CUSTOMER ACQUISITION:
AN INVESTIGATION OF CRM COMPETENCY

Lawrence Ang & Francis Buttle

Macquarie Graduate School of Management

MGSM WP 2004-17
August 2004
CUSTOMER ACQUISITION:  
AN INVESTIGATION OF CRM COMPETENCY

Abstract

Given all the recent attention dedicated by academics, consultants and practitioners to customer retention, customer acquisition has been a secondary concern. Yet, customer acquisition is of major importance and demands attention as the first stage of the customer life cycle. Our research shows that companies are not particularly skilled at managing the customer acquisition process. Less than half have a dedicated customer acquisition plan. We find that one variable distinguishes companies that excel at customer acquisition – they have a budget dedicated to customer acquisition activities. The presence of an executive tasked to manage customer acquisition, an understanding of the economics of customer acquisition, and the deployment of CRM technologies to support customer acquisition were found not to be associated with excellence at customer acquisition.
Introduction

The management guru, Peter Drucker, once wrote that the sole purpose of a business is to create a customer (Drucker 1973). In the recent migration of thought towards the merits of managing customer retention, businesses have taken their eye off the issue of customer acquisition. This paper first addresses this imbalance and then reports the results of a survey of customer acquisition competencies in a sample of companies.

Customer retention is clearly a most important objective in competitive and mature markets. Customer acquisition, however, is still hugely important to companies in other contexts: for new business start-ups, when entering new geographic or customer market segments, when exploiting new applications for a product or service, when marketing low involvement products and services, when switching costs are low. Also, when markets show growth potential it is more strategically important for all players to grow the aggregate market size than protect their customer base. There are some businesses where constantly acquiring new customers is the only way to survive. Examples include funeral direction and private hospitals dedicated to medical procedures such as hernia operations or cataract removal.

It is clear that without a well-developed, focused and successful customer acquisition strategy, customer retention and development is irrelevant. Customer acquisition is important even where customer retention is justified as the core strategy. It has been observed that, “Even in well-managed companies there can be a significant level of customer attrition. These lost customers need to be replaced. Even with well-developed and implemented customer retention plans, customers still need replacing, sometimes at a rate of 25% or more a year. In a B2C [business-to-consumer] context, customers may shift out of your targeted demographic as they age and progress through the family life-cycle; their personal circumstances may change and they no longer need and find value in your product; they may even die. In a B2B [business-to-business] context, you may lose
corporate customers because they have been acquired by another company with firmly
established buying practices and supplier preferences; they may have stopped producing
the goods and services for which your company provided input; they may have ceased
trading. Customers lost to these uncontrollable causes indicate that customer acquisition
will always be needed to replace natural attrition.” (Buttle 2003)

What is a new customer? A customer can be new in one of two senses: new to a product
category or new to a company. New-to-category customers are customers who have
either identified a new need or have found a new category of solution for an existing
need. New-to-company customers are won from competitors. They might switch because
they feel they have found a better solution or because they value variety. Generally, new-
to-company customers are the only option for growing customer numbers in mature
markets where new-to-category customers are not entering the market.

But how good are companies at acquiring new customers, and what are the CRM
competencies that facilitate successful customer acquisition? This area has not been well
researched, even though it is one of the more fundamental marketing activities. Our
study investigates the core market-facing management competency of customer
acquisition.

**Literature review**

Companies have been criticized for over-reliance on customer retention for a number of
reasons. First, retention focuses attention on existing customers, rather than opportunities
or threats that are emergent in the wider market place. Second, if an acquisition program
has generated new customers of relatively low value, then their retention may doom a
company to persistent underperformance. Third, many retention strategies are
unfocussed. That is, they fail to differentiate between customers that are worth retaining
and those that are not. Finally, data on retained customers are widely and inappropriately
used to drive customer acquisition activities. This is largely because of data limitations
(Thomas 2001). Many companies only begin to acquire strategically actionable customer
insight after transactions start. Data mining is generally performed only on activated customers. It is less widely performed on potential customers. The former group, existing customers, may have submitted personal details to obtain a loyalty card or become a member of a customer club, against which their transactions are listed. Potential customers, however, are a less well-known quantity.

