

**Meta title:** Events 101: How is Revenue Calculated From Ticket Sales?

**Meta description:** Discover how to calculate revenue from your ticket sales, plus tips on how to boost ticket sales and improve revenue across the board.

# Events 101: How is Revenue Calculated From Ticket Sales?



The future for ticket sales is bright. It is estimated that event tickets market revenue will reach [\\$92.44 billion by 2027](#), with a 9.7% growth from 2023 to 2024.

Now is the time to scrutinize your ticket prices and make sure you're on track for optimal growth.

Understanding how to calculate ticket sales revenue is tricky. There's a lot of conflicting information out there and many factors to keep in mind. Thankfully, we have a wealth of knowledge to guide you. In 2022, Eventbrite sold 284 million tickets across five million events in nearly 180 countries.

Here, we'll guide you through the three formulas for calculating revenue and how they can help you track your success. We'll also show you how to use your insights to increase ticket sales and how our event management platform can help you achieve your best results yet.

Table of Contents:

[How is revenue calculated from ticket sales?](#)



[How to increase revenue from your event ticket sales](#)  
[Sell more tickets and increase your revenue with Eventbrite](#)



Eventbrite / Re.Mixer LA / High Tide, LA

## H2: How is revenue calculated from ticket sales?

Before we look at how to increase revenue from ticket sales, let's clarify some of the ways you can calculate revenue.

### H3: The total revenue formula

When you're calculating ticket revenue, start with this simple revenue formula:

***Revenue = Number of tickets sold x price per ticket***

Here's a real-life example:

$\$50,000 = 1000 \text{ tickets sold} \times \$50 \text{ per ticket}$

This formula is useful at the start of event creation because it allows you to calculate your maximum earnings.



For example, if the venue you're considering has a capacity for 50 people and you plan on selling your tickets for \$20 each, the chances are you won't be able to cover your costs. So, you'll know that you either need to consider a larger venue or increase your price.

However, this formula only gives you a very rough view of potential earnings. It doesn't take expenses into account, and it's not practical to work with if you have [tiered pricing](#) because your tickets are priced differently.

### H3: Average price-per-ticket formula

The average price-per-ticket formula calculates the revenue from each ticket sale. This is how it works:

***Average price per ticket = Total revenue from ticket sales / Number of tickets sold***

Here's a real-life example:

\$50 = \$50,000 total revenue / 100 tickets sold

This formula can be a useful way to *analyze* your revenue so you fully understand how to improve it. For instance, you can see if your average price per ticket is below the standard pricing for similar events from your competitors.

However, **it doesn't take unsold tickets into account** or the total number of tickets sold. **You might be averaging more per ticket than you did last year, but if you're selling fewer tickets, you could still end up with less overall revenue than you predicted.**

It also doesn't take into consideration different ticket price points (such as VIP or discounted tickets) to let you know which type of ticket sells the best.

### H3: Revenue per spot formula

The revenue per spot formula divides your total revenue by how many tickets you have available in total.

Here's how the formula looks:

***Revenue per spot = Total revenue / Total number of available spots***

Here's a real-life example:

\$50 = \$50,000 revenue / 1000 available spots



This metric gives you an idea of your actual profitability. As you sell more tickets, your total revenue increases — and so does your revenue per spot.

For example, if you've made \$30,000 in revenue and you have 1000 spots, your revenue per spot would be \$30. You sell more tickets and increase your revenue to \$50,000, and your revenue per spot becomes \$50.

It also allows you to see if your current marketing tactics are working or whether they're actually putting you out of pocket. Let's say your revenue per potential visitor is \$10, taking your total available spots into account and your ticket prices, and you spend \$20/spot on marketing to obtain ticket sales (through [social media ads](#), for example); your expenses are more than your earnings. So this formula allows you to evaluate if you need to reduce ad spend and/or increase ticket price.

Although this is probably the most useful revenue formula for events, it doesn't take costs into account or show you how much revenue you make from certain ticket types, so this is something to bear in mind if you use this formula.

