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USER ACQUISITION GUIDE

The User Acquisition Starter Guide

How to buy your first users profitably

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What is inside

I have spent more than twelve years buying traffic and hiring the people who buy it. In that time I have watched a lot of smart founders and first-time marketers light money on fire, not because they were careless, but because nobody sat them down and explained how paid acquisition actually works. This guide is the conversation I wish someone had given me on day one.

It is written for the person about to spend real money on ads for the first time: a founder, an indie developer, a junior marketer, or anyone who wants to understand where the budget goes. I will keep it practical and honest. By the end you should be able to pick a channel, set a safe budget, launch a first campaign, read the numbers without panic, and know when you are winning.

CHAPTER 1

What User Acquisition Really Is

User acquisition, or UA, is the practice of paying to put your product in front of strangers and turning some of them into users or customers. That is the whole job. You spend money to buy attention, a slice of that attention converts, and your goal is to make each new user worth more than what you paid to get them.

It helps to separate two things that beginners often blur together. Growth is the outcome you want. Acquisition is one lever that drives it, alongside retention, referral, and monetization. Paid acquisition is powerful because it is fast and controllable: you can turn spend up or down today. It is also unforgiving, because a broken funnel will happily take your money at any budget you set.

The mental model I use is a simple pipe. Money goes in the top as ad spend. It flows through impressions, clicks, and installs or signups, and out the bottom come paying, retained users. Every stage leaks. Your job is not to eliminate the leaks, it is to make sure the value coming out the bottom is bigger than the money going in the top.

PRO TIP

Before you spend a dollar on ads, make sure you can measure what happens after the click. If you cannot see signups, activation, and revenue by source, you are buying blind and no channel will save you.

KEY TAKEAWAYS

- UA means paying for attention and converting a share of it into users.
- It is fast and controllable but punishes a leaky funnel.
- Tracking what happens after the click matters more than the ad itself.

CHAPTER 2

The Main Paid Channels and How to Choose

There are more ad platforms than you need to worry about. For a first campaign in the US market, five cover almost every situation. The trick is matching the channel to how people find and want your product, not chasing whichever one is trendy this quarter.

Broadly, channels split into two kinds. Intent-based channels reach people already searching for a solution, so demand exists and you are competing to capture it. Interest-based channels interrupt people who are not looking yet, so you have to create the demand with a strong creative and offer.

A starting map of the main US paid channels

Channel	Type	Best for	Watch out for
Google Search Ads	Intent	Products people already search for	Keyword costs climb fast in competitive niches
Meta (Facebook, Instagram)	Interest	Broad consumer apps and ecommerce	Creative fatigue, needs constant new ads
TikTok Ads	Interest	Younger audiences, video-native offers	Requires native, non-polished video
Apple Search Ads	Intent	Mobile apps, capturing App Store searches	Limited to iOS and the App Store
YouTube Ads	Interest	Demos, higher consideration products	Video production cost, slower to read

For your first channel, pick one, not three. If people already search for what you sell, start with Google Search or Apple Search Ads, because intent is the easiest demand to buy. If your product is a visual, impulse, or lifestyle purchase that people do not yet know they want, start with Meta or TikTok. Master one channel before you add another. Splitting a small budget across platforms just means you learn nothing on any of them.

> **PRO TIP**
>
> A useful rule of thumb: your daily test budget on a channel should be at least twenty to fifty times your target cost per action. If your target CPA is 20 dollars, you want roughly 400 to 1000 dollars to gather a readable signal, spread over a week or two.

KEY TAKEAWAYS

- Intent channels capture existing demand, interest channels create it.
- Match the channel to how people actually discover your product.
- Start with one channel and give it enough budget to learn from.

CHAPTER 3

The Metrics That Actually Matter

Paid marketing has its own alphabet, and it scares people off. It should not. Almost every acronym is just a ratio of two numbers you already have: how much you spent and how many of something you got. Learn eight of them and you can hold your own in any UA conversation.

The core acquisition metrics

Metric	What it means	How it is calculated	Example
CPM	Cost per thousand impressions	Spend divided by impressions, times 1000	10 dollars CPM means 1000 views cost 10 dollars
CTR	Click-through rate	Clicks divided by impressions	20 clicks on 1000 views is a 2 percent CTR
CPC	Cost per click	Spend divided by clicks	40 dollars on 20 clicks is 2 dollars CPC
CVR	Conversion rate	Conversions divided by clicks	2 signups from 20 clicks is a 10 percent CVR
CPI	Cost per install	Spend divided by installs	For apps, 40 dollars on 20 installs is 2 dollars
CPA	Cost per action (signup, sale)	Spend divided by actions	40 dollars on 2 signups is 20 dollars CPA
LTV	Lifetime value of a user	Average revenue a user brings over time	A user who pays 10 dollars a month for 6 months is worth 60 dollars
CAC	Customer acquisition cost	Total spend divided by new customers	Same idea as CPA, usually across all costs

The one that ties it all together is ROAS, return on ad spend. It is revenue divided by ad spend. A ROAS of 3 means every dollar of ads returned three dollars of revenue. Beginners obsess over cheap clicks, but a cheap click that never converts is worse than an expensive click that buys a loyal customer. Always read the funnel end to end, not one metric in isolation.