A review of the literature reveals very little research has been published that focuses exclusively on CRM competencies for customer acquisition. Clearly, much of the mainstream marketing and sales literature does address issues of customer management but very little is available that sheds light on specific competencies. Practically every marketing management scholar makes the unquestioned assumption that it makes good sense to plan for the achievement of business outcomes. Kotler (2003), for example, writes that ‘successful companies… practice the art of market-oriented strategic planning’. Plans are developed and implemented to achieve specific, measurable objectives; results are measured and corrective action is taken if there is unacceptable variance. There is almost agreement throughout the modernist literature that establishing measurable key performance indicators, creating a budgeted plan and assigning responsibility for their achievement, are norms of good management practice. Research generally supports the idea that formal planning processes are associated with better business performance (Miller & Cardinal 1994).

Although the idea of product life-cycle planning is well entrenched in the marketing literature, the idea of customer life-cycle planning is much less well established. A number of customer management authorities have developed conceptual notions of a customer ladder or staircase (Christopher, Payne & Ballantyne 1991; Gordon 1998; Buttle 2003) up which customers progress. The initial steps on this customer journey are named as suspect, prospect and first-time customer. These are the focus of our research. A suspect is a person or organization that has yet to be qualified as a prospect; a first-time customer is a customer who has made an initial purchase from a vendor. The scholars generally fail to shed much light on what companies do, need to be able to do well, to migrate customers up the value ladder. Very little descriptive or prescriptive research has
been done that might help companies shift suspects to prospects and prospects to first-time customer.

There is, however, a growing body of research that draws largely on experiences in direct and database marketing and points to the merit of being able to estimate the life-time value potential of prospects (Lix, Berger & Magiozzi 1995; Hansotia & Wang 1997; Dwyer 1997; Berger & Nasr 1998; Calciu & Salerno 2002). They suggest that a prospect should become a customer only when the potential life-time value (the discounted value of future net margins earned from a relationship) exceed the costs of that customer’s acquisition. Indeed, Hoffman and Novak (2000) claim that several e-tailers have pursued the ‘suicidal’ strategy of acquiring customers whose lifetime value is less than their acquisition costs. These authors have developed a number of lifetime value estimation models that are applicable under different conditions.

It has been suggested that customer acquisition strategies, that shift prospects to first-time customer status, need to consider 3 issues: which potential customers to target, how to communicate with them and what to offer them (Buttle 2003). These questions are reflected in another body of research, that range across strategic issues such as market segmentation, targeting and positioning (STP), out-bound and in-bound customer communications, development of value propositions, and management of business networks, to tactical matters such as the deployment of consumer sales promotions, or media selection for advertising campaigns. Some studies have taken a comparative form. For example, it has been reported that cost-effective methods for recruiting new customers vary between industries. What works well in one context will not necessarily work well in another (Hughes & Wang 1995).

Many studies and industry reports have also examined the tactical role of particular marketing mix elements in customer acquisition. These include introductory offers (van Ackere & Reyniers 1993), competitions (Peattie 1998), word-of-mouth (Buttle 1998; Stokes & Lomax 2002), viral marketing (Dellarocas 2003), out-bound solicitation by call-center staff (Prabhakar, Sheehan & Coppett 1997), affiliate marketing or partnership
programs (Hoffman & Novak 2000), service guarantees (Clepper 1996), and the worldwide web (Vishwanath & Mulvin 2001; Daniel & Wilson 2002; Thomas 2002). The role of certain products as relationship openers has also been identified. Banks, for example, depending on their competitive environment, might use savings products, no-load mutual funds or low-interest credit cards to attract new customers (Ratner 1997). Other studies have examined the (credit) risk attached to customer acquisition programs (Irvin 1994; Wood 2000).

