NAVIGATOR'S LOG R&D; · STEVE RICHARDSON · FINANCIAL PLANNING

GBP Service Financial Projections

Three scenarios — pessimistic, base case, and optimistic — covering the first 12 months of the Navigator's Log GBP management service. All projections assume zero cash cost to operate (tool stack on free tiers), month-to-month client agreements, and the a modeled revenue split between Steve Richardson and Navigator's Log R&D.; Actual split percentages are subject to negotiation — these projections use 40/60 and 25/75 as working assumptions for illustration only.

SECTION 1 Pricing Structure

The tiers and the splits

Note: Split percentages in this document (40/60 and 25/75) are modeling assumptions used to generate the projection scenarios. Actual percentages are to be negotiated with Steve before any client is signed.

Tier	Monthly Rate	Target Client	What's Included
Tier 1 — Basic	$75/month	Solo operators, micro-businesses, first-time GBP management	Profile audit + 2 posts/month + review monitoring + review responses + monthly report
Tier 2 — Standard	$125/month	Established SMBs, moderate review volume, multi-service	Everything in Tier 1 + 4 posts/month + Spanish content + citation monitoring + quarterly deep audit
Tier 3 — Premium	$175/month	High-traffic businesses, reputation-sensitive categories, restaurants	Everything in Tier 2 + 6 posts/month + priority review response (same-day) + photo strategy + competitor monitoring

Revenue Source	Split	Example: $125/month client	Who Collects
Steve-originated client (Blackstone bike route)	Steve 40% / NLR 60%	Steve: $50 · NLR: $75	NLR invoices client; pays Steve monthly
Christopher-originated client (NLR network)	Steve 25% / NLR 75%	Steve: $31.25 · NLR: $93.75	NLR invoices client; pays Steve monthly
upsell / add-on services	Same split as original lead source	Applies to the same ratio	Consistent with original agreement

SECTION 2 The Three Scenarios

12-month projections

Key assumptions across all scenarios

Break-even occurs at Month 1 — there are no startup costs and no minimum client count needed to cover overhead. Tool stack stays on free tiers through 10 clients. First paid tool (BrightLocal $39/month) triggers at 10+ clients. Average client rate used for projections: $120/month (blend of Tier 1 and Tier 2). Steve-originated leads assumed at 60% of new clients in pessimistic, 70% in base case, 80% in optimistic.

PESSIMISTIC	Month 12 MRR: $1,440		Year 1 Gross: $15,000
Clients at Month 12	12	**Avg. monthly rate**	$120
Monthly churn assumption	8%	**Year 1 Steve share**	$5,850
Year 1 NLR share	$9,150	**Break-even**	Month 1

Pessimistic scenario details:

1 new client per month average. 8% monthly churn — slightly above the sustainable threshold. Results in a net client addition of roughly 0.8 per month. Month 12 lands at 12 active clients. Year 1 gross revenue approximately $15,000. Even in this scenario the service is profitable and Steve earns meaningful supplemental income for his field work.

BASE CASE	Month 12 MRR: $2,196		Year 1 Gross: $22,000
Clients at Month 12	18	**Avg. monthly rate**	$122
Monthly churn assumption	5%	**Year 1 Steve share**	$8,140
Year 1 NLR share	$13,860	**Break-even**	Month 1

Base case scenario details:

1.5 new clients per month average. 5% monthly churn. Results in net client addition of approximately 1.3 per month. Month 12 lands at 18 active clients at a blended $122 average monthly rate. Year 1 gross revenue approximately $22,000. This is the realistic and achievable outcome if Steve makes consistent contact on Blackstone and Christopher delivers solid results.

OPTIMISTIC	Month 12 MRR: $3,640		Year 1 Gross: $32,000
Clients at Month 12	28	**Avg. monthly rate**	$130
Monthly churn assumption	3%	**Year 1 Steve share**	$11,840
Year 1 NLR share	$20,160	**Break-even**	Month 1

Optimistic scenario details:

2+ new clients per month. 3% monthly churn — indicating strong client satisfaction and high retention. Results in net client addition of approximately 1.9 per month. Month 12 lands at 28 active clients at a blended $130 rate. Year 1 gross revenue approximately $32,000. This scenario is achievable if reputation results are strong in the first 6 months and word-of-mouth referrals add a third acquisition channel alongside Steve's bike route.

SECTION 3

The Survival Formula

Metrics that tell the truth

SURVIVAL RATIO

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Survival Ratio = MRR × (1 − monthly churn rate) / Monthly operating cost floor
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The monthly operating cost floor is the minimum each party needs to find the arrangement worth continuing. For Steve that is his alternative hourly rate multiplied by his hours invested. For NLR it is the delivery time cost against other revenue uses.

If Survival Ratio is above 1.0: covering the floor. Above 1.5: building. Below 1.0: burning goodwill.

LTV:CAC RATIO

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LTV (Lifetime Value) = Average monthly rate × Average client lifetime in months

CAC (Customer Acquisition Cost) = Steve's time per acquisition × Steve's floor rate
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Churn Rate	Avg Client Lifetime	LTV at $120/mo	LTV:CAC at 4hrs acquisition	Sustainable?
3% monthly	33 months	$3,960	9.9:1 (excellent)	Yes — strong
5% monthly	20 months	$2,400	6.0:1 (good)	Yes — solid
8% monthly	12.5 months	$1,500	3.75:1 (marginal)	Yes — watch closely
10% monthly	10 months	$1,200	3.0:1 (minimum)	Borderline — address immediately
15% monthly	6.7 months	$804	2.01:1 (negative)	No — product or service problem

WHAT CHURN IS TELLING YOU

Churn above 8% per month is a signal, not a statistic. It means either the service is not delivering visible results, the client expected something different from what was sold, or the price is not justified by the outcome. The right response is not to acquire more clients faster — it is to diagnose the first five churned clients before signing client six.

Month	Pessimistic Active / MRR	Base Case Active / MRR	Optimistic Active / MRR
Month 1	1 / $120	2 / $240	2 / $260
Month 2	2 / $226	3 / $468	4 / $494
Month 3	2 / $328	5 / $695	6 / $728
Month 4	3 / $421	6 / $899	9 / $993
Month 6	5 / $591	9 / $1,280	13 / $1,553
Month 9	8 / $908	13 / $1,823	20 / $2,374
Month 12	12 / $1,440	18 / $2,196	28 / $3,640

The number that matters most

Month 12 MRR tells you whether the service has momentum or is treading water. At $2,196 (base case) you have a real business. At $3,640 (optimistic) you need automation. At $1,440 (pessimistic) you have validated the model and need to adjust either acquisition, pricing, or retention before scaling. All three outcomes are better than zero.