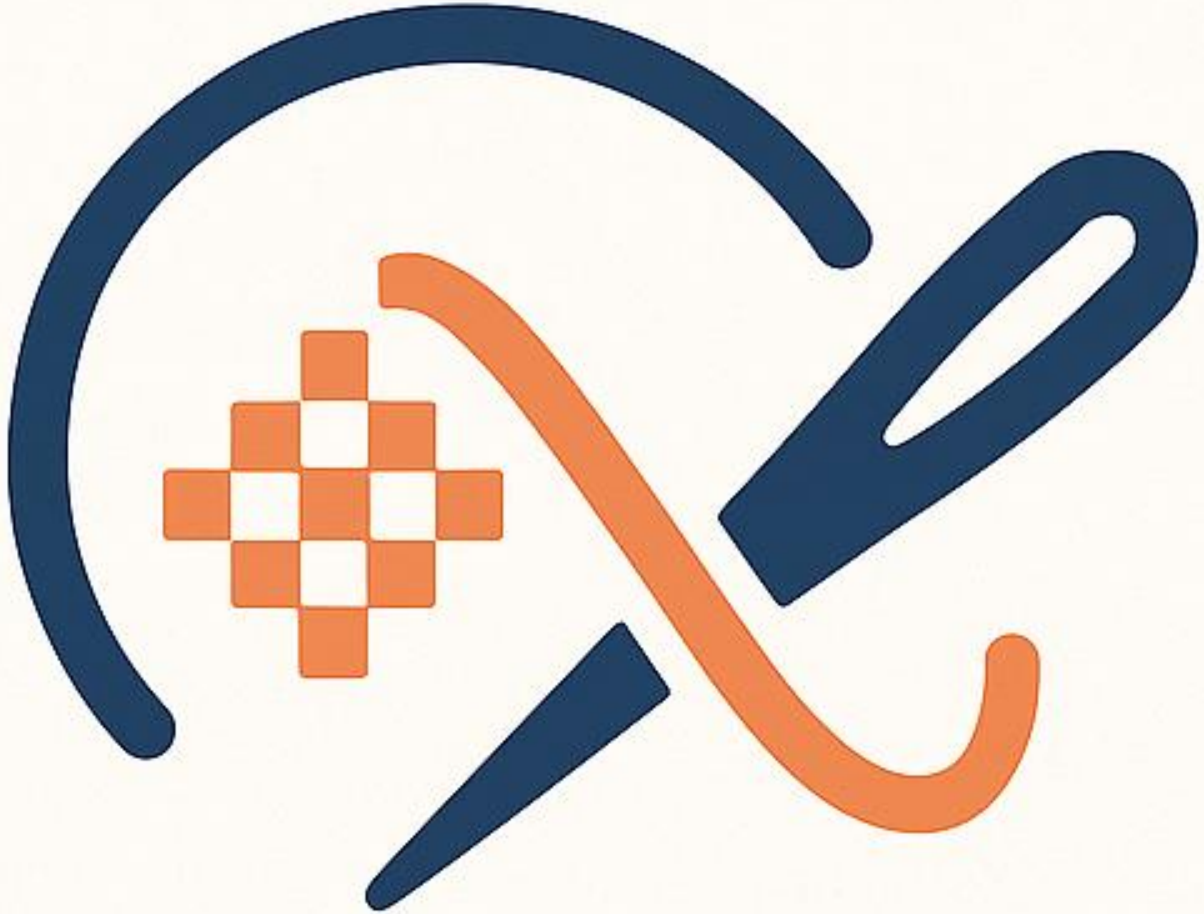


NEEDLENOTE

NEEDLENOTE

Turn your imagination into a stitchable masterpiece.

What is Needlenote?

We are empowering modern makers to turn photos, sketches, or prompts into stitch-ready needlepoint patterns and custom kits.

Why does this matter?

