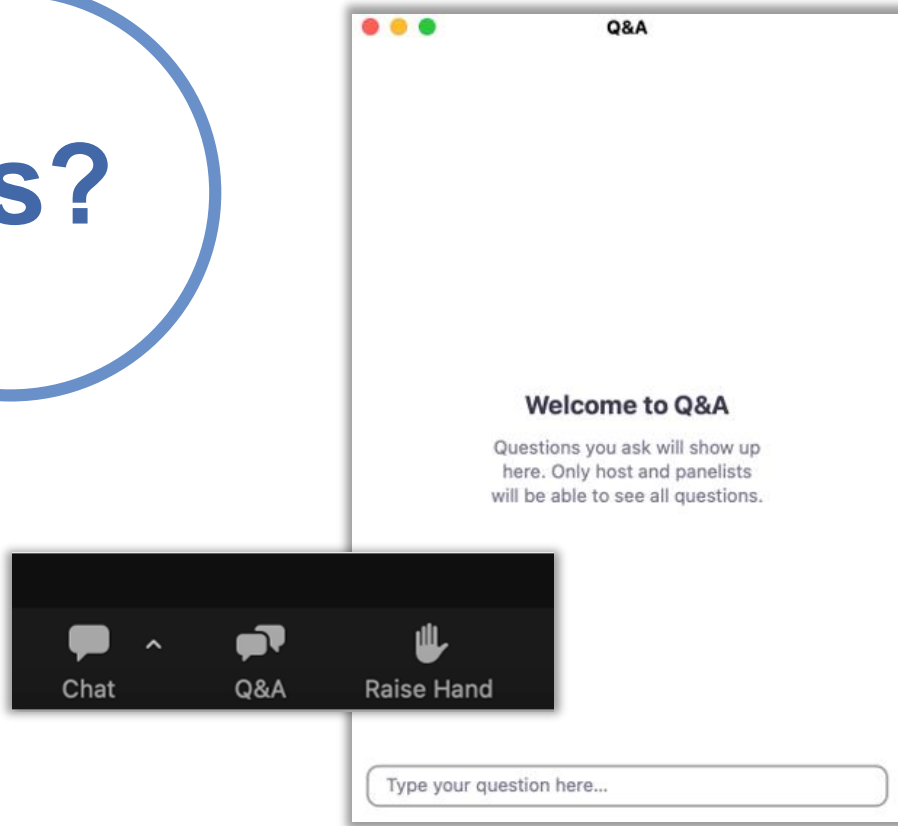




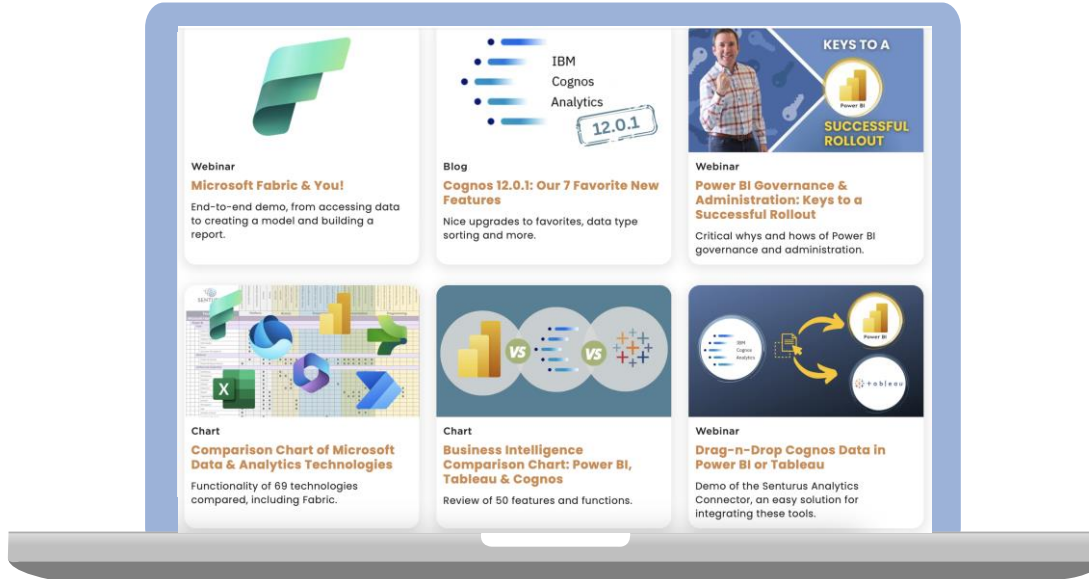
Obtaining Unit Economics Using Power BI

Questions?

Click Q&A at the bottom of your screen.



To get this presentation



Visit the **Knowledge Center** on **Senturus.com** to download this presentation.

senturus.com/resources

Topics we'll cover

- What are Unit Economics and why they're important
- Challenges in delivering Unit Economics
- Why Power BI?
- Demo of Envisor Cloud Unit Economics
- Q&A

Introductions



KEITH KNOWLES

Managing Director



BOB LOONEY

VP of Software
Engineering



STEVE REED-PITTMAN

Director of Enterprise
Architecture & Engineering

Poll



How do you rate your organization's Unit Economics maturity?

- Just learning what they are
- Occasional manual calculations
- Regular manual calculations
- Automated and used for decision making

What are Unit Economics?

Unit economics is the value derived from selling a single unit expressed in terms of marginal revenue and **cost**. The unit may be expressed in terms of an item or a customer.

Business	Unit
Uber	One ride/trip
Netflix	Customer subscription
Insurance company	One policy, Customer claim
Airline	Seat sold, Per bag
SaaS	Customer seat

Methods for calculating Unit Economics

Unit Economics is defined in two ways:

