

The Revenue Ratchet Formula

The Revenue Ratchet Formula is a simple way to remember the only three ways a business can increase its revenue


$$\text{Revenue} = \text{Number of Buyers} \times \text{Size of Each Sale} \times \text{Number of Sales}$$

Get More and Better Buyers and Referrals

This is the strategy on which most businesses focus, even multimillion-dollar businesses.

But of the three elements for increasing revenue, this one requires the most time, money, and effort to succeed.



Increase the Size of Each Purchase

Offer additional products and/or services that complement the purchase your customers are about to make.



Increase the Number of Times Customers Buy

Encouraging your customers to buy more often from you can be as simple as giving them reminders and creative incentives.

