



Numbers





Take a Look # 12

“The Numbers
How to View them
How to
Understand them
and
How to Use them ”

Nikken is a Business

Nikken is a business that distributes lifestyle products through a network of Independent Distributors. The more products that consumers buy the more money the company earns.

Therefore the more products that an Independent Distributor moves and or from those in their organization, the more that distributor can earn.

Therefore when one understands how the business works, what structure best delivers what is needed and what methods should be used to get the desired end result one is after, getting them is simply mapping this out and doing the required work.

If it takes 10 people to move the furniture in your home to another home and you want to move then you need 10 people to make the move.



Introduction

Business is all about producing a product or service that people want and in the process cover expenses and make a profit.

In our business we are no different in that we are focused on one area of the overall business we are involved with, and that is the sales and or distribution of the products being offered by the company.

We also are responsible for the recruitment of other distributors and that too is a product of the company.

Introduction

As a general rule all businesses set goals and target production and productivity in order to reach the goals and this is also true for us as independent distributors.

The business works in specific ways it even has it's own technology on how it works and the specific structure it utilizes and if this technology is not applied then it makes it more difficult to make it work.

Today we are going to explore one aspect of building your business by understanding the numbers of our business, what they are, how to understand them and how to use them.

Knowing What You Want

Let's use "time freedom" as something you want.

What does that mean ... needs a definition, does this mean work less, or take more days off or the ability to do what you want when you want.

In today's world this means that either your job needs to pay you so you have the time freedom you want or you need to do something that will.

So, what then is the actual economic requirements, let's get real here as this is going to get you to confront what you actually need to DO!

Helpful hint...look at your monthly budget, relate that to your current income and then look at what you want. This should give you some kind of number.



Numbers

	1	2	4	
8	16	32	64	128
	256	512	1024	
2048	4096	8192		

Numbers

8,003,000,000

4,000,000,000

81,000,000

Numbers

4,000,000,000 population of earth in 1959 grew over 40 years to our current population of

8,003,000,000 in 2022, double.

The current growth rate is

81,000,000 per year

It will take another 40 years to double to

16,006,000,000 at the current rate

Numbers

2	6
6	12
12	24
24	55
55	115
115	235

Numbers

You

Level One:	1-	Find Two Key Partners that want what you do	-2
Level Two:	2-	Help then get two key people each	-6
Level Three:	6 -	With the 6 go get the next 6	-12
Level Four:	15-	The 12 go get the next 12	-24
Level Five:	30-	The 24 go get the next 31	-55
Level Six:	60-	The 55 go get 60	-115

Numbers

Someone finds two and then helps each repeat the process.

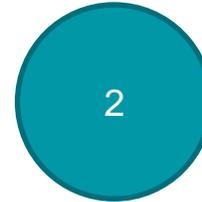
	You find 2	Total
	$2 + 2$ each =	6
	$6 + 6 =$	12
	$12 + 12 =$	24
	$24 + 31$	55
	$55 + 60$	115
	$115 + 120$	235

Look at what happens if this is repeated 7 times.

Numbers



Numbers



Numbers

120	20	24		60	15
	9	33			
33	396	50	1650	19800	
	100	3300	39600		
120	50	6000	72000	120	100
12000	144000				

The Value of a Customer with 10% RB

A customer's worth based on a sale of 120 Retail @ 20% Commission and 10% CV Rebate

120 x 20% Commission = **24**

CV is 50% rebate on this 60 CV @ 10% = 6 Total of Retail & Rebate **30**

Annual value is 30 x 12 = **360** if repeated for a year

50 customers. 50 x 30 = 1,500 monthly to 18,000 annually

100 customers 100 x 30 = 3,000 monthly to 36,000 annually.

The total volume

One sale 120

50 Sales 6,000 OV

Annually 72,000 OV

100 Sales 12,000 OV

144,000 OV

The Value of a Customer with 20% RB

A customer's worth based on a sale of 120 Retail @ 20 % Com and 20% CV Rebate

120 x 20% Commission = **24**

CV is 50% on this 60 CV @ 20%= 12 Total for Retail and Rebate **36**

Monthly then the annual value is 36 x 12 = **432**

50 customers. 50 x 36 = 1,800 monthly to 21,600 annually

100 customers 100 x 36 = 3,600 monthly to 43,200 annually.