1. Unit = one customer: the ratio of a customer's lifetime value (LTV) to the costs to acquire that customer (CAC)

2. Unit = one item sold: the marginal profit generated when a company sells a single unit of its product, $\text{Contribution} = \text{Selling Price} - \text{Variable Unit Costs}$

Simple, right?



Selling cost	\$2.00
Lemonade mix	\$.25
Contribution	\$1.75

It's not that simple

- We have employees
- Multiple business units
- Multiple products
- Multiple sales channels
- IT as direct costs
- IT as SG&A

Revenue			
	Total Sales		\$ 19,000,000
Cost of Goods Sold (COGS)			
	Materials		\$ 2,000,000
	Labor		\$ 3,000,000
	Cloud Costs		\$ 2,000,000
	Total COGS		\$ 7,000,000
	Gross Margin:		\$ 12,000,000
Selling, General & Administrative expenses			
	Marketing		\$ 1,500,000
	Sales		\$ 2,000,000
	IT		\$ 4,500,000
	Administrative Expenses		\$ 1,000,000
	Rent		\$ 500,000
	Total SG&A Expenses		\$ 9,500,000
	Operating Income:		\$ 2,500,000
Other Expenses			
	Interest Expense		\$ 20,000
	Taxes		\$ 500,000
	Net Income		\$ 1,980,000

Cost to serve

Building blocks of UE

- Break costs down into logical building blocks
- Focus on highly variable costs such as marketing, sales, customer service and IT including cloud spend
- Consider functional areas



