

Office Hours: Monthly Recurring Revenue



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With Your Host

Rachel Rodgers

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Welcome to *The Million Dollar Badass Podcast*. I'm your host, Rachel Rodgers, wife, mother to four children, lover of Beyoncé, coffee drinker, and afro wearer, and I just happen to be the CEO of a seven-figure business. I am on a mission to help every woman I meet become a millionaire. If you want to make more money, you are in the right place. Let's get it going.

Hello, friends. Welcome to Office Hours. I'm showing you behind the scenes in my Million Dollar Badass Mastermind. Every week, I get together with a group of ambitious, intelligent, brave women and deliver a motivational pep-talk, sometimes in the form of a kick in the ass, okay. And afterward, I answer specific questions from members who need help on strategy, hiring, marketing, working with clients, getting more clients, all of the things that come with building and scaling a successful business.

So, to get access to that good stuff, make sure you join my email list on helloseven.co. You'll be the first to know when I open enrollment for the next Million Dollar Badass cohort. Until then, grab some tea and get ready to take notes. It's Office Hours.

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Hello, friends. I recently had my team here for our team retreat and it was delightful, and highlighted certain things that I want to remind our clients of. One of those things is monthly recurring revenue. So that's what I want to talk to you guys about today.

Monthly recurring revenue is very important. It's just like, you know, as human beings, we have blood flowing through our veins, our businesses have monthly recurring revenue instead of blood, okay. It is the lifeblood of your business.

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So, how do you create it? Everybody wants to say a membership. For some reason, there is this, like, obsession with memberships right now and creating a membership community. And membership communities can be great, but they're really great for people who already have an established community.

Because if you've already got an established community and a good-sized mailing list of potential clients, that's when it's a really good time to consider a membership for recurring revenue. But that's not the only way to get recurring revenue.

You could create a flagship offer, like many of you have, whether you're selling legal services or coaching, I've had accountants, you know, really any type of client with any type of service, you can create a recurring offer, an offer that lasts for several months, maybe a year, and people are paying you every month to continue to deliver that service.

Okay, so flagship offers, you guys know all about. You could do a mastermind. You could do something like the way I did my annual programs in my law practice. So that's a way.

But honestly, even if you just sell a class. Let's say you have an online course or a coaching program that's 10 weeks or three months, you can focus on selling enough of that each month and getting enough new clients in each month to have strong recurring revenue.

Okay, so here's how I like to go into a month. I go into a month thinking about, how much money do I need to make to pay the bills? So that's number, number one. So I think about how much money do I need to make to pay the bills, then I think, how much money would I love to make? What would be a really exciting number to hit? And let me see if I can hit that, and then I focus on that second number.

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I've got that first number in mind, yes. I know what that monthly nut is, like where I need to cover my team and software that we use, any essential expenses for the business, and my salary. Yes, your salary, friends, because you need to be drawing a salary from your business every single month.

So think about what that number is for you. What is that number when there is your salary built in, all of the recurring software expenses, if you have an office, any expenses that are required for you to deliver your business and deliver your services, your team, if you've got contractors on your team, et cetera, if there's team growth that needs to happen this month, what does that look like and what is that number? You need to know that number like the back of your hand, right? And then you need to surpass it every single month.

So, to figure out what that number is that you want to hit each month, and the lowest number that I would go with is your total expenses including your salary, plus 10%, so add 10% on top, that's your profit, that's the lowest number I would go with. But really, I'd shoot for what you really want.

So, if what you really want is, for example, to have \$30,000 months, then reverse engineer. I start a new month and I look at – and this is how I've always done it, guys, is I might look at – if my goal is \$30,000, I might look at the month and say, okay, my goal is \$30,000 this month, the month of September, right? Let's say that's true.

Then I would look at who's already paying me this month. What revenue am I expecting already? Whether it's clients who are going to pay for the second part of their package or clients who are already in my program. So maybe I already have \$10,000 in payments coming in. So if my goal is 30k, I've already got 10k in payments coming in, now I've got \$20,000.

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So then, I sit and brainstorm how am I going to make that additional \$20,000? And usually, it's just I'm going to sell more of my flagship, right? Let's say your flagship is \$2000 a month, then that means that you need to get 10 people into your flagship. So those 10 people will then pay \$2000 this month, and that will get you to \$30,000, because 10 times two, \$20,000, so they would pay you this month, but then they'd also pay you next month and the month after that and the month after that and as long as your program lasts.

