



Case Study

First-contact profitability and LTV (Google Merchandise Store)

Executive summary: This GMS cohort study reveals a critical LTV collapse, with gross revenue dropping to \$0.00 from Week 2, especially in Paid traffic. Additionally, mobile conversion is highly inefficient despite the high user volume. It is urgent to implement post-purchase retention strategies (retargeting) and optimize the mobile checkout (CRO) to recover profitability.

Block I: Technical justification and study setup

1. The logic of cohort study for LTV

In analytics, the cohort study is a fundamental tool for measuring the **retention and monetization behavior over time** of specific user groups (cohorts) that share a common characteristic—in this case, their **acquisition date and channel**.

The technique helps answer critical questions such as:

- How much do **paid users** spend after their first week compared to **organic users**?
- Which device (desktop, mobile, etc.) brings in the users most likely to make repeat purchases?

Technical cohort parameters:

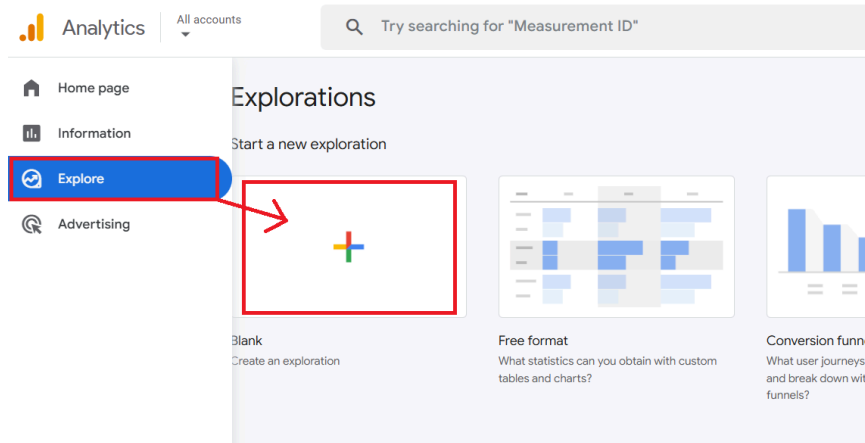
Parameter	Configuration	Strategic justification
Cohort inclusion	First touch (acquisition date)	Ensures the cohort consists only of new users in the property, isolating initial performance.
Return criterion	Gross purchase revenue	Measures the financial value the cohort generated in the acquisition week and subsequent weeks (LTV).
Granularity	Weekly	Provides a short-term view of purchase frequency and the speed of LTV decay.

2. Dimensions and segments analyzed

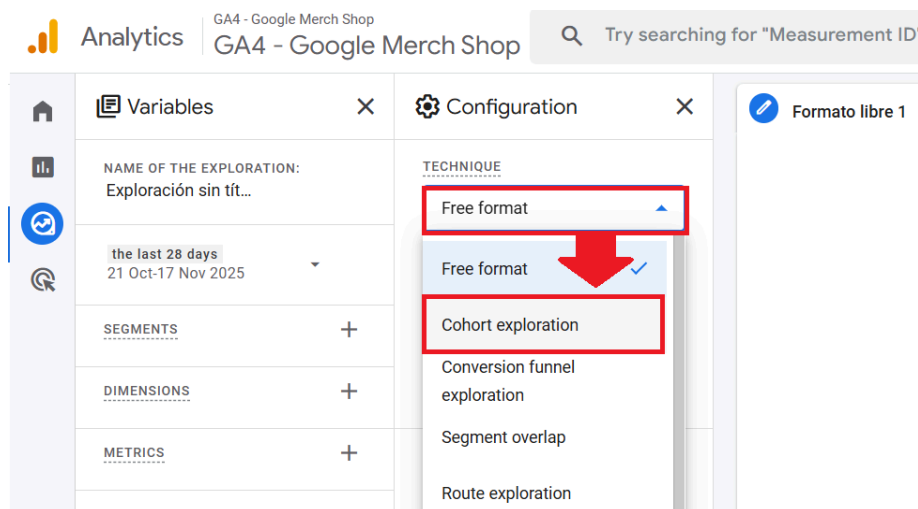
- **Segments (Comparison):** Paid traffic vs. Organic traffic.
- **Dimension (Breakdown):** Device category (Desktop, Mobile, Tablet, Smart TV).
- **Metric (Value):** Gross purchase revenue.