## H2: How to increase revenue from your event ticket sales

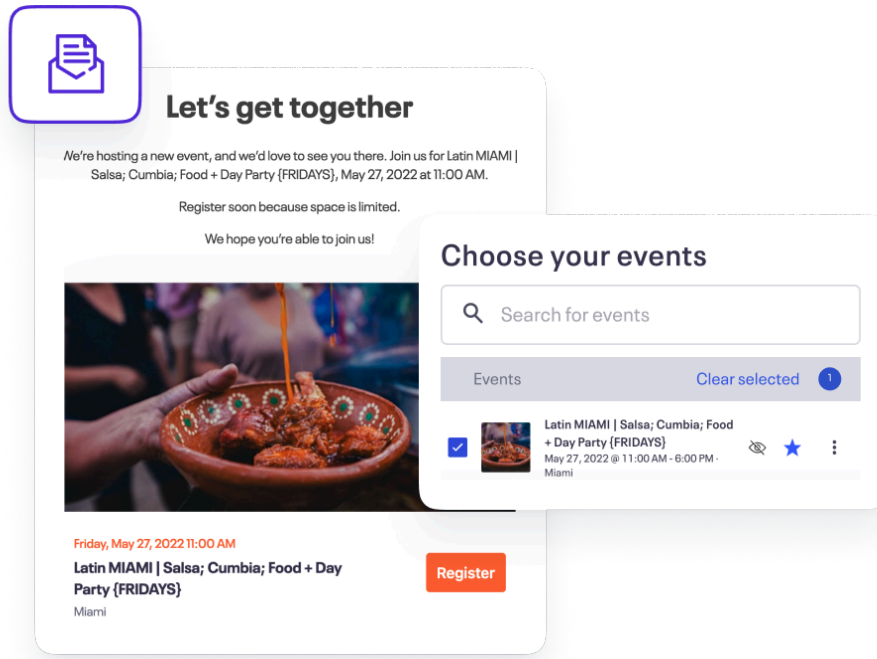
To grow your event business, understanding revenue formulas is half the battle. It can tell you what you need to focus on. But then you need to know *how* to increase revenue if you want to nurture your business.

Here are some of the main factors that can affect revenue growth:

- Event promotion
- Ticket pricing
- Revenue goals
- Tracking ticket sales

Let's look at these in more detail.





### H3: Promote your event

Promoting your event can help you reach more people, raise brand awareness, and [maximize attendance](#), and here are some ways to do that:

#### H4: Email marketing

Email campaigns spread the word about your event and encourage potential guests to sign up. For example, send [event invitations](#) and reminders to let people know what your event involves, why it's worth attending, and how to buy tickets.

Eventbrite's [email marketing platform](#) allows you to send up to 10,000 emails a day, save an unlimited number of contacts in your database, and auto-fill customer information to save time.

You can also use [Smart Audience Targeting](#), which helps you to send emails to the right people at the right time.

#### H4: Social media

Use [social channels to promote your event](#), reach a wider audience, raise brand awareness, and increase ticket sales. You can post updates ahead of your event and even add countdowns to remind followers when the event takes place.

Cross-promoting is also a useful [social media tactic](#), where you partner with another account to promote your event. For instance, you might ask one of your food vendors to post about the event to reach a wider pool of people.



#### H4: Online advertising

[Online advertising](#) involves paying to promote your event on search engines and social media. You can control who sees your ads, choose how much you spend on them, and [track performance in real time](#) — all of which gives you a better chance of converting more potential customers and seeing what platforms help to generate sales.

Creating effective online ads is part art, part science. [A/B testing your online ads](#) will help you see what marketing strategies increase/decrease your revenue per visitor.

You can also use [Eventbrite Ads](#) to show off your event and maximize online visibility.

Promote your event with Eventbrite Ads

[Join today](#)

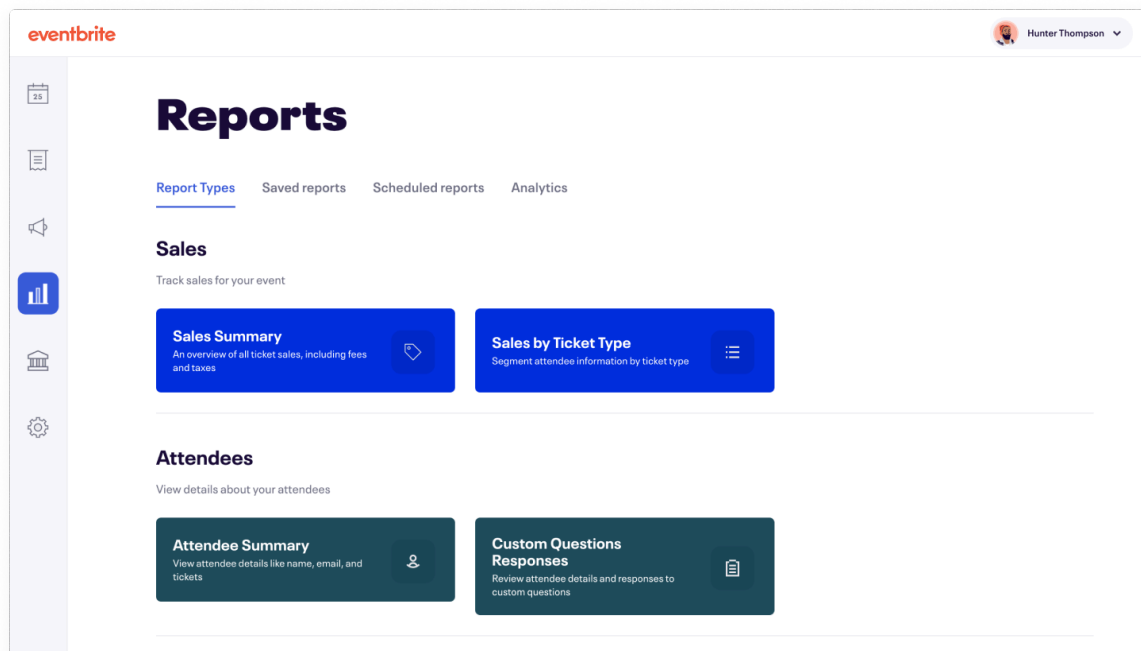
#### H3: Review your pricing

There's no one-size-fits-all when it comes to pricing, and using the formulas above allows you to see if your current pricing system is working and where you might need to make some tweaks.

