GROWTH PLANNING / 03

THE SMALL-BUSINESS FORECASTING WORKBOOK

Revenue Forecast Planner

A clearer view of what comes next.

Build a baseline, test your assumptions and plan for a range of outcomes.



FROM EVIDENCE TO A WORKING PLAN

01 Forecast traffic, orders and revenue.

02 Compare base, best and worst cases.

03 Review the numbers as reality unfolds.

THIS PLANNER BELONGS TO

FORECAST YEAR

For ecommerce, services, digital products and other online businesses.

START HERE

How to use this planner



A forecast is an estimate built from evidence and explicit assumptions. Its value is in seeing what a decision could require before you commit time or money.

01 Baseline

Gather the last 3–6 months of sessions, orders and revenue.

02 Assume

Record how each driver may change, why and over what period.

03 Project

Calculate each month and include seasonality and capacity.

04 Stress-test

Compare alternative outcomes and decide how you would respond.

THE REVENUE MODEL

Sessions × order rate × AOV = revenue

Order rate = orders ÷ sessions. AOV = revenue ÷ orders. Enter 2% as 0.02 when multiplying. Use the same period, sales channel, currency, refunds and revenue basis in every input.

A platform’s conversion rate may count sessions with purchases, which can differ from orders. Use the order-rate definition above for this revenue identity; see the reference on page 16.

Examples are labeled. Blank tables are for handwriting or PDF annotation; they do not calculate automatically. Keep decimals in forecasts and round separately for operational capacity.

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What's inside

Nine forecasting sections, an assumptions log and a compact reference guide. Select a title or use PDF bookmarks to jump to a page.

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HOW THE EXAMPLES CONNECT

The fictional shop starts at $4,400 monthly revenue. Pages 4, 6 and 8–11 explore separate driver scenarios. The monthly plan on page 5 feeds the annual plan on page 12. Do not combine different scenarios as if they were one forecast.

01 / BASELINE TO TARGET

Revenue forecast overview

Set the goal, then test whether its drivers support it. The example targets $6,600 monthly revenue within 12 months, a 50% increase from $4,400.

ILLUSTRATIVE DRIVER SCENARIO / SEPARATE FROM THE ANNUAL PLAN

DRIVER	BASELINE	SCENARIO	CHANGE
Monthly sessions	4,000	5,200	+30%
Order rate	2.0%	2.2%	+0.2 pp
Average order value	$55	$58	+$3
Expected orders / month	80	114.4	+34.4
Monthly revenue	**$4,400**	**$6,635.20**	**+50.8%**

5,200 × 0.022 × $58 = $6,635.20. Expected orders are 114.4; plan capacity for at least 115 if using this scenario. “pp” means percentage points.

FORECAST HORIZON / BASELINE DATES

DRIVER	TODAY	TARGET	CHANGE
Monthly sessions			
Order rate			
Average order value			
Expected orders / month			
Monthly revenue			

A goal and a forecast serve different purposes. Keep the evidence for each driver in the assumptions log; combined gains are conditional, not guaranteed.

02 / BUILD THE ANNUAL RHYTHM

Monthly revenue planning

Growth % = (new month − prior month) ÷ prior month × 100. Use N/A when the prior month is zero. Plan seasonality from your own evidence.

EXAMPLE / FIRST SIX MONTHS OF THE ANNUAL PLAN

MONTH	REVENUE TARGET	GROWTH	PLANNED DRIVER
January	$4,400	N/A	Baseline
February	$4,700	+6.8%	New product launch
March	$5,000	+6.4%	Pinterest plan
April	$5,350	+7.0%	Email plan
May	$5,800	+8.4%	Spring promotion
June	$6,200	+6.9%	Continued activity

YOUR MONTHLY PLAN / YEAR: _____

MONTH	REVENUE TARGET $	GROWTH %	NOTES
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
Annual total		**N/A**	

Add revenue, not growth rates. Keep the original plan when updating future months from actual results.