Block II: Configuration methodology

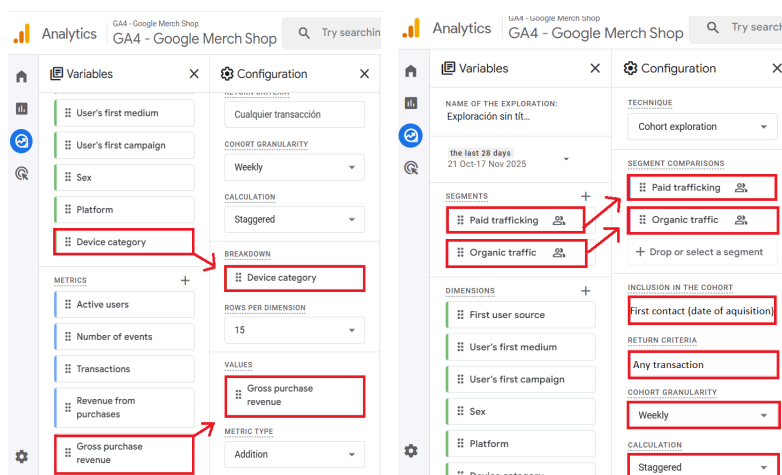
The analysis is performed in the **explorations** section of Google Analytics 4, using the **cohort** technique or **free form**, then configuring the **cohort technique**.



Select the **cohort exploration**.



And then we set the variables like this:



And these are the results for each week:

Tráfico de pago Ingresos de compras brutos	16.750,65 \$	0,00 \$	0,00 \$	0,00 \$	0,00 \$
21 oct-25 oct 2025 1.358 usuarios	3.908,09 \$	0,00 \$	0,00 \$	0,00 \$	0,00 \$
smart tv 1 usuario	0,00 \$	0,00 \$	0,00 \$	0,00 \$	0,00 \$
tablet 13 usuarios	0,00 \$	0,00 \$	0,00 \$	0,00 \$	0,00 \$
desktop 434 usuarios	3.703,56 \$	0,00 \$	0,00 \$	0,00 \$	0,00 \$
mobile 910 usuarios	204,53 \$	0,00 \$	0,00 \$	0,00 \$	0,00 \$
26 oct-1 nov 2025 3.602 usuarios	2.249,62 \$	0,00 \$	0,00 \$	0,00 \$	0,00 \$
smart tv Ningún usuario	0,00 \$	0,00 \$	0,00 \$	0,00 \$	
tablet 30 usuarios	0,00 \$	0,00 \$	0,00 \$	0,00 \$	
desktop 843 usuarios	1.524,31 \$	0,00 \$	0,00 \$	0,00 \$	
mobile 2.729 usuarios	725,31 \$	0,00 \$	0,00 \$	0,00 \$	
2 nov-8 nov 2025 2.772 usuarios	6.021,78 \$	0,00 \$	0,00 \$	0,00 \$	0,00 \$
smart tv Ningún usuario	0,00 \$	0,00 \$	0,00 \$		
tablet 31 usuarios	90,92 \$	0,00 \$	0,00 \$		
desktop 1.004 usuarios	5.304,30 \$	0,00 \$	0,00 \$		
mobile 1.737 usuarios	626,56 \$	0,00 \$	0,00 \$		
9 nov-15 nov 2025 2.088 usuarios	4.363,20 \$	0,00 \$	0,00 \$	0,00 \$	0,00 \$
smart tv 1 usuario	0,00 \$	0,00 \$			
tablet 29 usuarios	0,00 \$	0,00 \$			
desktop 903 usuarios	2.031,53 \$	0,00 \$			
mobile 1.155 usuarios	2.331,67 \$	0,00 \$			