The value of Unit Economics



Better pricing



**Understanding
costs**



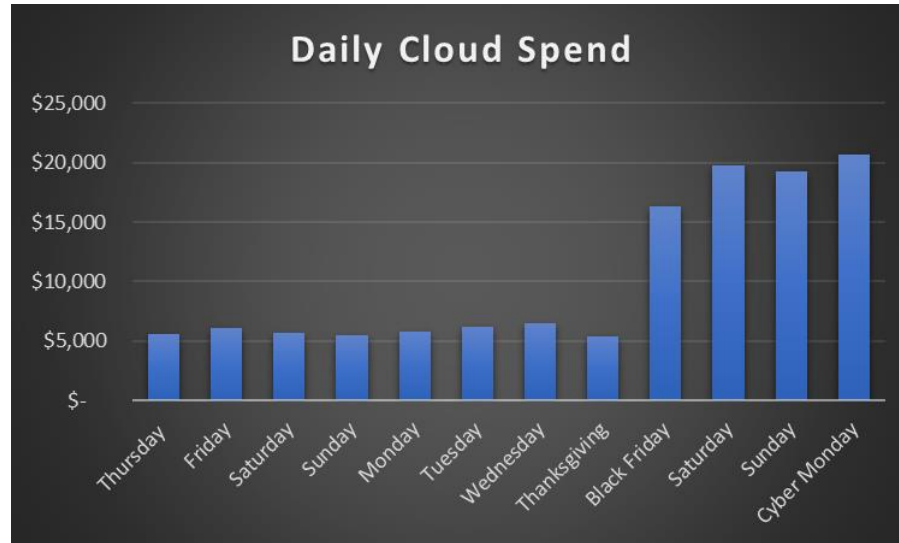
**Improved
forecasting**



Benchmarking

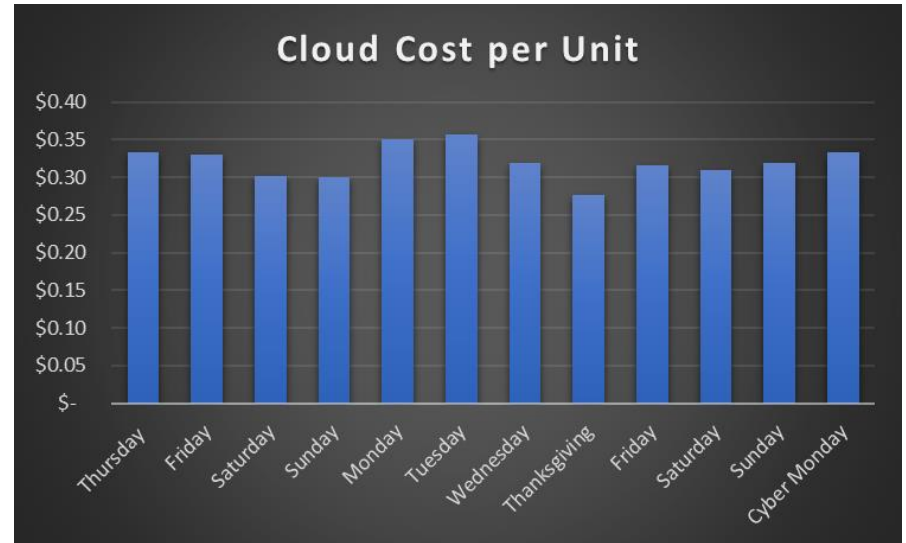
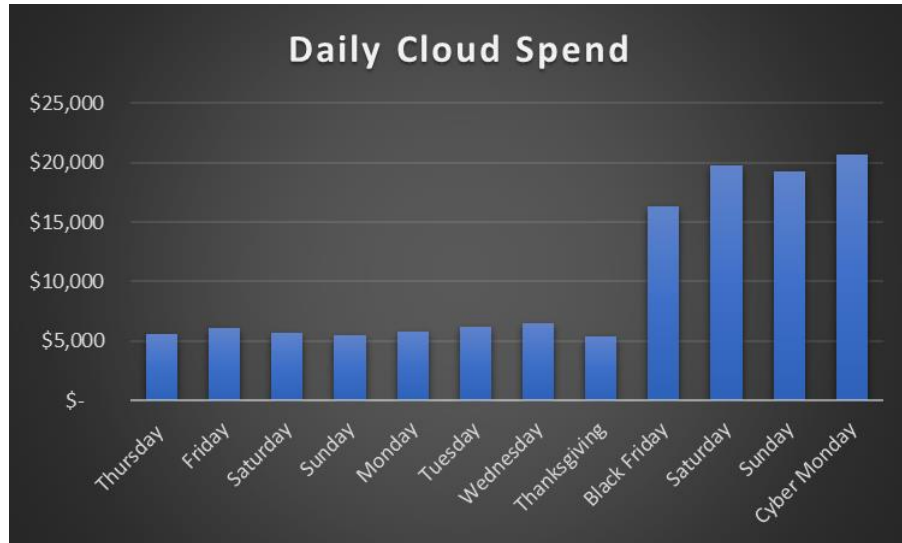
Black Friday cost spike

Is this a problem?