Needlenote merges **AI personalization** + **mindful creativity** in the $60B craft market and appeals to digital-native consumers seeking **calm, purpose, and self-expression.**

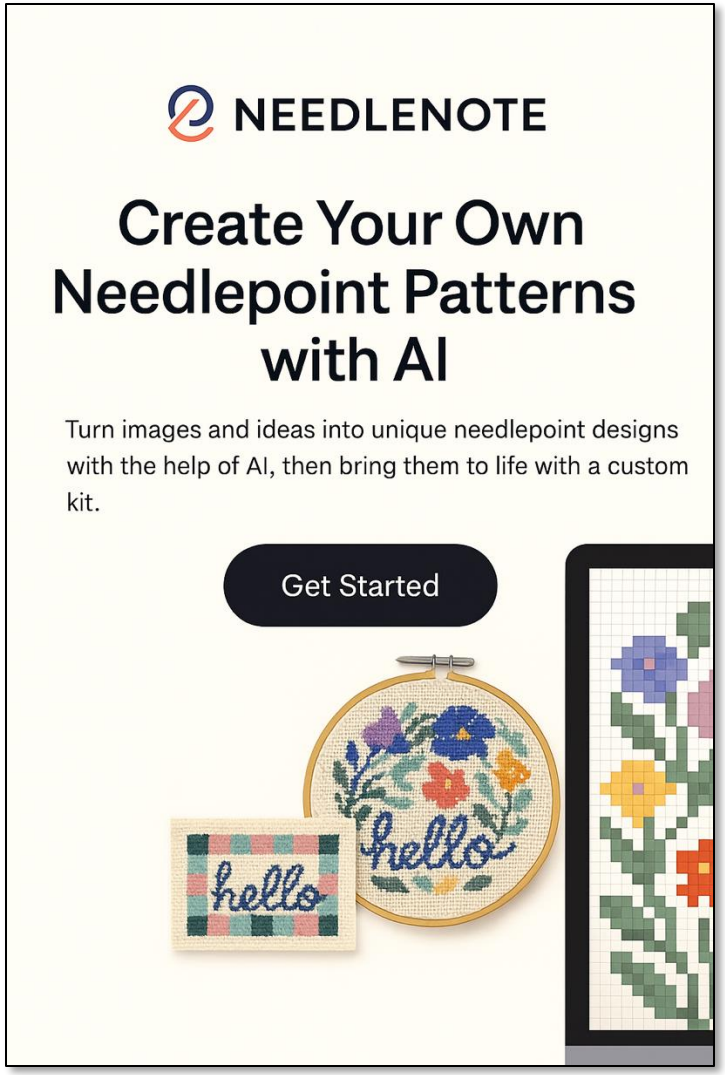
Targets:

- $275K Revenue, 5K Customers
- CVR: 2.5%
- CAC < $55
- CLV: $165

Objective

Prove product-market fit and scalable customer acquisition to prepare for **seed-stage growth.**

Video: https://www.loom.com/share/55dbc35a88da442ebcc575e56e0ed722



AI Reflections: ChatGPT proved a valuable resource in crafting a fun, creative startup idea that didn't get me bogged down in my own B2B ideas that felt less exciting. It definitely took a lot of back and forth to get a useable idea that integrated several of my interests (needlepointing and AI and e-commerce)

IDEAL CUSTOMER PERSONAS



Primary ICP — Emma, "The Mindful Maker" (25–40)

- **Motivation:** Wants a calming, screen-free creative outlet that still feels modern and personal.
- **Pain Points:** "Not artistic enough," needs tutorials and community proof.
- **Digital Habits:** Discovers on TikTok/IG Reels; saves how-to content on Pinterest; joins craft subreddits for tips.
- **High Value Why:** Repeats 2–3 kits per year (CLV ≈ $165–$210) and refers friends; low CAC ($36–$44) → PAV ≈ $120+.
- **AI Insight:** SparkToro and interview clustering revealed "mindfulness + personalization" as the core purchase emotion.



