

Millionaire **INSIDERS**



Real Millionaires - Real Action

with Jaime Tardy, The Eventual Millionaire

In the third installment of Billy Murphy's video, he talks about EV, or the expected value. EV is basically trying to determine how much something is going to be worth without you having to do anything yet. It's a very helpful process as it allows you to see the probable outcome of a prospective business before you take even the first step forward.



□ CALCULATING THE EV

To compute a business' EV, he says that it's easier if you know a thing or two about sales and traffic. An example he gave was an ecommerce store. If there's a certain niche you're looking at, you should be able to do a quick calculation of the numbers -- the estimated traffic for a handful of keywords in the space and the competition for those keywords. Say, you're looking into the number five spot and at the handful of the main keywords. As you know, you're ranked one through ten on Google, the higher ones are going to get substantially more traffic than the lower ones. The first one is 25-40% but number ten is 1-2%.

So calculate the math and get an estimate of the amount of traffic you can expect to the site. Then multiply times the margins that you have on your products. Then multiply that by a number that you actually have for stores, so that's the store's EV number.

TAKE ACTION NOW:

Calculate the EV of two business ideas.

□ SEO ASSISTANCE

Going through all these numbers is not so much fun if you're not into SEO and traffic and rankings. Billy wasn't an SEO guy so it was a big deal that he knew a bunch of SEO experts. As he mentions, it's great to be able to just talk about the stuff in his head with people who knew what they were talking about.

TAKE ACTION NOW:

Contact a friend that is great at SEO to get assistance or reach out to find an SEO contact.

FINAL THOUGHT

Going into a business venture takes a lot of work but if you know who to ask and where to look, it makes everything a bit less difficult.