Black Friday cost spike

Unit Economics clarifies the (non)issue



1 Security –
requires sales
data

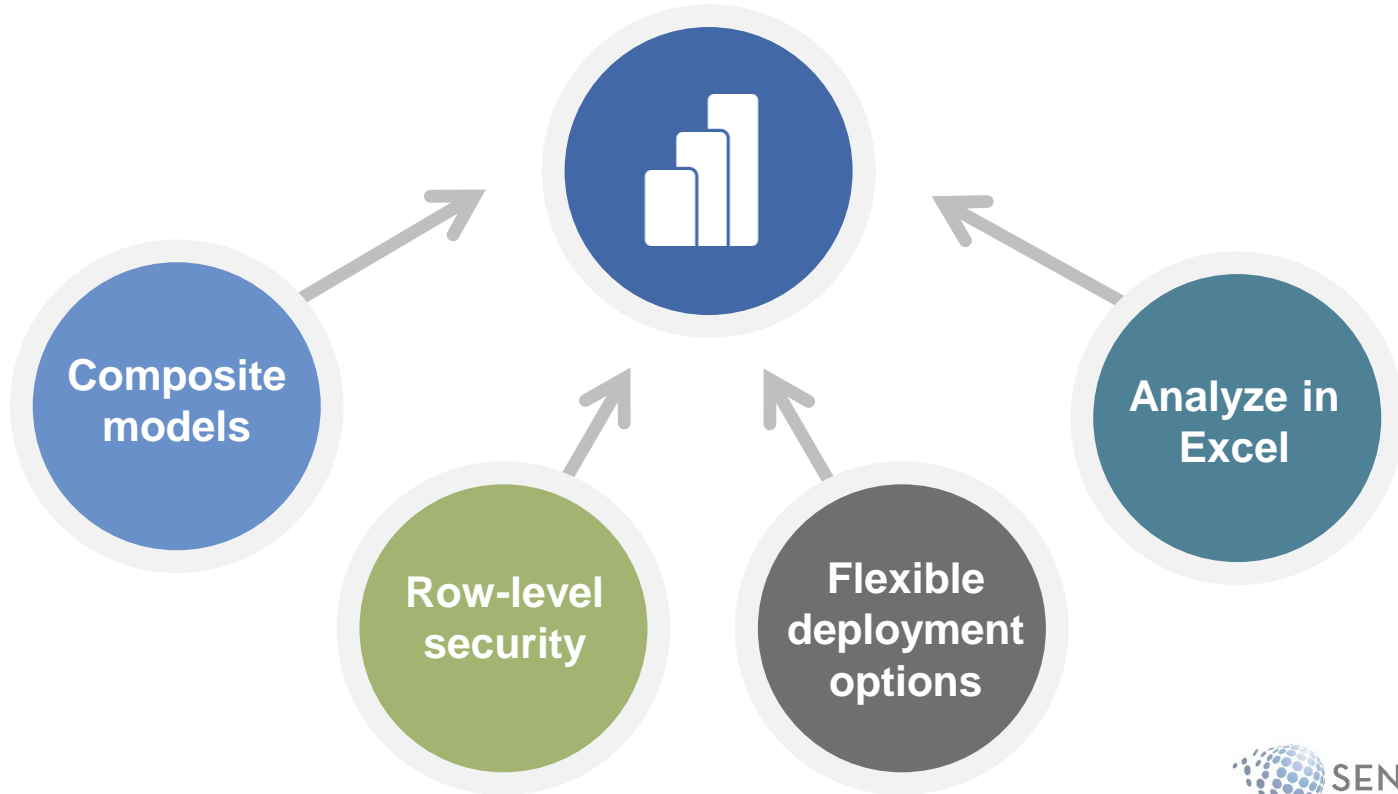
2 Disparate data
sources

3 Almost
everyone's calc
is bespoke

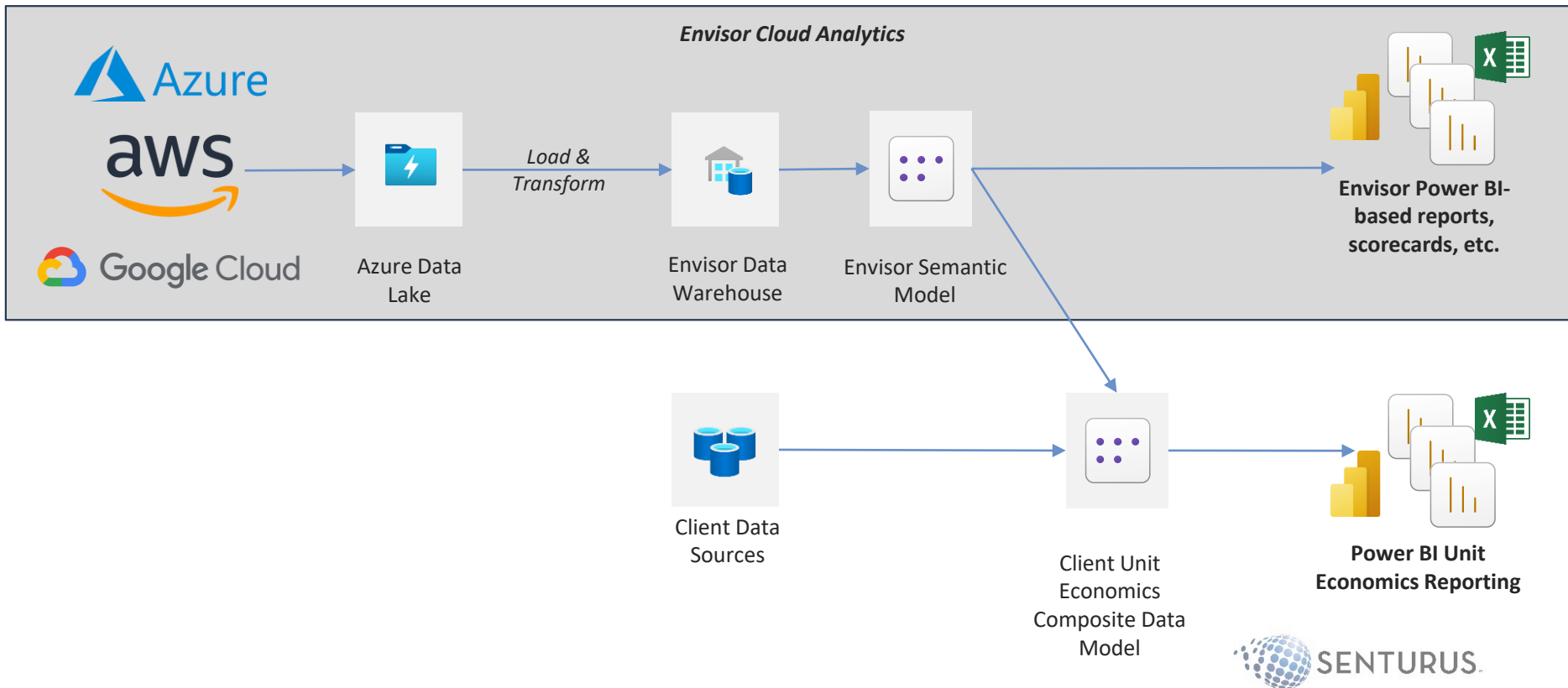
4 Data
availability and
recency

Unit Economic challenges

Why we like Power BI



Unit Economics Example - Cloud Cost



Case study

Before Envisor

- Manual calculation of Unit Economics – last done 18 months prior
- No dimensionality
- No fixed vs. variable