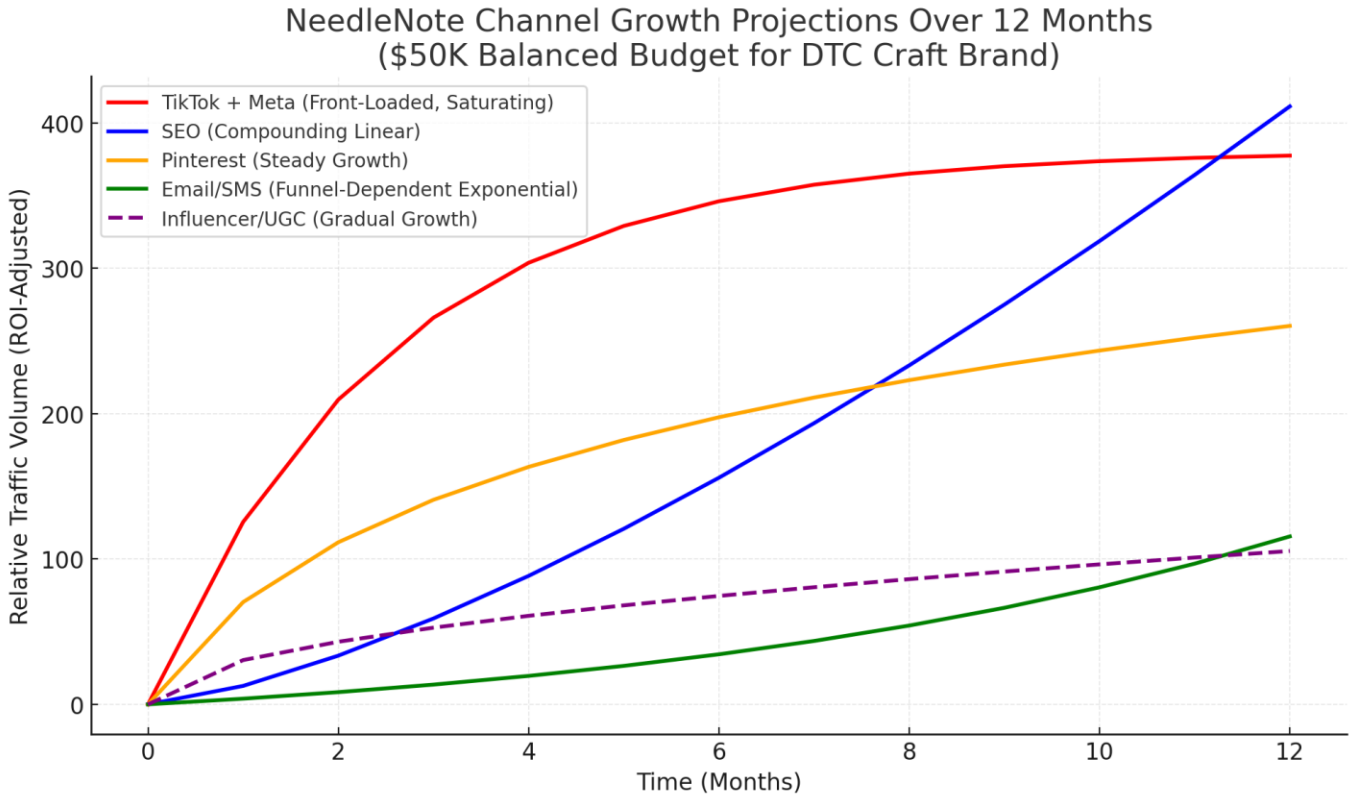
Seasonal ICP — David, "The Personalized Gift Giver" (30–50)

- **Motivation:** Wants fast, meaningful holiday gifts using personal photos.
- **Pain Points:** Deadline anxiety and uncertainty about difficulty.
- **Digital Habits:** Searches Pinterest and Google for "custom needlepoint kit," clicks gift ads with beautiful packaging.
- **High Value Why:** High AOV ($60–$70) but lower repeat rate (1–2 gifts per year) → needs upsell into hobby for CLV lift.
- **AI Insight:** Keyword clustering surfaced "turn photo into embroidery pattern" as top intent phrase for this audience.
- **Where I Disagree:** Hesitant to focus on seasonal buyer who is focused on deals or bundles

AI Reflections: I don't necessarily love that AI pushed me towards two personas rather than just one, but I ultimately included it to push the seasonal aspect of this that I felt like would be an integral part of the brand (at least based on personal experience). Generating mock customer interviews was the most integral part of forming these personas as SparkToro and SEMRush data was pretty limited for the space.

