00 + \$1,140.00 = \$1,910.00$, so value per lead = $\$1,910.00 \div 175 = \text{about } \mathbf{\$10.91}$.
- c. Allowed cost per lead = $0.7 \times \$10.91 = \mathbf{\$7.64}$.

The plan payments more than double the value per lead. Stopping at first orders would set Ledgerlark's ceiling far too low.

Answer to exercise 2

[Back to exercise 2](#)

- a. Sign-up rate = $270 \div 1,800 = \mathbf{15.0\%}$. Lead-to-customer rate = $9 \div 270 = \text{about } \mathbf{3.3\%}$.
- b. 90-day contribution = $9 \times \$21.00 + 3 \times \$26.00 = \$189.00 + \$78.00 = \$267.00$. Value per lead = $\$267.00 \div 270 = \text{about } \mathbf{\$0.99}$. Allowed cost per lead = $0.7 \times \$0.99 = \text{about } \mathbf{\$0.69}$.
- c. Do not buy at \$1.10. It is above break-even, so acquisition would exceed value by about \$0.11 per lead, even before fixed costs. Accept only at \$0.69 per lead or less, or ask the newsletter for a small test at that price.
- d. Without repeat orders, value per lead = $\$189.00 \div 270 = \mathbf{\$0.70}$, and the allowed cost = $0.7 \times \$0.70 = \mathbf{\$0.49}$. The decision gets stricter. If you are not sure repeat orders will come, use the lower ceiling.

Answer to exercise 3

[Back to exercise 3](#)

A good sheet contains:

- dates for one 4-week period, unique visitors in line 1 and confirmed leads in line 2;
- contribution per order in lines 5 and 6, with the payment fee in and overheads out;
- low and high estimates where you cannot measure, with a source for each in line 14;
- lines 7 to 13 computed from lines 1 to 6, giving two allowed costs if you are estimating.

“Not known yet” is a correct entry. An invented number, or a rate copied from someone else's business, is not.

Answers: check your understanding

[Back to the questions](#)

1. Revenue includes the cost of delivering each order, which you do not keep. Brightjar's Starter Trio brings in \$24.00 but leaves \$14.30. A value built on revenue would let you pay more for a lead than it returns.
2. Only confirmed leads receive your welcome sequence, so only they can move on to buy. Dividing by form submissions mixes in the confirmation stage: Fernrow's value per lead would fall from \$0.92 to about \$0.66.
3. Estimates that turn out too optimistic: a lower lead-to-customer rate, fewer repeat orders, or a cost you missed. In the Brightjar what-if, the rate fell from 4.0% to 3.0%; leads bought at \$0.62 still left a little contribution before fixed costs and taxes, and leads bought at \$0.89 lost about \$0.22 each.
4. A first purchase on day 45 enters late first-order contribution in 90-day value. It does not enter the 30-day lead-to-customer rate. Later orders inside day 90 enter repeat contribution once.

Get the Full Book

You have read Start Here and Chapter 1. You have a funnel math sheet: you know what a lead is worth to you and the most you can spend to get one.

The rest of the book builds the funnel that number protects, one worksheet per step.

What comes next

Chapter	What you build
2. Offer first, funnel second	A first offer card, priced from your own numbers
3. The lead magnet	A lead magnet chosen with a scorecard
4. Sign-up page and thank-you page	Draft pages with consent wording for where your readers live
5. The welcome sequence	A six-email planner and a frame for every email
6. From lead to order	An objection list and a checked sales page, checkout or booking step
7. Inbox and the law	An inbox-placement and email-law checklist
8. Measure and fix	A weekly review sheet and a 30-day plan

Also in the full book

- **Five appendices:** every formula with a worked line, fill-in frames for every page and email, a checklist per chapter, a glossary, and every source with the date it was checked.
- **Three running examples** that each find and fix one leak in Chapter 8: a spice shop, a knitting-pattern seller and a bookkeeping service.
- **Exercises with answers** and a “Common mistakes” list in most sections.

Where to get it

The full ebook, as a PDF and an EPUB, is available from the store where you downloaded this sample.

The book does not promise sales, sign-ups or income. It shows you how to measure your own funnel and improve it one step at a time.