The total volume

One sale 120

50 Sales 6,000

100 Sales 12,000

Annually 72,000

144,000

Retail Customer Value

Summary if you create customers at the Retail price.

Retail Amount	Executive with 10% Rebate	Leader with 20% Rebate
120	30	36
240	60	72
480	120	144
Earning % Retail	25%	30%

If you wanted to earn say 1,500 per month and you are a Leader then the formula would be $1,500 \text{ Inc} / 30\% = 5,000 \text{ Retail Sales Volume}$

So, how many customers will this take.

.

Numbers

1500 20 300 750 10 75 15 112.5
20 150

1500 20 0 975 10 97.5 15
146.25 20 195

The Value of a Direct with Retail Sales Volume

A Direct produces 1,500 Retail Points

1,500 Retail earns $1,500 \times 20\% = 300$

Earn an incentive of 150 Nikken bucks if this is done in a month.

Sponsored by an exec then the exec would earn an override of 10% of the CV

CV on 1,500 Retail about $750 \times 10\% = \underline{75}$

Sponsored by a Silver or above then Leaders get an override of 15%

or 20% if their PPV & PGPV Quals are met. $750 \times 15\% = \underline{112.50}$ or $750 \times 20\% = \underline{150.00}$

If sponsored by an exec in a Leader's group, the Leader earns the difference of 5% or 10%

$750 \times 5\% = \underline{37.5}$ or if fully qualified $750 \times 10\% = \underline{75.00}$

Retail Distributor Value

Summary if you sponsor and have a Direct Distributor.

Retail Amount	Exec 10%	Sil 15%	Sil 20%	Sil/E 5%	Sil/E 10%
120 R 60 CV	6.00	9.00	12.00	3.00	6.00
240	12.00	18.00	24.00	6.00	12.00
480	24.00	36.00	48.00	12.00	24.00
1500	75.00	112.50	150.00	37.50	75.00
Earning %	5%	7.5%	10%	2.5%	5%

If you wanted to earn say 1,500 per month and you are fully qualified and you want to do this through directs the formula is simple $1,500 \text{ Inc} / 10\% = 15,000$
So how many would you need

The Value of a Direct with Wholesale Sales Volume

A Direct produces 1,500 Wholesale Points

If the products are not sold then there is no commission

Earn an incentive of 150 Nikken bucks if this is done in a month.

Sponsored by an exec- the exec would earn an override of 10% of the CV

CV on 1,500 Wholesale about $1,500 \times 65\% = 975$ $975 \times 10\% = \underline{97.50}$

Sponsored by a Silver or above then Leaders get an override of 15%

or 20% if their PPV & PGPV Quals are met. $975 \times 15\% = \underline{146.25}$ or $975 \times 20\% = \underline{195.00}$

If sponsored by an exec in a Leader's group, the Leader then earns the difference of 5% or 10%

$975 \times 5\% = \underline{48.75}$ or if fully qualified $975 \times 10\% = \underline{97.50}$

Wholesale Distributor Value

Summary if you sponsor and have a Direct Distributor who buys wholesale.

Wlse Amount	Exec 10%	Sil 15%	Sil 20%	Sil/E 5%	Sil/E10%
120 W 78 CV	7.80	11.70	15.60	3.90	7.80
240	15.60	23.40	31.20	7.80	15.60
480	31.20	46.80	62.40	15.60	31.20
1500	97.50	146.25	195.00	48.75	97.50
Earning %	6.5%	9.75%	13%	3.25%	6.5%

If you wanted to earn say 1,500 per month and you are fully qualified and you want to do this through directs the formula is simple $1,500 \text{ Inc} / 13\% = 11,538$
So how many would you need?