CHANNEL STRATEGY MIX

Quarter	Key Focus	Expected Lift
Q1 (Months 1–3)	Creative testing on TikTok + SEO foundation	Establish CAC < $45, CVR ~2%
Q2 (Months 4–6)	Launch Gift Mode + Email automation	Lift AOV +$5–$7; CVR +0.2pp
Q3 (Months 7–9)	Scale Pinterest + Influencer partnerships	Boost BOFU conversions
Q4 (Months 10–12)	Holiday ramp (gifting focus)	30% traffic spike, SEO compounds



Channels not being used: Not currently focused on long-term media as those lean more towards tutorials while our product is geared more towards design / customizable products for more experienced needlepointers

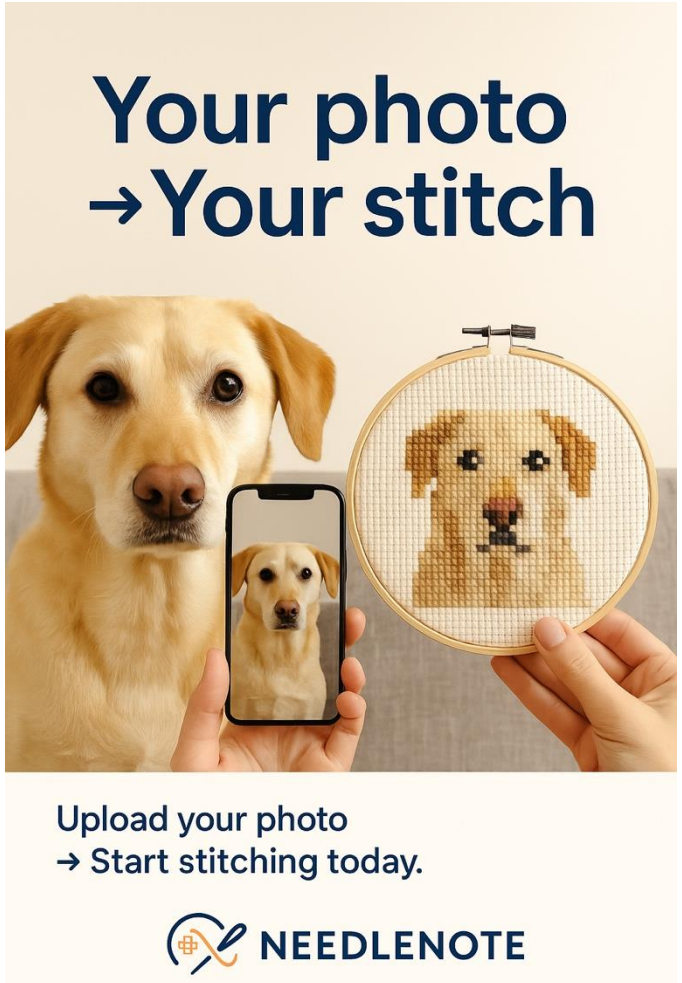
AI Reflections: I felt pretty good about this marketing mix and the channels that the AI chose to target. While it feels a little generic, it reminded me a lot of the marketing strategy for the Woobles, which is a crochet kit company that is constantly on my feed, so my opinion was definitely swayed in that sense. I would've liked to see it dive more towards a licensing play rather than influencers, but felt that might be too complicated.

CAMPAIGN BRIEF AND CREATIVE EXAMPLE

“Your Photo → Your Stitch Pattern in 60 Seconds”

- This campaign perfectly captures both *Emma’s* desire for a creative, mindful hobby and *David’s* need for a personalized, meaningful gift — visually showing the “AI magic” of turning personal photos into something handmade and heartfelt.
- **Publish it live across paid social and TikTok immediately**, as it clearly demonstrates the product’s unique value in under five seconds, aligns with existing high-performing personalization creatives, and has strong visual clarity for both conversion and shareability.





AI Reflections: I really liked the play to use pets as a marketing ploy for this ad. I like the clear CTA for the static ad on the left, but I’m a little confused by the still from a short-form video ad on the right. Ultimately, I’d like the build out the short form video content more to include people and show visuals of the actual conversion process from photo to needlepointing.