Case studies of companies such as CDnow indicate that there is considerable merit in thinking carefully about customer acquisition strategy. CDnow employs seven customer acquisition strategies, each with different cost-benefit profiles. They range from advertising in TV, radio and print media, through online advertising, affiliate marketing, word-of-mouth, free links to public relations. The company can identify the source of some of its new customers, although about 60% arrive at the CDnow website from unknown sources. CDnow spends 96% of its customer acquisition budget – on advertising online and offline, and partnerships - to acquire only 45% of its customers. Put another way, 4% of its budget is successfully deployed in acquiring 55% of its customers (Hoffman & Novak, 2000)

Our literature review was unable to find much evidence about management competencies such as planning, budgeting or the deployment of technologies to assist in customer acquisition. An exception is the work of Sargeant & West (2001) who proposed a 7-stage approach to development of a customer acquisition campaign. These were defined as follows:

1. Set campaign objectives. These might include target response rate, numbers of new customers recruited, acquisition cost per new customer, average new customer (lifetime) value.
2. Segmentation and profiling to identify prospects most likely to respond to a campaign. This can use either market and/or existing customer data
3. Targeting. Tailoring of the communication message and channel, and offer, for the selected audience. Targets might include current or former customers,
unconverted enquiries, or new-to-company and new-to-market customers. Channels might include member-get-member schemes, and online or offline advertising.

4. Media planning. Selection of cost-effective media within the selected communication channel

5. Communication of the offer

6. Fulfillment, following customer response

7. Response analysis, using metrics such as percentage response, cost-per-response, percentage conversion, cost per customer, revenue per customer, profit per customer, projected lifetime value per customer, percentage return on investment

This seven-stage process, like almost the entire body of modernist management literatures of CRM, sales and marketing, assumes that customers can, and indeed should, be managed through their life-cycle of association with the enterprise. One of the core assumptions of CRM is that technology can help deliver more successful customer acquisition programs. Evidence for this is patchy. Wright and Donaldson (2002), for example, found that data-based sales information systems employed in the banking industry are being used sub-optimally, and largely only for production of mailing lists.

There is a strong analytical, planning and control focus to the bulk of contemporary management literature. Companies are expected actively to manage the customer journey from acquisition to retention and development. This emphasis is projected into our research hypotheses, which focus on the first stage of this life-cycle – customer acquisition.

**Research questions**

Our main goal in conducting this research was to identify important organizational drivers of successful customer acquisition. We wanted to be able to identify the competencies or conditions that enable companies to achieve their customer acquisition
objectives. Our research set out to test the following hypotheses, derived from the literature review above:

H1: Companies that excel at customer acquisition will have an executive tasked to manage customer acquisition

H2: Companies that excel at customer acquisition will have a budget dedicated to the task of customer acquisition

H3: Companies that excel at customer acquisition will understand the economics of customer acquisition

H4: Companies that excel at customer acquisition will be more likely to employ CRM technologies

[insert figure 1 about here]

Methodology

Our methodology involved gathering data by mail-administered survey of a stratified random sample of companies. Details of the sampling strategy, data collection methods, instrument development and analysis follow.

Sampling. Our population of interest was Australian industry, across the full range of primary, secondary (manufacturing) and tertiary (service) sectors. A stratified random sample of 732 companies was selected from the Dun and Bradstreet database of the top 1000 companies in Australia. The population was stratified into 3 annual turnover groups: $50 to $99 million, $100 to $500 million, and above $500 million.
Data collection. A mail questionnaire was developed. Following an initial telephone solicitation to participate, the instrument was mailed to the sample at the end of 2002. Follow-up calls and reminders were issued in the early months of 2003. The invitation to participate was addressed to the person in charge of customer relations, customized by name where this was known. Whenever there was a person in charge of customer acquisition, his or her cooperation was sought. We conducted follow-up telephone interviews to clarify any issues or concerns.

We encouraged response by offering a summary report of the study. This has now been distributed to respondents.

Instrument. Items in the questionnaire were developed from the literature review, piloted three times in the field, and refined over 18 versions of the instrument. All the questions measuring the independent variables were nominal in nature, and required ‘yes’, ‘no’, or ‘don’t know’ responses. These questions investigated the presence or absence of a range of customer acquisition management practices, objectives and tactics.

The dependent variable used in this study – ‘excellence at customer acquisition’ – was measured by asking whether the company’s acquisition of new customers had exceeded expectations in the last 12 months. This variable was measured on a 7-point metric scale, anchored at three points. The point 1 anchor read ‘greatly under-performed expectations’, the mid point read ‘met expectations’ and the point 7 anchor was ‘greatly exceeded expectations’.

