

VENDOR ROI CALCULATOR

This resource will walk you through the steps to develop a detailed lead generation strategy that will help you determine the ROI you need to hit your channel goals for growth.

First, let's establish your baseline numbers. You will use these numbers throughout the calculator.

CURRENT CHANNEL REVENUE

What is your company's revenue over the course of a year (gross)?

Example: 1,000,000

DESIRED CHANNEL REVENUE

What is your ideal revenue?

Example: 10,000,000

NUMBER OF YEARS UNTIL REACHING REVENUE GOAL

When would you like to reach your desired revenue?

Example: 10

PROSPECT APPOINTMENT CLOSE RATIO — ALL LEADS (NOT JUST WOM)

What is your average partner ratio of closed deals to total leads?

Example: 20%

TOTAL NUMBER OF PARTNERS

How many partners currently hold an active contract?

Example: 50

AVERAGE NUMBER OF YEARS YOU KEEP PARTNERS

How many years does the average partner do business with you?

Example: 10

APPROXIMATE COMPANY PROFIT PERCENTAGE

Adding income and company net profit together

Example: 10%

TOTAL ANNUAL REVENUE

What does your company earn in over the course of a year (gross)?

Example: 1,200,000

MARKETOPIA AVERAGE COST PER QUALIFIED RESELLER*

*Across all vendors

VENDOR ROI CALCULATOR

STEP 1

How Much Additional Revenue Do I Need to Add Per Year to Achieve My Goal?

A. DESIRED CHANNEL REVENUE

CURRENT CHANNEL REVENUE

—

REVENUE NEEDED TO INCREASE TO ACHIEVE GOAL

Example:

$$10,000,000 - 1,000,000 = 9,000,000$$

B. NUMBER OF YEARS UNTIL REACHING REVENUE GOAL

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ANNUAL ARR INCREASE TO ACHIEVE GOAL

Example:

$$9,000,000 \div 10 = 900,000$$

STEP 2

How Many Partners Do I Need to Add Per Year to Achieve My Goal?

A. CURRENT CHANNEL REVENUE

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TOTAL NUMBER OF PARTNERS

AVERAGE ARR PER PARTNER

Example:

$$1,000,000 \div 50 = 20,000$$

B. ANNUAL ARR INCREASE TO ACHIEVE GOAL

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TOTAL PARTNERS NEEDED ANNUALLY TO ACHIEVE GOAL

Example:

$$900,000 \div 20,000 = 45$$

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STEP 3

How Many Leads Do I Need Monthly to Achieve My Goal?

A. TOTAL PARTNERS NEEDED ANNUALLY TO ACHIEVE GOAL

PROSPECT APPOINTMENT CLOSE RATIO — ALL LEADS, NOT JUST WOM

TOTAL LEADS NEEDED ANNUALLY TO ACHIEVE GOAL

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Example:

$$45 \div .20 = 225$$

B. MONTHS PER YEAR

TOTAL MONTHLY LEADS NEEDED TO ACHIEVE GOAL

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12

Example:

$$225 \div 12 = 18.75$$

STEP 4

What is a Lead Worth to YOU?

A. TOTAL ANNUAL REVENUE

TOTAL NUMBER OF PARTNERS

AVERAGE ANNUAL REVENUE PER PARTNER

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Example:

$$1,200,000 \div 50 = 24,000$$

B. APPROXIMATE COMPANY PROFIT PERCENTAGE

Adding income and company net profit together

AVERAGE ANNUAL PROFIT PER PARTNER

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Example:

$$24,000 \times .10 = 2,400$$

C. AVERAGE NUMBER OF YEARS YOU KEEP PARTNERS

AVERAGE LIFETIME PROFIT PER CLIENT

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Example:

$$2,400 \times .10 = 24,000$$

D. PROSPECT APPOINTMENT CLOSE RATIO — ALL LEADS, NOT JUST

AVERAGE VALUE OF EACH LEAD FOR YOU

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Example:

$$24,000 \times .20 = 4,800$$

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STEP 5

What Net Profit Do You Make for Each Lead?

A. AVERAGE VALUE OF EACH LEAD FOR YOU

MARKETOPIA AVERAGE COST PER QUALIFIED RESELLER

NET PROFIT PER LEAD FOR YOU

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Example:

$$4,800 - 1,500 = 3,300$$

STEP 6

What Is the Value of Leads Over Time?

A. TOTAL MONTHLY LEADS NEEDED TO ACHIEVE MY GOAL

NET PROFIT PER LEAD FOR YOU

TOTAL MONTHLY PROFIT PER MONTH ADDED

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Example:

$$18.75 \times 3,300 = 61,875$$

B. TOTAL MONTHS PER YEAR

TOTAL ANNUAL PROFIT PER YEAR ADDED

×

Example:

$$61,875 \times 12 = 742,500$$

C. NUMBER OF YEARS UNTIL REACHING REVENUE GOAL

TOTAL PROFIT UNTIL GOAL ADDED BY INVESTING

×

Example:

$$742,500 \times 10 = 7,425,000$$

D. DESIRED CHANNEL REVENUE

TOTAL INCOME FROM INVESTING WHAT IT
TAKES TO ACHIEVE GOAL

+

Example:

$$7,425,000 + 10,000,000 = 17,425,000$$