CROSS-CHANNEL ORCHESTRATION

- **TOFU:** *CTR ≥ 1.8 %, CAC ≤ $45*
  - **TikTok / Meta Ads** – "Your Photo → Your Stitch" creative.
  - **Influencer / UGC Posts** – authentic before/after reveals.
  - **Pinterest Organic** – saves & pins for inspiration.
- **MOFU:** *Email signup > 5 %, Welcome CVR ≥ 3 %*
  - **Landing Pages** with instant AI preview.
  - **Email Series** ("Your First 30 Minutes" tutorials).
  - **Community Gallery Previews** showcasing user work.
- **BOFU:** *CVR ≥ 2.5 %, Add-to-Cart ≥ 12 %*
  - **Google Search Ads** ("custom needlepoint kit").
  - **Pinterest BOFU Ads + Gift Mode landing.**
  - **Checkout Optimization & Bundles.**
- **Retention:** *30 % repeat purchase rate; ≥ 200 gallery uploads*
  - **Email/SMS flows** with kit launches + upsells.
  - **Community Gallery Uploads** → UGC loop.
  - **Referral Prompts ("Share Your Stitch").**

How this mix connects to the milestone:
Each funnel stage compounds toward the $275K goal — TikTok and UGC drive discovery, Email nurtures interest, Search and Pinterest convert high-intent buyers, and the Community Gallery fuels repeat purchases and organic growth.

Early signal to scale:
If the email sign-up rate from paid traffic exceeds **5%**, it confirms message-market fit and triggers budget expansion.

Rule for shifting budget:
If **TikTok CAC rises above $55 for seven days**, reallocate 25% of spend to **Pinterest BOFU ads** targeting high-intent "custom kit" keywords.

AI Reflections: This slide took a lot of back and forth trying to nail down what channels to include in which part of the funnel and nail down how it all connects. I had a hard time tying to figure out which part of the funnel to prioritize, and my custom GPT ultimately led me to focus on TOFU to drive more traffic into the website as my fake startup started with a relatively decent conversion rate. I don't feel great about anchoring on email sign up though.

PRIORITY CHANNEL ACTIVATION

Paid Social on Meta and TikTok

Why This Channel Matters Most

- Paid Social is the fastest path to qualified reach for both **Emma (the Mindful Maker)** and **David (the Gift Giver)**—it delivers low-CAC discovery, emotionally resonant creative, and real-time data to validate message-market fit, making it the most efficient engine to hit **$275 K revenue / 5 K customers** within 12 months.

What We Will Actually Launch

- A **60-day TikTok + Meta pilot** built around the flagship creative **"Your Photo → Your Stitch."**
- **Creative Assets:** 4 short-form UGC-style videos + 2 static reveal ads showing photo-to-pattern transformation.
- **Targeting:** Look-alike audiences from early buyers + interest in DIY, needlepoint, and AI art.
- **Offer:** Starter Kit ($55 AOV) with "Upload Your Photo" call-to-action.

Rule for Success (Continue / Pause / Scale)

- **Continue** if CVR ≥ 2.5 % and CAC ≤ $45 for two weeks.
- **Scale** +15 % weekly when ROAS ≥ 3 × and CTR > 1.8 %.
- **Pause / Refresh** if CTR < 1.5 % or CAC > $55 for 7 days → rotate creative set and shift 20 % budget to Pinterest BOFU.

Metric	Range	Logic
Spend	$12 000 (60 days)	Balanced pilot for creative + audience testing
Sessions (Clicks)	≈ 50 000	$0.24 avg CPC from UGC ads
Conversion Rate (CVR)	2.5 – 3.0 %	Based on Month-3 baseline and tutorial nurture lift
Orders	1 250 – 1 500	Sessions × CVR
AOV	$55	Starter Kit baseline
Revenue	$68 K – $82 K	Orders × AOV
CAC	$40 – $45	Spend ÷ Orders
CLV	$165 (lifetime avg)	2–3 kit repeat buyers
PAV = CLV - CAC	≈ $120 – $125 per customer	Profitable (> $110 threshold)
ROAS	3.0 × – 3.5 ×	Validates scale potential

AI Reflections: I picked paid social here after my custom GPT convinced me that TOFU was the most important focus at this point. I feel pretty good about the ranges of numbers that we came up with together and the plausibility of them. We walked through a couple different scenarios before finally landing here. I feel confident these are achievable numbers after several back and forths confirming validity.