03 / ORDERS AND CAPACITY

Sales volume forecasting

Expected orders = sessions × order rate. Retain decimals for revenue calculations. Round operational capacity up separately; units may exceed orders.

EXAMPLE / AN INDEPENDENT SIX-MONTH TRAFFIC SCENARIO

MONTH	SESSIONS	ORDER RATE	EXPECTED ORDERS
January	4,000	2.0%	80
February	4,200	2.0%	84
March	4,500	2.1%	94.5
April	4,800	2.1%	100.8
May	5,200	2.2%	114.4
June	5,600	2.2%	123.2

YOUR FORECAST / YEAR: _____

MONTH	SESSIONS	ORDER RATE %	EXPECTED ORDERS
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
Total orders			

Combined rate = total orders ÷ total sessions. Units needed = expected orders × units per order.

04 / UNDERSTAND THE PRODUCT MIX

Product revenue forecasting

Revenue = units × realized unit price. Share = product revenue ÷ total × 100. Use a consistent treatment of discounts and refunds; revenue is not profit.

EXAMPLE / ONE BASELINE MONTH

PRODUCT	UNITS	PRICE	REVENUE	SHARE
Signature candle	60	$28	$1,680	38.2%
Gift set	30	$45	$1,350	30.7%
Wax melts	90	$9	$810	18.4%
Soap bar	40	$14	$560	12.7%
All products	**220**	**N/A**	**$4,400**	**100%**

220 units across 80 orders = 2.75 units per order. $4,400 ÷ 80 orders = $55 AOV. Watch dependence on any one product and reconcile the product total with your order model.

YOUR PRODUCT FORECAST / MONTH: _____

PRODUCT	UNITS	PRICE $	REVENUE $	SHARE %
All products		**N/A**		**100%**

05 / MODEL EACH CHANNEL

Traffic forecast worksheet

Forecast sessions = current sessions × (1 + growth rate). Name the forecast period and use mutually exclusive channels from one reporting basis.

EXAMPLE / A FUTURE MONTH VERSUS THE BASELINE MONTH

CHANNEL	CURRENT / MONTH	GROWTH	FORECAST / MONTH
Organic search	1,800	+20%	2,160
Pinterest	900	+40%	1,260
Email	600	+15%	690
Other social	500	+20%	600
Paid ads	200	+50%	300
All channels	**4,000**	**+25.25%**	**5,010**

Total growth uses the totals: (5,010 − 4,000) ÷ 4,000 = 25.25%. These are assumptions, not typical channel growth rates. Keep Pinterest out of “Other social.”

BASELINE PERIOD / FORECAST PERIOD / REPORT

CHANNEL	CURRENT / MONTH	GROWTH %	FORECAST / MONTH
Organic search			
Pinterest			
Email			
Other social			
Paid ads			
Referral / other			
All channels			

Include direct or unassigned sessions in “other” when present. Mark growth N/A for a zero baseline; do not sum overlapping visitor counts or channel percentages.

06 / TEST AN ORDER-RATE CHANGE

Conversion forecast worksheet

At fixed traffic and AOV: added orders = sessions × change in order rate; added revenue = added orders × AOV. Enter rate changes as decimals.

EXAMPLE / 4,000 SESSIONS / $55 AOV / THREE PROPOSED CHANGES

HYPOTHETICAL CHANGE	ORDER RATE	ADDED ORDERS	ADDED REVENUE
Starting point	2.00%	N/A	N/A
Product review presentation	2.15%	+6	+$330
Cart-recovery emails	2.30%	+6	+$330
Checkout / trust changes	2.40%	+4	+$220
Combined vs baseline	**2.40%**	**+16**	**+$880**

Each row adds to the previous rate. The combined row compares 2.40% with 2.00%. These lifts are illustrative; changes can interact, cost money or produce no improvement.

