

# 5 Ways to Increase Profits

Contributed by Gavin Allday

There are five key ways to proactively increase profits in your business:

- Increase the number of leads you generate
- Increase your conversion rate
- Increase the average number of transactions per customer
- Increase the average transaction value
- Increase your profit margin

The question is, could you increase each of these areas by just 10%?

Let's take a look at an example:

Current

Target

Leads

100

110

Conversion Rate

20%

30%

Number of Customers

20

33

Average Customer Transactions

2

2.2

Average Transaction Value

1000

1100

Turnover

£40,000

£79,860

Profit Margin

40%

50%

Profit

£16,000

£39,930

As you can see, a 10% increase in each of the five areas produces more than double the profit at the bottom of the table.

To obtain further tips on how to increase each of these areas, visit the Training Calendar and have a look for the 'What Next' Course.