OPTIMIZATION PLAN

TOFU	MOFU	BOFU
• **Friction Point:** Ad viewers don't grasp "photo → stitch" value quickly enough (scroll fatigue) • **Metric to Watch:** CTR on Paid Social ads < 1.5% • **AI Help:** Use AI (e.g., ChatGPT + image-variant generator) to create & test 10 ad copy/image variants. Can also use agents to evaluate and grade ad quality.	• **Friction Point:** Landing page visitors click through but don't subscribe to email (lack of proof/trust) • **Metric to Watch:** Email sign-up rate from landing page < 5% • **AI Help:** AI-powered UX heat-map and copy-analysis tool to identify confusing copy or drop-off zones	• **Friction Point:** High checkout drop-off because users aren't sure they can complete the project (skill anxiety) • **Metric to Watch:** Checkout completion rate (orders ÷ add-to-cart) < 70% • **AI Help:** Use AI chat-bot to answer common questions in real time + dynamic FAQs; collect common objections

AI Reflections: While these pain points feel very real, I'm still a little skeptical on the AI Help section and how feasible it is to actually nail down what's going wrong in the funnel without having significant human in the loop feedback about what's happening. From my own experiments, data can be deceiving and doesn't always tell the full story of how people are interacting with your UI.

GOLDEN EQUATIONS

Metric	Value	Rationale
Sessions (Traffic)	**200,000**	Annual traffic goal from Slide 3; achievable via paid social (60K), Pinterest (40K), SEO (50K), email/referral (20K), UGC (30K).
Conversion Rate (CVR)	**2.6 %**	Matches Month-3 GA data (2.6 %) plus modest lift from tutorials & improved onboarding (Slide 7).
Average Order Value (AOV)	**$58**	Weighted blend: $55 Starter Kit + $65 Gift Bundle "Gift Mode" mix (Slide 6).
Revenue = Sessions × CVR × Value	**200,000 × 2.6 % × $58 = ≈ $301,000**	Base-case projection slightly exceeding $275 K milestone target; validates scalable PMF.
Customer Acquisition Cost (CAC)	**$40**	Blended from Paid Social ($42), Pinterest ($38), and organic/CRM traffic ($10 effective CAC).
Customer Lifetime Value (CLV)	**$165**	Assumes 3 kit purchases/year @ $55 AOV with 30 % repeat-purchase rate.
PAV = CLV - CAC	**$125 per customer**	NeedleNote earns $125 net post-acquisition value; comfortably above $110 profitability threshold.
CLV : CAC Ratio	**4.1 : 1**	Exceeds 3 : 1 benchmark for sustainable DTC growth.
Revenue per Session	**$1.50**	Benchmarks DTC craft brands (avg. $1–1.2); improved via personalization effect.
Break-Even CAC Threshold	**$55**	When CAC > $55, PAV falls < $110; defines "pause/shift" rule in Slide 5.

Interpretation

- Every **0.1 pp CVR improvement** adds ≈ $11 K incremental revenue.
- Every **$5 CAC reduction** increases PAV ≈ $25 per customer.

With these levers optimized, NeedleNote sustains profitable growth and confirms readiness for the $275 K milestone.

AI Reflections: Not much to argue on numbers here as they're pretty consistent throughout the slides. As far as the rationales, I do feel like because the entire business is mocked, the rationales can get a little iffy as there's not real baseline to work off. I like that my custom GPT was able to back up each of the numbers though.

ARTIFICIAL INTELLIGENCE FOR LABOR LEVERAGE AND LEADERSHIP

Function	Tool / Approach	Time or Cost Savings	Quality or Velocity Gain	Human-in-the-Loop Guardrail
Audience & Persona Insights	**SparkToro + ChatGPT synthesis** of interviews and affinities	~10 hrs saved / quarter	Faster segmentation and psychographic clarity	Marketer validates emotional triggers before persona finalization
Keyword & Content Mapping	**SEMRush + AI keyword clustering** (intent grouping)	~8 hrs / month	Builds 90-day SEO plan aligned to funnel stages	SEO lead reviews keyword groupings for intent accuracy
Creative Ideation & Production	**DALL·E / Midjourney + ChatGPT for copy variants**	~12 hrs / week	5–10 ad variants generated instantly; improves CTR testing cadence	Designer selects final assets to ensure brand consistency
Campaign Modeling & CAC Forecasting	**ChatGPT / Excel CoPilot modeling** of Sessions × CVR × Value scenarios	~6 hrs / month	Quick scenario testing for go / no-go budget decisions	CMO reviews assumptions & approves pivots
Email & CRM Personalization	**AI subject line generator + behavioral segmentation**	~4 hrs / week	+1.5 pp open-rate lift; higher personalization accuracy	CRM manager checks tone and brand voice
UGC Analysis & Community Gallery Tagging	**Vision AI tagging & sentiment clustering**	~5 hrs / week	Auto-tags content for SEO and reuse; improves testimonial discovery	Content lead moderates for authenticity & tone