YOUR SESSIONS / AOV / BASELINE RATE

CHANGE / TEST	ORDER RATE %	ADDED ORDERS	ADDED REVENUE $
Combined vs baseline			

State whether a change is incremental or versus baseline. Validate the combined result with evidence before treating several estimated lifts as additive.

07 / PREPARE FOR STRONGER DEMAND

Best-case scenario planning

Model a plausible upside month. Consider whether inventory, cash, fulfillment and customer support can sustain it.

EXAMPLE / MONTHLY STRESS TEST

DRIVER	BASE	BEST CASE	CHANGE
Monthly sessions	4,000	5,200	+30%
Order rate	2.0%	2.4%	+0.4 pp
Average order value	$55	$62	+$7
Expected orders / month	80	124.8	+44.8
Monthly revenue	**$4,400**	**$7,737.60**	**+75.9%**

5,200 × 0.024 × $62 = $7,737.60. Capacity planning rounds 124.8 up to 125 orders; revenue keeps the unrounded expectation.

YOUR BEST CASE / MONTH: _____

DRIVER	BASE	BEST CASE	RESULT / CHANGE
Monthly sessions			
Order rate			
Average order value			
Expected orders / month			
Monthly revenue			

WHAT MUST GO RIGHT / HOW I WILL FUND AND FULFILL IT

08 / PREPARE A RESPONSE

Worst-case scenario planning

Model a plausible downside month. The label “worst case” describes this scenario, not the worst possible outcome.

EXAMPLE / MONTHLY STRESS TEST

DRIVER	BASE	WORST CASE	CHANGE
Monthly sessions	4,000	3,600	−10%
Order rate	2.0%	1.8%	−0.2 pp
Average order value	$55	$53	−$2
Expected orders / month	80	64.8	−15.2
Monthly revenue	**$4,400**	**$3,434.40**	**−21.9%**

3,600 × 0.018 × $53 = $3,434.40. Compare revenue with the costs and cash timing in this case; a revenue shortfall alone does not measure the savings buffer needed.

YOUR WORST CASE / MONTH: _____

DRIVER	BASE	WORST CASE	RESULT / CHANGE
Monthly sessions			
Order rate			
Average order value			
Expected orders / month			
Monthly revenue			

IF THIS HAPPENS / COST RESPONSE / CASH NEEDED / TRIGGER DATE

09 / A FULL-YEAR EXAMPLE

Annual revenue projection

The first six months come from page 5. Later months add an illustrative seasonal pattern; this is a planning scenario, not a general retail benchmark.

MONTH	PROJECTED REVENUE	RUNNING TOTAL
January	$4,400	$4,400
February	$4,700	$9,100
March	$5,000	$14,100
April	$5,350	$19,450
May	$5,800	$25,250
June	$6,200	$31,450
July	$5,600	$37,050
August	$5,300	$42,350
September	$5,700	$48,050
October	$6,400	$54,450
November	$7,800	$62,250
December	$8,750	$71,000
Annual total	**$71,000**	**N/A**

READ THE SHAPE OF THE YEAR

The plan eases in July–August and peaks in the final quarter. Q1 totals $14,100; Q2 $17,350; Q3 $16,600; Q4 $22,950. Together they equal $71,000.

A year-end monthly target and an annual total are different measures. This scenario reaches $8,750 in December; it is separate from page 4's $6,600 goal.

09 / MONTHLY DETAIL AND QUARTERLY TOTALS

Your annual projection

Carry your chosen monthly estimates here. Running total = prior cumulative total + current month. Keep all revenue on the same basis.