So, go out there and get those 10 clients. Get laser focused on getting those 10 clients. Do everything within your power. Send all the emails. Do all the Facebook lives. Reach out, tap on the shoulder all the people that have talked about joining in the past but haven't.

Get case studies from past clients. Share what's really working, what's not working. If you get hyper focused on your revenue number and on how you are going to make that revenue number happen, guess what, your actions will follow. And then you will do those money generating activities that we talked about last week. You'll be being seen, like we talked about last week. And you'll hit that \$30,000 number. Where there's a will, there's a way.

So August was the biggest revenue month that I've ever had in my business. We were shooting for \$250,000. Actually, honestly, we were shooting for \$200,000. And then we way surpassed \$200,000, like whoa, we could make it to \$250,000. That's our reach number. That's the number that we want to start getting to every single month, which will put us on track for three million.

So, \$250,000 is our number. And honestly, this was like the last two days of the month that we realized that we were super close to hitting \$200,000. And so then we got hyper focused on hitting that number. And so we thought, who are the clients that we've been talking to that we could reach

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out to and say, “Hey, could you make your payment today?” that we’ve already talked to, who are already a yes for our program.

And then, who are the people who have been thinking about it who we can reach out to and say, “Hey, do you want to close the deal?” And we were really honest and said, “Hey, we’re trying to reach our numbers for the month and so we just wanted to check in and see if you’re ready to do the deed,” you know, close the deal.

And obviously, that’s not going to work every month, but you can be totally honest with your clients and just say, “Hey, it’s the end of the month. I’m wrapping up all of the conversations I’ve been having this month. I wanted to check in and see if you’re ready to move forward.”

But in two days, my team and I generated \$80,000 in revenue because we were focused on it, because we wanted to hit a goal. So we got a couple of clients who paid in full, and then, you know, reached out to all of the people who have said yes, they want to move forward, and asked them to make their payment today. And we just made it happen because we wanted to make it happen.

So I just want you to understand the power of focus. Focus on that number. Brainstorm how you’re going to make that number happen and then go reach that goal, whatever it is, whether it’s \$20,000, \$30,000, \$40,000. And what I would love for you to do is share in the Facebook group what is that recurring revenue number that you really want to reach and what’s your ideas for reaching that number this month, for making that amount of money happen this month?

What could you do? What could you sell? How would you make that happen? So go out there and push. And here’s the magical thing – here’s the most magical thing about recurring revenue; now that we’ve hit over

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\$200,000 in recurring revenue, I can't go back. I can't go back to \$100,000 months or \$150,000 months, or \$175,000 months.

I can't go back to making less than that benchmark that we've created for ourselves. So now, I'm going to be shooting for \$200,000 every month and then, once I get to \$250,000, I'm going to be shooting for \$250,000 every month.

So what is that number for you? Once you reach that number one month, once you hit that number, if you hit that 30k this month, guess what – then you're going to know how to do it. Then you're going to be able to hit it in October, then you're going to be able to hit it in November, then you're going to be able to hit it in December.

What would your year look like? How would that change your life and your business if you were able to hit that number every single month? So that's what I encourage you to go out there and do. Share in the Facebook group what that recurring revenue number is and how you plan to get there, alright. I'll talk to you guys soon.

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Alright, guys, that's all I can share with you today. The Q&A section is where I share my top strategies and help my clients work through their challenges. That part of Office Hours is exclusive to members of my Million Dollar Badass Mastermind.

Before you go, I have a question for you. Are you ready for revolution? I'm ready to create a world where women can have the freedom to live happy balanced lives, and the only way to that freedom, wealth, unapologetic economic power, okay. Having money is awesome, but being able to live on your own terms is priceless.

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I know you're ready to play by your own rules. You're ready to scale your business to seven figures and really build serious wealth. I am now opening enrollment for my Million Badass Mastermind for a limited time. Join now and you will learn the exact strategies I used to scale my business to seven figures and to help tons of women entrepreneurs scale their businesses as well.

You also get access to a team of badass expert coaches and amazing community support. The next cohort begins December 3rd. If you're ready to make bank, create freedom, and have a real impact, there has never been a better time to join the Million Dollar Badass Mastermind. Go now to helloseven.co/apply. I will see you there.