mobile 1.155 usuarios	2.331,67 \$	0,00 \$			
16 nov-17 nov 2025 534 usuarios	207,96 \$	0,00 \$	0,00 \$	0,00 \$	0,00 \$
smart tv Ningún usuario	0,00 \$				
tablet 8 usuarios	74,38 \$				
desktop 262 usuarios	110,08 \$				
mobile 264 usuarios	23,50 \$				
Tráfico orgánico	19.095,43 \$	352,72 \$	0,00 \$	0,00 \$	0,00 \$
Ingresos de compras brutos					
21 oct-25 oct 2025 3.542 usuarios	2.958,08 \$	184,84 \$	0,00 \$	0,00 \$	0,00 \$
smart tv Ningún usuario	0,00 \$	0,00 \$	0,00 \$	0,00 \$	0,00 \$
tablet 50 usuarios	0,00 \$	0,00 \$	0,00 \$	0,00 \$	0,00 \$
mobile 1.415 usuarios	957,16 \$	0,00 \$	0,00 \$	0,00 \$	0,00 \$
desktop 2.077 usuarios	2.000,92 \$	184,84 \$	0,00 \$	0,00 \$	0,00 \$
26 oct-1 nov 2025 4.513 usuarios	5.653,43 \$	167,88 \$	0,00 \$	0,00 \$	0,00 \$
smart tv Ningún usuario	0,00 \$	0,00 \$	0,00 \$	0,00 \$	
tablet 62 usuarios	100,99 \$	0,00 \$	0,00 \$	0,00 \$	
mobile 1.901 usuarios	397,76 \$	0,00 \$	0,00 \$	0,00 \$	
desktop 2.550 usuarios	5.154,68 \$	167,88 \$	0,00 \$	0,00 \$	
2 nov-8 nov 2025 4.706 usuarios	3.806,12 \$	0,00 \$	0,00 \$	0,00 \$	0,00 \$
smart tv Ningún usuario	0,00 \$	0,00 \$	0,00 \$		
tablet 48 usuarios	0,00 \$	0,00 \$	0,00 \$		
mobile 1.897 usuarios	534,50 \$	0,00 \$	0,00 \$		
desktop 2.761 usuarios	3.271,62 \$	0,00 \$	0,00 \$		
9 nov-15 nov 2025 4.151 usuarios	5.949,38 \$	0,00 \$	0,00 \$	0,00 \$	0,00 \$
smart tv Ningún usuario	0,00 \$	0,00 \$			

mobile 1.897 usuarios	534,50 \$	0,00 \$	0,00 \$		
desktop 2.761 usuarios	3.271,62 \$	0,00 \$	0,00 \$		
9 nov-15 nov 2025 4.151 usuarios	5.949,38 \$	0,00 \$	0,00 \$	0,00 \$	0,00 \$
smart tv Ningún usuario	0,00 \$	0,00 \$			
tablet 67 usuarios	0,00 \$	0,00 \$			
mobile 1.706 usuarios	908,52 \$	0,00 \$			
desktop 2.378 usuarios	5.040,86 \$	0,00 \$			
16 nov-17 nov 2025 598 usuarios	728,42 \$	0,00 \$	0,00 \$	0,00 \$	0,00 \$
smart tv Ningún usuario	0,00 \$				
tablet 13 usuarios	0,00 \$				
mobile 274 usuarios	64,51 \$				
desktop 311 usuarios	663,91 \$				

Block III: Data analysis, conclusions, and strategic proposals

1. Quantitative analysis and LTV collapse

Total Gross Revenue is comparable between the segments (**Paid: \$17k vs. Organic: \$18k**). However, the critical finding is the catastrophic LTV collapse: nearly all cohorts—especially paid traffic—show **\$0.00** Gross Revenue from Week 2 onward. This immediate failure indicates that post-purchase retention and remarketing strategies are ineffective, making the long-term justification of the CAC impossible.

2. Device performance and conversion analysis

Desktop is the high-value conversion channel, with the **Organic/Desktop** segment showing the strongest initial purchase and Week 1 repurchase behavior. Conversely, **Mobile** represents a severe conversion leakage. Despite bringing in high user volume, mobile revenue is disproportionately low in Week 0 and drops entirely to **\$0.00** in Week 1. This points to significant friction in the mobile user experience, preventing both initial conversion and subsequent returns.

3. Strategic proposals

The action plan must **prioritize** the immediate **LTV** failure and **mobile** CR).

A. LTV reactivation (High priority):

- Implement paid retargeting campaigns targeting **paid users between day 8 and day 21** with complementary product offers to close the LTV gap.
- Launch automated email sequences with a second-purchase discount, active after Day 10, to actively encourage repurchase.

B. Mobile CRO:

- Perform a specific **funnel exploration** for paid/mobile traffic to pinpoint the exact abandonment step.
- Simplify the Mobile UX by implementing one-click payments (Google Pay/Apple Pay) and reducing unnecessary checkout steps.
- Until CRO is proven, re-evaluate or reduce bids on paid mobile traffic, which currently yields high volume but zero LTV.

C. Organic capitalization:

- Analyze the specific content and keywords driving the high-value **Organic/Desktop** conversions to invest more heavily in those areas and **protect the desktop user experience**, which is the main source of high-intent, converting traffic.