The Value of an Executive with Retail Volume

An Executive produces volume until they reach Silver 6,000 points retail, wholesale or a combination of both, that within a 3 month period adds up to 6,000 OV.

On their own retail sales they would get 20% commission and they can earn a 10% CV rebate and they can earn 10 % CV override on any directs they sponsor.

A Silver or above can earn an Override of 5% on the CV of the executive or 10% if their PPV & PGPV are met.

As an example if a leader had an executive that produced 1,500 Retail then

$$1,500 \times 50\% = 750 \text{ CV @ } 5\% = \underline{37.5} \text{ or @ } 10\% = \underline{75.00}$$

Executive Distributor Value

Summary if you sponsor and have an Executive Distributor with Retail Volume.

Retail Amount	Sil 15%	Sil 20%	
1500 R /750CV	112.50	150.00	
4500 R /2250 CV	337.50	450.00	
Total 6,000 R / 3,000 CV	450.00	600.00	Silver Distributor
Earning %	7.5%	10%	

If you wanted to earn say 1,500 per month and you are fully qualified and you want to do this through Executives the formula is simple $1,500 \text{ Inc} / 10\% = 15,000$

So how many would you need?

The Value of an Executive with Wholesale Volume

An Executive produces volume until they reach Silver, 6,000 points retail, wholesale or a combination of both, that within a 3 months period adds up to 6,000 OV.

On their own wholesale sales they would not get a 20% commission unless they sold directly after they had received the product, and they would earn a 10% CV rebate based on the wholesale purchase price.

They can still earn 10 % CV override on any directs they sponsor.

A Silver or above can earn an Override of 5% on the CV of the executive or 10% if their PPV & PGPV are met.

As an example if a leader had an executive that produced 1,500 wholesale then

$$1,500 \times 65\% = 975 \text{ CV @ } 5\% = \underline{48.75} \text{ or @ } 10\% = \underline{97.50}$$

Executive Distributor Value

Summary if you sponsor and have an Executive Distributor with Wise Volume.

Wholesale Amount	Sil 15%	Sil 20%	
1500 W /975 CV	146.25	195.00	
4500 W /2925 CV	438.75	585.00	
Total 6,000 W / 3900 CV	585.00	780.00	Silver Distributor
Earning %	9.75%	13%	

If you wanted to earn say 1,500 per month and you are fully qualified and you want to do this through Executives the formula is simple $1,500 \text{ Inc} / 13\% = 11,538$

So how many would you need?

Numbers

6000 3000 15 1500 750 112.5
4500 2250 10 225 337.50

6000 3900 1500 975 15 146.25
4500 2925 10 292.5 438.75

The Value of a Qualifying Silver or Gold in Numbers

Leadership Bonus and Qualifying Volume on 100PPV 1500PGPV Sil and Gold
Based on wholesale for the PPV and Retail for the PGPV followed by Wholesale
for both PPV and the PGPV. (CV 65% of Wholesale and 50% of Retail)

100 PPV at Wlse 65% 65 x 6% = 3.90

1400 PGPV Retail 50% 750 CV x 6% = 42.00 for a total of 45.90

100 PPV at Wlse 65% 65 x 6% = 3.90

1400 PGPV at Wlse 65% 910 CV x 6 % = 54.60 for a total of 58.50

Total of 50 @ 45.90 2295 Mo 27540 Yr 275400 10Yr 826200 30Yr

Total of 100 @ 45.90 4590 55080 550800 1652400

Total of 50 @ 58.50 2925 35100 351000 1053000

Total of 100 @ 58.50 5850 70200 702000 2106000

The Value of Qualifying Leaders

Summary if you sponsor and make Leaders who qualify monthly .

Quals for Sil & Golds		Silver Qual 6%	Gold and above 6%
PPV	100 W /65 CV	3.90	3.90
PGPV	1400 R /700 CV	42.00	42.00
Total	1500 OV/ 765 CV	45.90	45.90
	All wholesale	58.50	58.50
Quals for Platinums to RD			
PPV	100 W /65 CV	3.90	3.90
PGPV	900 R /450 CV	27.00	27.00
Total	1000 OV / 515 CV	30.90	30.90
	All wholesale	39.00	39.00

Numbers

To summarize these three areas as to your potential earnings as a Leader and generating volume.