Analysis. Data were analyzed using procedures within SPSS PC version 10. Two basic forms of analysis were performed. First, simple descriptive uni-variate statistics were computed for the measured variables. Here, we were interested in understanding the frequency in which certain customer acquisition management practices, objectives and tactics were used by our sample.
Second non-parametric bi-variate correlations (Kendall’s tau) were performed to test the hypotheses. Here, we were interested in knowing if the adoption of certain customer acquisition management practices, objectives or tactics would help differentiate excellent companies. To enable these non-parametric bi-variate correlations to be performed, all the relevant variables were transformed to a two-point ordinal scale, including the dependent variable. For the dependent variable, excellence at customer acquisition, the metric data were recoded as follows: all responses above the midpoint (i.e., 5-7) were recoded to ‘1’, and those below including the midpoint (i.e., 4-1) to ‘2’. If Kendall’s tau revealed a significant correlation between any customer acquisition management practices, objectives or tactics and the dependent variable, Chi-square tests also conducted to confirm the association.

It should be noted, that even though the dependent variable was measured on an interval scale (1-7), non-parametric procedures were used throughout the analysis because the underlying requirements of normality and homogeneity of variance between groups were not satisfied (when tested). Under such circumstances, using parametric test statistics might lead to a higher rejection probability then otherwise warranted, leading to the inappropriate rejection of an hypothesis (Siegel and Castellan 1989). Furthermore, since the main objective of this study was to find out what differentiates companies that exceed their customer acquisition expectations from those that do not, the use of simple non-parametric test statistics is entirely appropriate. In other words, we are not interested in drawing any conclusions about how much expectations were being exceeded, but that only the application of certain customer acquisition management practices, objectives or tactics.

Results

Response rate. One hundred and seventy responses were obtained, representing a 23% response rate. Forty-three had annual turnover of between $50-$99 million, forty-six were between $100-$500 million, and forty-two were above $500 million. Thirty-nine companies declined to divulge their annual turnover. Participants represented all major
standard industrial classification (SIC) codes. Dominant sectors were manufacturing (43 companies); wholesale and retail (24); and health, community services, accommodation, cultural/recreation, personal and other services (23).

**Descriptive results.** To get a flavor of current practices in customer acquisition, we firstly report some simple descriptive statistics. This gives us a picture of what companies do.

Less than half the sample (47%) had an explicit, documented customer acquisition plan. Only a third of the sample (34%) assigned a specific budget to customer acquisition activities. Nearly three-fourths of the companies (74%) surveyed had appointed a specific person or group to be responsible for customer acquisition activities, and only 38% of these (or 28% of the overall sample) were sufficiently aware of customer acquisition costs to be able to estimate customer profitability. Just 42% had conducted tests or experiments in the last 12 months to find more cost-effective ways of gaining new customers.

Companies vary in the type of objectives they set for customer acquisition. The most common customer acquisition objectives specify revenue streams from new customers (84% of companies with acquisition plans specify this objective), numbers of new customers to be acquired (65%), specific named customers to be acquired (57%), and margins to be earned from new customers (53%).

Use of CRM technologies, to support customer acquisition is not widespread. About half the companies (49%) had adopted a computerized enquiry management system to handle inbound unsolicited enquiries, and 42% used a computerized sales lead generation and qualification system for their outbound sales calls.

**Bi-variate correlations.** Kendall’s tau and Chi-square tests were used to measure the hypothesized relationships. The results are as follows
H1: Companies that excel at customer acquisition will have an executive tasked to manage customer acquisition

Table 1 shows a positive ($r=0.03$) but non-significant correlation, using Kendall’s tau, between managerial responsibility for customer acquisition and excellence at customer acquisition. H1 is therefore not supported.

H2: Companies that excel at customer acquisition will have a budget dedicated to the task of customer acquisition

Table 1 shows that companies that have an acquisition budget are significantly more likely to have excel at customer acquisition ($r=0.28$, $p<.02$) Further testing using Chi-square confirms the association ($\chi^2 = 5.7; p<0.02$). H2 is therefore supported.

