Average Customer Lifetime Value (CLV) Worksheet

In order to figure out your average CLV, you'll need to know the average length of time a family (not one specific child, but the entire family) stays with your center. You'll also need to know the average number of families enrolled over a given time period.

Step #1: Average Length of Enrollment

Pick a given time period (such as a calendar year) and look *only* at the families that left or graduated out of your program during that period.

> *Example:*
>
> In 2011, you had 4 families leave your program. Figure out how many total months each of these families stayed with your program (from when the first child enrolled to when the last child left or graduated), then divide by the number of departing families to determine your average length of enrollment:

Keating Family:	22 months
Hernandez Family:	15 months
Abbott Family:	36 months
Jones Family:	41 months
TOTAL:	114 months

114 months divided by 4 families = 28.5 months

28.5 months divided by 12 months in a year = 2.375 years

Step #2: Average Number of Families Enrolled

This one is pretty straightforward: For a given time period (such as a calendar year), add up the total number of families enrolled each month and divide by 12 to get an average for the year.

Step #3: Average Customer Lifetime Value (CLV)

a.	Total annual gross revenue for a given year	=	$_____
b.	Average number of families enrolled (the number you got in Step #2 above)	=	_____
c.	Average annual revenue per family (line a divided by line b)	=	$_____
d.	Average length of enrollment in years (the number you got in Step #1 above)	=	_____
e.	Average CLV (line c multiplied by line d)	=	$_____

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