Customers 30% of Retail Price

Wholesale Distributors 10% of Retail to 13 % of Wholesale

Leaders 3.06% of Retail to 3.90% of Wholesale

Silver 6,000 100 1500 4000OV

Gold 100 1500 15000OV 5000 1500

Platinum 100 1000 30000 10000 3000

Diamond 100 1000 100000 33000 10000

Royal 100 1000 300000 100000 30000

Using the Numbers

Let's now use the numbers for planning followed by the strategy.

You want to earn 8,000 per month.

What area is going to deliver this and do you want to re-create it once you have made it each month or would you like it to be an ongoing residual or royalty type income.

And do you want it to grow from there?

What kind of time frame should be looked at?

What's going to be the strategy to get this done?

Now let's take a look at the numbers to resolve this.

Using the Numbers

If we start with Customers then take a look at a realistic expectation of developing customers.

2 per month for a total of 300 OV 50% CV generates 90 income

Lets put them on subscription and see where this can go

Month 2 2 plus 2 for 4 with first two on subscription 600 OV 50% CV 180 income

Month 3 add 2 total of 6 900 OV income 270

Month 4 add 2 total of 8 1200 OV income 360

Month 12 add 2 total of 24 3600 OV income 1,080

So, two customers a month at 150 OV will generate 1,080 monthly income

What if you did more

Using the Numbers

If we add Directs and Executives then take a look at a realistic expectation of developing them .

They generate volume anywhere from 0 to 6,000 and you earn anywhere from 10 to 13% of that.

If you sponsored one per month and then so did each of them here's what that might look like after 7 months.

$$1 + 1 = 2 \quad 16 + 16 = 32$$

$$2 + 2 = 4 \quad 32 + 32 = 64$$

$$4 + 4 = 8 \quad 64 + 64 = 128$$

$$8 + 8 = 16$$

The Goal 8,000

What I learned was that it was the leadership bonus that would do the job long term and it was getting customers and sponsoring new distributors that got things started.

With the leadership program then $8,000 / 6\% = 133,333$ CV is required.

Here are some examples based on experience

Silver would do 4000 to 10,000 OV **2000 – 5000** CV

Gold would do 15,000 OV **7,500** CV to 30,000 OV and **15,000** CV

Platinum would do 30,000 OV **15,000** CV to 100,000 OV **50,000** CV

So, then what do you need to do your 133,000 CV

Now you have a plan and a strategy to reach your goal of 8,000

Looks like 30 Leaders would work

Numbers

You go out and find one person to join you and you have **2**

Now the two of you go out and find one each and the group grows to **4**

The **4** get 1 each and this grows to **8**

8 get one for a total of **16**

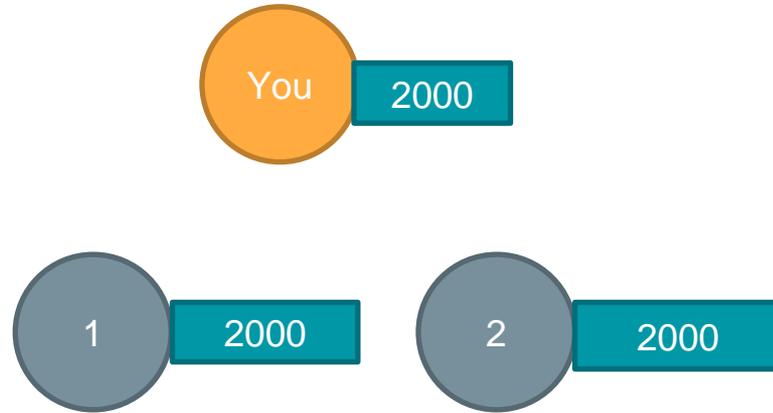
So, over time 16 goes to 32

32 grows to 64

64 grows to 128

128 grows to 256 and so on by focusing the activities in this direction.