Aggregate Impact: ~350–400 hours saved annually (~2 FTE months) across creative, analysis, and reporting, **Estimated labor value saved:** ≈ **$20K–$25K / year, Velocity Gain:** Campaign ideation-to-launch reduced from 3 weeks → 1 week, **Quality Gain:** 3× creative variant testing speed; higher hit rate on winning ads.

AI Reflections: I was admittedly confused by the quality or velocity gain aspect of this slide and how to reasonably quantify that. I tried to push the AI to give me more quantifiable impacts but it gets getting stuck and refusing and I didn't want to lose the context of all our previous work so I just left it, but I'd like to iterate on that aspect in the future.

GO/NO-GO DECISION

Decision: GO

NeedleNote is ready to scale toward its 12-month milestone — $275K revenue, 5K customers — with proven traction, profitable unit economics, and validated creative-market fit.

- **Revenue:** ≈ $301 K
- **CAC:** $40
- **CLV:** $165
- **PAV:** $125 per customer
- **CLV:CAC = 4.1 : 1**

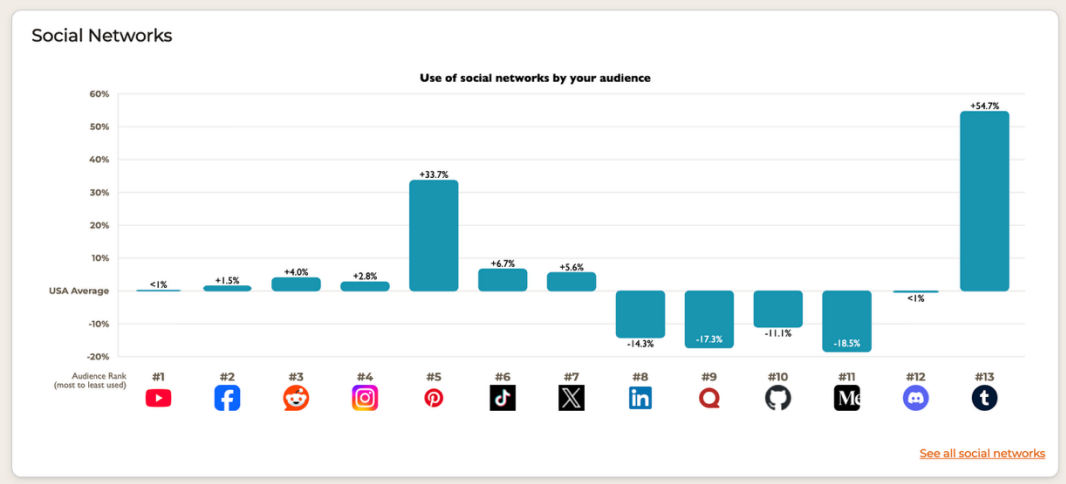
Condition	Decision	Action
If PAV ≥ $110 and **CAC ≤ $45** for 2 consecutive months	**GO / Scale**	Increase spend +20 % on Pinterest + SEO content
If CAC > $55 or **CVR < 2.0 %** for 14 days	**PAUSE / Optimize**	Freeze paid budgets; test new creatives + checkout UX
If PAV < $100 for 60 days post-optimization	**NO-GO / Pivot**	Reassess pricing, bundling, or channel mix before further spend