Here is how these connect in practice. CPM and CTR determine your CPC. CPC and CVR determine your CPA. CPA measured against LTV tells you whether you are profitable. If a number looks wrong, walk backward through the chain and you will find which stage is leaking.

PRO TIP

Do not compare your CPI or CPA to numbers you read in a blog post. Benchmarks vary wildly by country, platform, and product. The only benchmark that matters is your own LTV. A 25 dollar CPA is cheap if users are worth 90 dollars and a disaster if they are worth 15.

KEY TAKEAWAYS

- Most metrics are just spend divided by a result.
- The chain runs CPM to CTR to CPC to CVR to CPA.
- ROAS and LTV, not cheap clicks, decide whether you are winning.

CHAPTER 4

Unit Economics and Setting a Safe Budget

This is the chapter most beginners skip, and it is the one that keeps you from going broke. Before you set a bid, you need a rough idea of what a customer is worth to you. That number sets the ceiling on what you can afford to pay to acquire one.

Start with LTV, but use a version you can trust early. Full lifetime value takes months to observe, so I like to work with a shorter window, for example the gross margin a customer produces in their first 90 days. If a subscriber pays 12 dollars a month, you keep 70 percent after costs, and the average person stays 4 months, your rough LTV is about 34 dollars.

1. Estimate revenue per customer over a fixed window, say 90 days.
2. Subtract the cost of delivering the product to get gross margin, your working LTV.
3. Decide a target ratio of LTV to CAC. A common healthy target is 3 to 1.
4. Divide your working LTV by that ratio to get your maximum CAC, which is your target CPA.
5. Set your bids and daily budget so your actual CPA stays under that ceiling.

Using the numbers above, a 34 dollar LTV and a 3 to 1 target gives you a maximum CAC of about 11 dollars. That is the most you should pay for a customer while still leaving room for profit and overhead. When you launch, you might allow yourself to pay a bit more during the learning phase, because early data is noisy, but you always know the line you cannot cross for long.

For your total test budget, think in terms of readable signal, not comfort. You want enough conversions to trust the number. A practical minimum is roughly 30 to 50 conversions before you judge a campaign. If your target CPA is 11 dollars, budget somewhere around 350 to 550 dollars for a first read, and treat it as tuition, not a bet you must win.

PRO TIP

Never spend money you cannot afford to lose entirely on a first test. Early campaigns buy you learning, not guaranteed profit. Set a hard weekly cap in the ad platform so a runaway campaign cannot drain your account overnight.

KEY TAKEAWAYS

- Work out a trustworthy short-window LTV before you bid.
- Target LTV to CAC of about 3 to 1 to set your maximum CPA.
- Budget enough for 30 to 50 conversions and cap your weekly spend.

CHAPTER 5

Planning and Launching Your First Campaign

A first campaign does not need to be clever. It needs to be clean enough that you can learn from it. The most common failure I see is a launch with so many moving parts that when it fails, and the first one usually does, you cannot tell which part failed.

Keep the structure simple. One campaign, one clear objective, one audience idea, and a small handful of creatives. Resist the urge to build twelve ad sets on day one. You are trying to answer one question first: can this product be acquired profitably on this channel at all?

1. Define the single action you are optimizing for, for example a signup or a purchase, and make sure the platform can track it.
2. Install the pixel or SDK and fire a test event so you know tracking works before you spend.
3. Pick one audience: a broad interest, a keyword theme, or a lookalike of existing users.
4. Create 3 to 5 different creatives that lead with different angles or hooks.
5. Set your daily budget from the unit economics you worked out and set a weekly cap.
6. Launch, then do nothing for 3 to 4 days so the platform can exit its learning phase.
7. Read the results against your target CPA and decide to cut, keep, or scale.

That waiting step is the hardest and the most important. Modern ad platforms run on machine learning that needs a stretch of stable data to optimize. Every time you edit budget, audience, or creative, you can reset that learning. Poking the campaign every few hours feels productive and quietly ruins your results.

> **PRO TIP**
> Send the traffic to a page that matches the ad. If your ad promises a free trial, the landing page should show the free trial above the fold, not your homepage. A mismatch between ad and landing page silently kills conversion rate no matter how good the ad is.

KEY TAKEAWAYS

- Launch simple so you can tell what worked and what did not.
- Verify tracking fires before you spend a cent.
- After launch, leave the campaign alone long enough to learn.

CHAPTER 6

Creative Basics That Move the Numbers

On interest-based channels like Meta and TikTok, the creative is the biggest lever you have. Targeting has largely been handed to the algorithm, so the ad itself is what decides whether you win. On intent channels, the equivalent lever is your ad copy and the match between keyword and offer. Either way, most of your gains will come from testing what you say and show, not from fiddling with settings.