The 2,000 OV 1,000 CV Model



The object then is to find your two key partners and then start creating your retail base and then build your two distributors to Silver and beyond and eventually create their need to qualify.

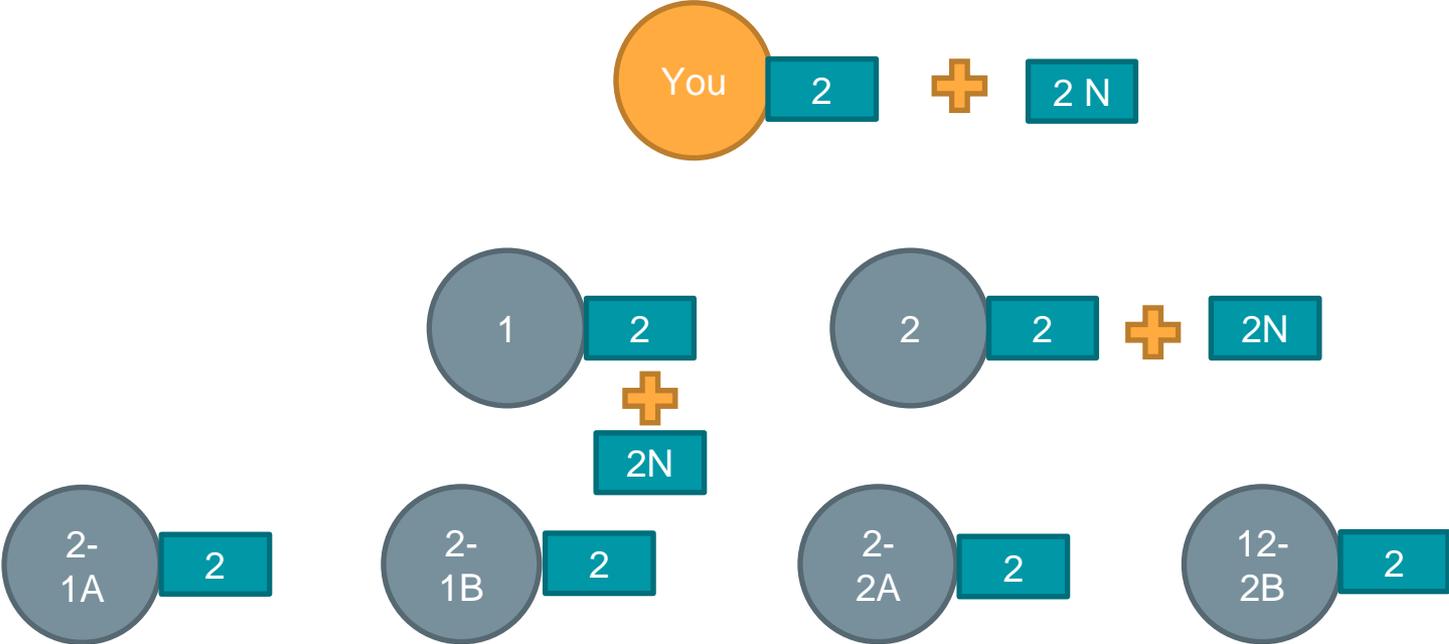
This is simply a function of activities done and results obtained.

If you know how many you need then you build until you have what you need.

The key is support and building depth.

Let's look at the next slide.

Numbers



So, the idea is to then help your 1 and 2 sponsor their two and help build their team and get them to Silver as quickly as possible and each distributor is creating retail and wholesale customers along the way and this creates the volume required to meet your goal.

What do you Want

So now you can plan and strategize how to get what you want or what someone else wants by understanding the numbers and what relates to what you want.

You know my story and my monthly budget was \$8,000 so I needed to understand what the heck did this mean in terms of what Nikken would pay and what part of their plan do I need to focus on kind of an idea.

The work is not hard and there is no shortage of people as we saw early on the key is in the help and support aspect and then what people understand.

The business works when someone buys a product or when someone sells a product that someone buys. That's it simple, simple.

Thanks

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