FORECAST YEAR / VERSION DATE: _____

MONTH	PROJECTED REVENUE $	RUNNING TOTAL $
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		
Annual total		N/A

QUARTERLY ROLL-UP / ADD THE THREE MONTHS IN EACH QUARTER

QUARTER	REVENUE $	NOTES
Q1 / Jan–Mar		
Q2 / Apr–Jun		
Q3 / Jul–Sep		
Q4 / Oct–Dec		
Annual total		

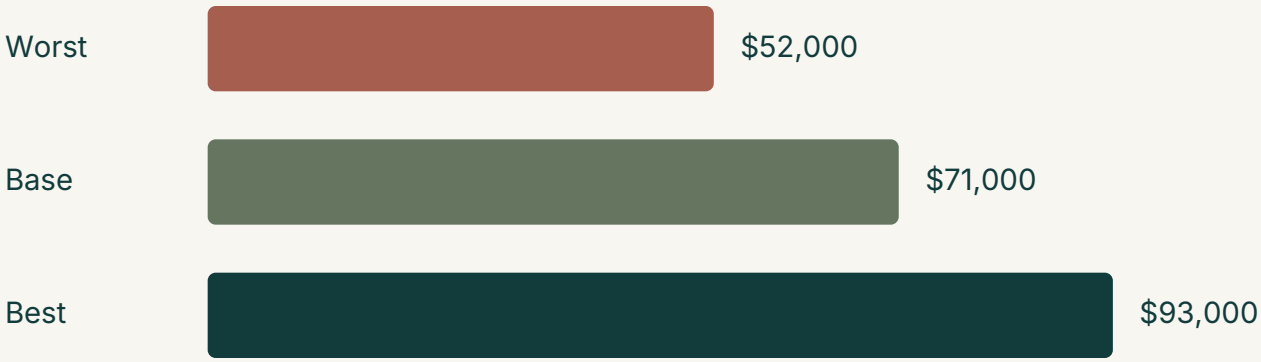
Annual total = twelve-month sum = four-quarter sum. Keep this version to compare with actual results.

09 / PLAN AROUND A RANGE

Three-scenario summary

Compare full-year totals with explicit assumptions. These annual cases are separate from the one-month stress tests on pages 10–11.

ILLUSTRATIVE ANNUAL REVENUE / COMMON SCALE FROM $0



Base is the $71,000 plan on page 12. The $93,000 upside assumes a 1.309859× factor across that pattern; the $52,000 downside uses 0.732394×. Factors are rounded here. These are alternative assumptions, not probabilities or bounds.

YOUR SCENARIO SUMMARY / YEAR: _____

SCENARIO	ANNUAL REVENUE $	KEY ASSUMPTIONS
Best case		
Base case		
Worst case		

MATCH COMMITMENTS TO THE WHOLE MODEL

Before adding fixed commitments, check contribution, operating costs, cash timing and reserves in each scenario. Revenue alone does not show what you can afford. Keep a response plan for outcomes beyond the modeled range.

WORKING PAGE / KEEP THE REASONING VISIBLE

Key assumptions log

Record the value, the evidence behind it, your confidence and a date or event that would make you revisit it.

ASSUMPTION / EVIDENCE	VALUE / PERIOD	CONFIDENCE	REVISIT WHEN

NOTES & REMINDERS

Use this log for growth, order rate, price, product mix, launches, seasonality and capacity. Replace a weak assumption when evidence changes.

QUICK REFERENCE

Forecasting cheat sheet

Use rates as decimals inside formulas. Keep the reporting period and revenue basis consistent from the first input to the final total.

MEASURE	METHOD
Revenue	Sessions × order rate × AOV
Expected orders	Sessions × order rate; keep decimals until the final step
Growth %	(New − old) ÷ old × 100; N/A when old is zero
Annual run rate	Latest month × 12; an extrapolation, not a seasonal forecast
Scenario range	Worst ≤ base ≤ best within your chosen scenarios
Combined driver change	Revenue factor = traffic factor × rate factor × AOV factor

THREE HABITS OF A USEFUL FORECAST

- [ ] Start with recent data and document any tracking changes.
- [ ] Record the assumptions; forecast each driver separately.
- [ ] Compare forecast with actual results monthly and update future periods.

Forecasts support decisions. Revenue is neither profit nor cash available to spend; model costs and payment timing before making a financial commitment.

Measurement reference: Shopify behavior reports