H3: Companies that excel at customer acquisition will understand the economics of customer acquisition

Table 1 reports a positive ($r=0.13$) but non-significant association between knowledge of customer acquisition costs and excellence at customer acquisition. H3 is therefore rejected.

H4: Companies that excel at customer acquisition will be more likely to employ CRM technologies

In our study, two CRM acquisition technologies were evaluated: (1) the use of a computerized enquiry management system for handling unsolicited in-bound calls, and (2) the use of a computerized sales lead generation and qualification system to handle out-bound calls. The table shows that neither of these tactics were significantly correlated with excellence at customer acquisition (-0.01 and 0.05 for computerized enquiry and sales lead generation systems respectively). H4 is therefore rejected.
Discussion

Examination of the first column of data in Table 1 shows that all except one of the hypothesized relationships are rejected. The exception is having a budget especially dedicated for customer acquisition. This is associated with excellence at customer acquisition, as measured by exceeding the sampled companies’ own expectations of customer acquisition.

There are a number of other important findings connected to the deployment of a customer acquisition budget.

Further exploration of data, as reported in Figure 2, shows that having an acquisition budget is highly correlated with knowing the cost of customer acquisition ($r=0.40$, $p<0.00; \chi^2 = 9.6; p<0.00$). Also, companies that pursue the objective of increasing the number of new customers are also more likely to have such a budget ($r=0.28$, $p<0.02; \chi^2 = 6.0; p<0.01$). The presence of a budget is not associated with any of the other customer acquisition objectives investigated in our research, i.e. revenue streams from new customers, specific named customers to be acquired, and margins to be earned from new customers. Possession of a budget for customer acquisition purposes is also significantly correlated with willingness to experiment with more cost effective methods of acquisition ($r=0.31; p<0.00; \chi^2 = 7.3, p<0.01$). In brief, a company that has a customer acquisition budget is significantly more likely to experiment with customer acquisition tactics, set simple measurable objectives, and ultimately to excel at customer acquisition.

H1, hypothesizing a positive relationship between excellence at customer acquisition and having an executive or group in charge of customer acquisition was not supported. Effectively, this tells us that placing an executive in charge of customer acquisition make
no significant difference to acquisition outcomes. This runs contrary to conventional management practice where notions of personal responsibility for delivery of business results, such as KPIs based on customer acquisition, are well embedded.

H3, hypothesizing a positive relationship between excellence at customer acquisition and understanding the economics of customer acquisition, was also rejected. Further investigation shows that although only 35% of companies in the sample were aware of their customer acquisition costs, this is significantly more likely to be the case when companies pursue the ‘margins to be earned (per customer)’ objective to guide their customer acquisition activities ($r=0.32, p<0.02; \chi^2 = 5.5, p<0.02$). Furthermore, the more the company is aware of its customer acquisition costs, the more willing it is to experiment and test to find more cost effective methods of customer acquisition ($r=0.41, p<0.00; \chi^2 = 22.2, p<0.00$)

H4, hypothesizing a positive relationship between success at customer acquisition and the use of CRM technologies was rejected. It therefore appears that our sample finds little value in the deployment of these two CRM technologies. However, use of these technologies in tandem is indicated by a positive correlation ($r=0.41, p<0.00; \chi^2 = 26.9, p<0.00$), meaning that companies that use one computerized system are also more likely to use the other.

**Conclusion**

The major conclusion of the research is that having a customer acquisition plan is not in itself a good indicator of excellence at customer acquisition. Neither is the nomination of a responsible executive. Instead, it is more important to have a budget dedicated to specific acquisition activities. Perhaps, only by having a dedicated budget does a company show it is truly serious about new customer acquisition. However, we found that only 34% of companies have such a budget. These findings run contrary to accepted doctrine that executive responsibility and planning are cornerstones of successful management.
Another major finding concerns the importance of knowing the cost of customer acquisition. Whilst understanding customer economics underpins any intelligent CRM initiative, knowing the cost of acquisition has many related implications. For a start, acquisition cost is closely related to customer profitability. That is when companies set ‘margins to be earned’ as their customer acquisition objective, the data show that companies are more likely to understand the cost of customer acquisition. This is not true when objectives rotate around customer numbers or revenues. This finding confirms that in order to understand customer profitability, it is necessary to understand the costs of acquisition. The problem with ignoring potential customer profitability during acquisition is that a company may acquire customers that enhance the top line but diminish the bottom line, being more costly to acquire and serve than the revenues they generate. Unfortunately, in our research ‘margins to be earned’ turned out to the least popular of acquisition objectives. Only 53% of companies adopted this objective. Instead, companies tend to use simple KPIs such as revenue (84%) and numbers of new customers (65%) as acquisition objectives.