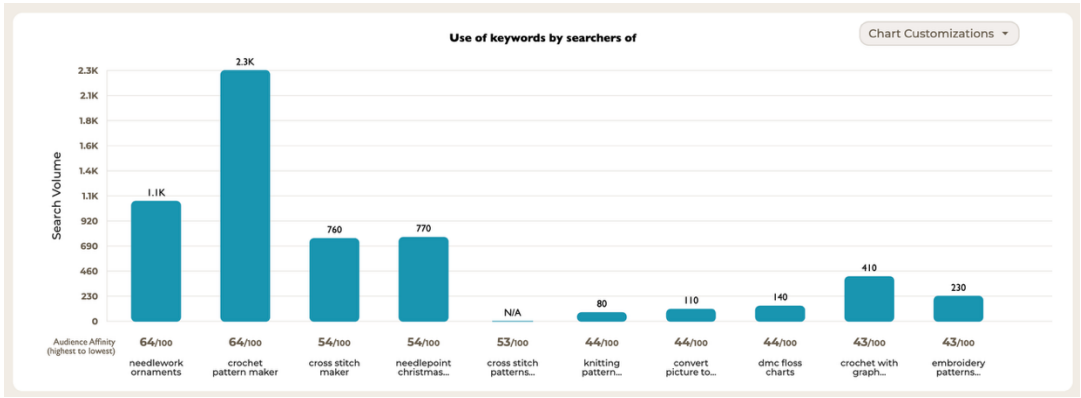
Risk	Impact	Mitigation
1. Seasonality & Gift Dependence	Revenue dips outside holiday periods	Launch monthly "Mindful Maker" kit drops to stabilize demand
2. Creative Fatigue in Paid Channels	Rising CAC if ad novelty fades	AI-driven creative rotation every 2 weeks; refresh copy/images quarterly
3. Supply Chain or Fulfillment Delay	Undermines trust and repeat rate	Maintain 6-week inventory buffer; automate "in-stock" alerts

AI Reflections: I struggle to believe the AI was ever going to guide me to a No-Go decision, especially considering the numbers were all mocked with the specific purpose of fitting the assignment goals. If these were real life scenarios, I'd be skeptical of any numbers ChatGPT generated for me as it aims to please.

APPENDIX

SPARKTORO HIGHLIGHTS





MOCK CUSTOMER INTERVIEW

- 🎤 **Mock Customer Interview 1 — "The Mindful Maker"**
- **Name:** Emma R., 32 — Product Designer, Brooklyn, NY
- **Q:** How did you first discover NeedleNote?
  A: I saw a TikTok about "AI-powered needlepoint" and thought it was such a cool mix of tech and tradition. I've always wanted to do something creative that gets me off my laptop, but I'm not an artist.
- **Q:** What drew you to try it?
  A: The idea that I could upload a photo of my dog and it would turn it into a stitchable pattern — that felt magical. I liked that it removed the intimidating part of design.
- **Q:** What was your experience using it?
  A: Honestly really smooth. I played around with color palettes until I found one that matched my living room. The kit arrived quickly, beautifully packaged.
- **Q:** What do you value most about it?
  A: It helps me unwind — I do it at night instead of scrolling. It's part mindfulness, part creativity.
- **Q:** Any challenges or improvements?
  A: Maybe more video tutorials for beginners. I'd also love a community gallery to share my finished pieces.

CHANNEL STRATEGY MIX BY THE NUMBERS

Channel	Primary Persona	Role in Funnel	Budget	Sessions (est.)	CVR	AOV	CAC	PAV (CLV-CAC)
TikTok + Meta (Paid)	Emma (Mindful Maker)	TOFU → BOFU	**$18K (36%)**	35K	2.0%	$55	$36	$129
SEO (Blog + Product)	Both	MOFU → BOFU	**$10K (20%)**	25K	3.0%	$58	$20	$145
Pinterest (Paid + Organic)	David (Gift Giver)	BOFU	**$8K (16%)**	20K	2.8%	$62	$33	$132
Email / SMS	Both	MOFU → Retain	**$6K (12%)**	10K	4.0%	$56	$10	$155
Influencer / UGC	Emma	TOFU / MOFU	**$8K (16%)**	15K	2.5%	$55	$37	$128
Total	—	—	**$50K**	**≈105K**	—	—	**Blended CAC ≈ $33**	**Blended PAV ≈ $132**

CUSTOM GPT

- https://chatgpt.com/g/g-6907df747ce08191853af921affa7fee-needlenote