With Envisor

- Data is updated daily
- Dimensionality - hourly granularity and more
- Time analysis uncovered high semi-fixed costs

Unit Economics demo

envisor
BY
SENTURUS

Key takeaways

- Focus on value – prioritize material, highly variable costs *that you can control.*
- Develop a Unit Economics roadmap delivering building blocks that offer incremental value.
- Flexibility is king.
- Design with security in mind – UE data is usually closely guarded.

Next steps



Cloud cost management
and reporting

www.envvisor.io



Unit economics, analytics
and data

info@senturus.com

Additional resources

senturus.com/resources



MARCH 14

Microsoft Fabric
Premium Capacity:
Avoiding the Pitfalls,
Maximizing
Performance



MARCH 20

Q&A: Copilot, Power
BI's AI



ON DEMAND

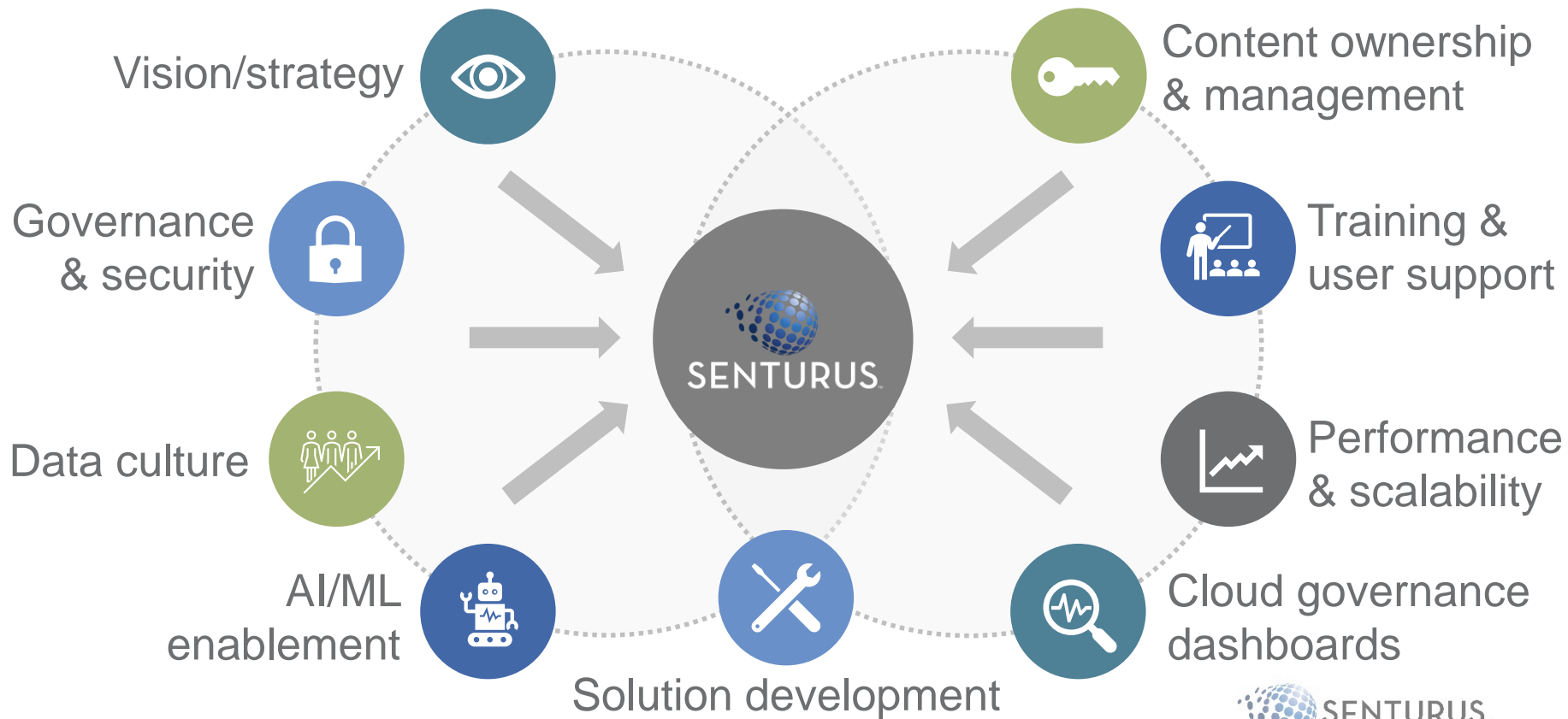
Use Live Data from
Power BI in
Microsoft 365 Apps