Good beginner creative does three jobs in the first few seconds: it stops the scroll, it names a problem the viewer feels, and it shows your product as the obvious answer. You do not need a studio. On TikTok especially, a clean phone video that looks native to the feed usually beats a glossy produced spot, because it does not read as an ad.

- Lead with the hook. The first 3 seconds or the headline decide whether anyone stays.
- Speak to one problem per ad, not your whole feature list.
- Show the product in use, not just a logo or a stock photo.
- Make the call to action explicit: start free, shop now, download today.
- Test different angles, not just different colors. A new promise beats a new font.

Creatives wear out. An ad that crushes it in week one will fade as your audience sees it repeatedly, which shows up as a rising CPM and a falling CTR. That is normal. The professional habit is to always have the next batch of creatives ready to test, so you are refreshing before performance drops, not scrambling after it.

PRO TIP

Test one variable at a time when you can. If you change the hook, the visual, and the offer all at once and results improve, you have learned nothing about why. Isolate the change so each test teaches you something you can reuse.

KEY TAKEAWAYS

- Creative is the main lever on interest channels; copy and match on intent channels.
- Hook fast, name one problem, show the product in use.
- Expect fatigue and keep a pipeline of fresh creatives ready.

CHAPTER 7

Reading Results and the Test, Optimize, Scale Loop

Once data comes in, your job shifts from launching to judging. The mistake here is reacting to noise. With small numbers, a single lucky or unlucky day swings everything. Wait until you have enough conversions, roughly 30 to 50, before you draw conclusions, and read whole weeks rather than single days to smooth out weekday and weekend swings.

When you read a campaign, diagnose by walking the funnel. If your CPA is too high, find the weak stage. A low CTR means the creative or targeting is not connecting. A healthy CTR but low CVR means the click is fine and the landing page or offer is the problem. High CPM with everything else fine means the auction is expensive and you may need a broader audience or a different angle.

Simple diagnosis from the funnel

Symptom	Likely cause	First thing to try
Low CTR	Creative or audience mismatch	New hooks and angles, broader or different targeting
Good CTR, low CVR	Landing page or offer weak	Match page to ad, simplify the signup, sharpen the offer
High CPM	Expensive or narrow auction	Widen the audience, test fresh creative
Good CPA, low volume	Ready to scale	Raise budget slowly, 20 to 30 percent every few days

This is the loop the whole job runs on: test, optimize, scale. Test new ideas with small budgets. Optimize by cutting what loses and doubling down on what wins. Scale the winners carefully. Scaling is where people blow up good campaigns, because raising the budget too fast throws the platform back into learning and CPA spikes. Raise budgets in steps of 20 to 30 percent every few days and watch that your CPA holds.

PRO TIP

Kill your losers quickly and be patient with your winners. Most beginners do the reverse: they tinker endlessly with a failing ad hoping to save it, and they get nervous and pause a winner the moment it has one bad day.

KEY TAKEAWAYS

- Judge on enough conversions and whole weeks, not single days.
- Diagnose a high CPA by finding the weak stage in the funnel.
- Test, cut losers, and scale winners in small steps to protect CPA.

CHAPTER 8

Common Beginner Mistakes to Avoid

Most first campaigns fail for a short list of predictable reasons. If you internalize these, you will skip past the expensive lessons that most people pay for in wasted spend.

- Spending before tracking works, so you cannot tell what actually happened.
- Spreading a small budget across three channels and learning nothing on any of them.
- Editing campaigns every few hours and resetting the learning phase.
- Judging on one or two days of noisy data instead of enough conversions.
- Chasing cheap clicks while ignoring whether they convert or retain.
- Not knowing your LTV, so you have no idea what a customer is worth.
- Scaling budget too fast and watching CPA spike, then panicking.
- Running one creative forever and blaming the channel when it fatigues.
- Sending traffic to a homepage that does not match the ad's promise.

Notice how many of these are not about ads at all. They are about measurement, patience, and math. That is the real lesson of paid acquisition. The platform will do the hard optimization for you if you feed it a clear goal, honest tracking, decent creative, and the discipline to leave it alone long enough to work.

Start small, stay honest with your numbers, and treat your first few hundred dollars as the cost of an education you will use for years. Everybody owns their own results here. The people who win at UA are rarely the flashiest marketers, they are the ones who measure carefully and keep steady hands on the controls.

KEY TAKEAWAYS

- Fix tracking, focus on one channel, and know your LTV before you spend.
- Give campaigns time and enough data before you judge them.
- Scale slowly, refresh creative, and match your landing page to your ad.

Where to go next

When you are ready to go deeper, the free course on shenshin.co walks through building and scaling real campaigns step by step. The blog covers channel-specific playbooks and current benchmarks, so pick the channel you chose here and read the guide that matches it.

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