Beside its close relationship with customer profitability, knowing the cost of customer acquisition also has an unexpected upside. It is associated with experimentation to find more cost-effective ways of customer acquisition (which in turn can be factored into the customer acquisition budget). Although doing such tests and experiments may not necessarily lead to a better acquisition outcome (which in part may be due to poor execution), it can benefit companies in the long run because of cumulative learning. Unfortunately, only 35% of the companies knew their customer acquisition cost.

CRM technologies are not widely deployed by our sample, but even so, their application is not associated with excellence at customer acquisition. We are continuing our work into the cost-benefits of deployment of these, and other CRM technologies across the customer life-cycle.
Two overarching managerial implications can also be drawn from this study. First, companies are generally not very advanced in their management of the core CRM activity of customer acquisition as indicated by the low reported adoption of management practices such as budgeting, planning and executive responsibility. The second conclusion is that having an acquisition plan (or indeed putting a manager in charge) by itself is not sufficient to generate good acquisition outcomes. It is vital to have a dedicated customer acquisition budget. The managerial implication is that if senior management is truly serious about customer acquisition, then it should authorize a budget for its achievement.
### Table 1: Correlations between variables

<table>
<thead>
<tr>
<th></th>
<th>Exceed acquisition expectation</th>
<th>Have acquisition budget</th>
<th>Know cost to acquire customer</th>
<th>Margins to be earned from new customer</th>
<th>Test cost-effective methods of acquisition</th>
<th>Executive in-charge of acquisition</th>
<th>No. of new customers to acquire</th>
<th>Computerized in-bound enquiry management system</th>
<th>Computerized out-bound sales lead generation system</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exceed acquisition expectation</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have acquisition budget</td>
<td></td>
<td>0.28*</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Know cost to acquire customer</td>
<td>0.13</td>
<td>0.40**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Margins to be earned from new customer</td>
<td>0.09</td>
<td>0.08</td>
<td>0.32*</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Test cost-effective methods of acquisition</td>
<td>0.08</td>
<td>0.31**</td>
<td>0.41**</td>
<td>-0.22</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Executive in-charge of acquisition</td>
<td>0.03</td>
<td>-0.13</td>
<td>0.14</td>
<td>0.01</td>
<td>0.09</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of new customers to acquire</td>
<td>0.14</td>
<td>0.28*</td>
<td>0.19</td>
<td>0.173</td>
<td>0</td>
<td>0.09</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computerized in-bound enquiry management system</td>
<td>-0.01</td>
<td>0.11</td>
<td>0.07</td>
<td>-0.02</td>
<td>0</td>
<td>0.07</td>
<td>0.01</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Computerized out-bound sales lead generation system</td>
<td>0.05</td>
<td>-0.02</td>
<td>0.15</td>
<td>0.12</td>
<td>-0.03</td>
<td>0.08</td>
<td>0.05</td>
<td>0.41**</td>
<td>1</td>
</tr>
</tbody>
</table>

*p<.05; **p<.01 (2-tailed)
Figure 1: Directional hypotheses

Executive in charge

Dedicated budget

H1, +

H2, +

Understand costs of customer acquisition

H3, +

Employ CRM technologies

H4, +

Exceed customer acquisition expectations
Figure 2: Diagrammatic representation of correlations

- Margins to be earned from new customers
- Number of new customers to be acquired
- Knowing costs-to-acquire new customers
- Having a budget for customer acquisition activities
- Exceeding expectations of acquiring new customers

Correlation coefficients:
- $r = 0.32, p < 0.02$
- $r = 0.40, p < 0.002$
- $r = 0.28, p < 0.02$
- $r = 0.31, p < 0.01$
- $r = 0.41, p < 0.00$
References