**KNOWLEDGE
CENTER**

Blogs, webinars and
resources available
24/7

Modern BI: accelerated & accessible



NETGEAR

Shutterfly

KORBEL
CALIFORNIA CHAMPAGNE

TRINCHERO
Family Estates

patagonia

jamba

GHIRARDELLI
CHOCOLATE

SEPHORA

WAGNER
ASIA EQUIPMENT LLC

CAT

Genentech
A Member of the Roche Group

GILEAD

Peet's
COFFEE

DIAMOND
OF CALIFORNIA

KAISER PERMANENTE

VISA

FREMONT
BANK

UCSF
University of California
San Francisco



KELLY-MOORE
PAINTS

intuit

AVISTA

TriNet



AMERICAN
ELECTRIC
POWER

PG&E



Abbott

BIO-RAD

History of success

23 years

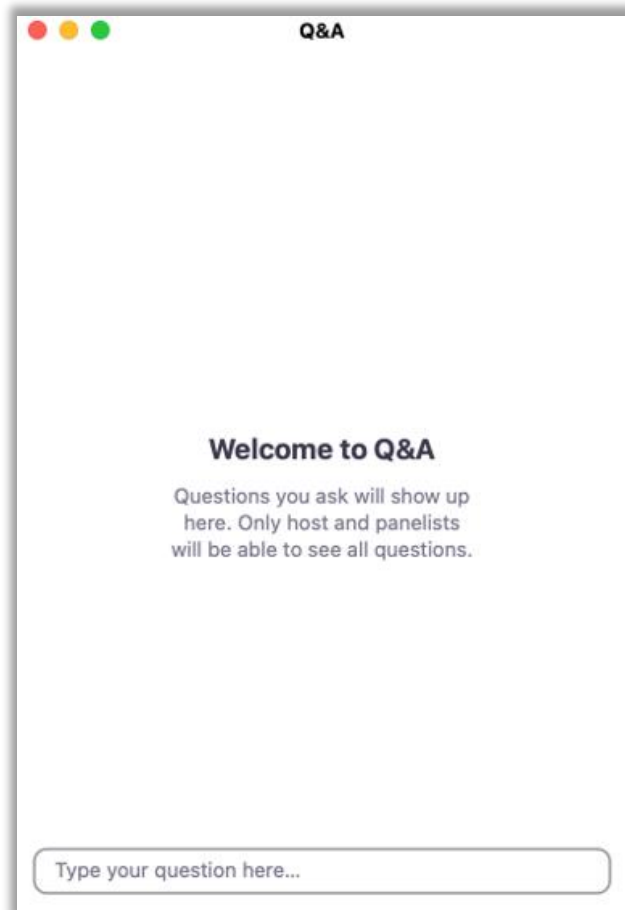
1400+ clients

3000+ projects

SENTURUS

Q&A

If your question or issue is broader than what we can answer today, contact us at: info@senturus.com and we will set up a free consultation.





SENTURUS™

Thank You!

Let's keep in touch



+1 888 601 6010



info@senturus.com



www.senturus.com



Senturus, Inc.

© 2024 by Senturus, Inc. This presentation may not be reused or distributed without the written consent of Senturus, Inc.