To help you [figure out what pricing methods to use](#), here are some of the common pricing structures:

- **Early-bird pricing:** Offer discounted rates to people who buy tickets well in advance. This pricing system encourages people to buy tickets early, which secures as many sales as possible and helps with [event planning](#) (you have a better idea of how many people are attending much earlier in the planning process).
- **Tiered pricing:** This pricing model encourages guests to spend more money to access better perks, such as VIP offerings, early access, or backstage passes.
- **Dynamic pricing:** This pricing model maximizes revenue when demand is high and also encourages last-minute sales.
- **Promotions and discounts:** Give potential customers a code or coupon to reduce their ticket price to help increase your overall revenue. Offering discounts exclusively for existing customers can also build loyalty and increase their [lifetime value](#).





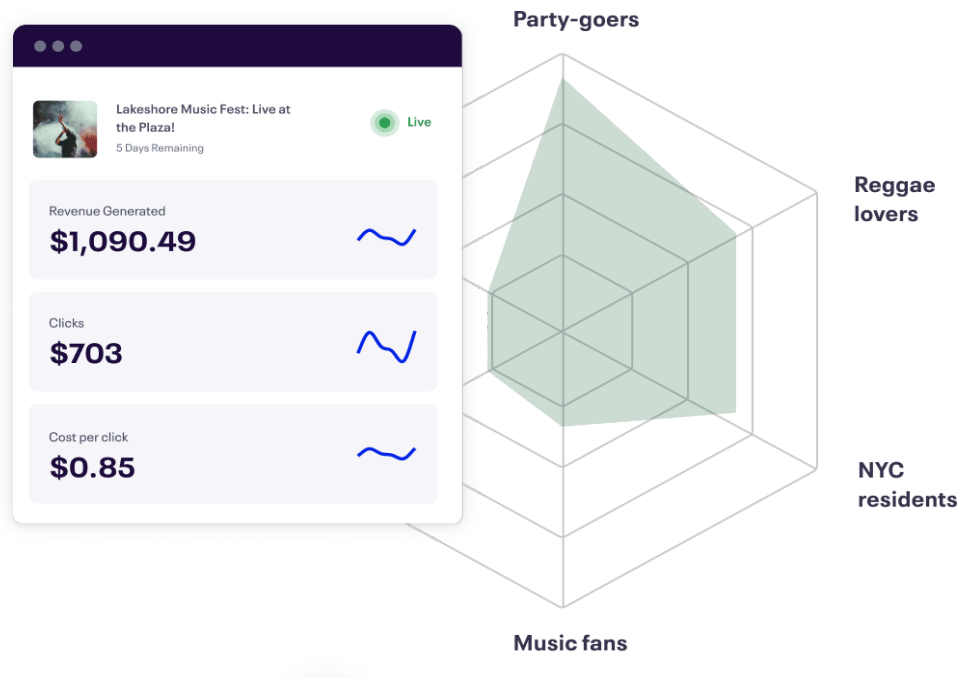
### H3: Set ticket revenue goals

With goals and milestones in place, you can track performance and measure success to see what is and isn't working.

Here are some best practices to get started on the right foot:

- **Review previous events:** Take a look at past events to get a baseline for what your current goal should be. For example, if you made \$3,000 in revenue at your last event, you could aim for a 10% increase for the next one. With an event management tool like Eventbrite, you can easily review figures from past events. Our [Event Reports](#) help you track ticket sales, attendee numbers, page views, and more.
- **Set [key performance indicators \(KPIs\)](#):** Use KPIs to measure performance for a specific objective. For instance, let's say you want to increase revenue by 10% from the last event; you might set KPIs that track ticket sales, email engagement, ad spend, and so on.
- **Use the SMART framework:** Use the [SMART goal-setting framework](#) to set clear, specific, and measurable revenue goals. That way, you can set specific objectives and set ticket prices to help reach them.





### H3: Track ticket sales in real time

As the event draws near, track how you're doing against your ticket revenue goals. By calculating your revenue per visitor over time, you can make informed decisions about when to run marketing promotions to boost sales.

For example, if you're approaching the event date and you still have 25% of your tickets remaining, you could run a promotion to increase ticket sales.

Tracking ticket sales in real time also allows you to make changes, adjust KPIs, and use the SMART framework.

Let's say you send an invitation email and a reminder email and don't hit your revenue goals after these emails. You then make a new plan to boost sales before it's too late.

This is where a platform like Eventbrite also comes in handy.

You can use our platform to track live ticket sales and get an overview of your event traffic. As a result, you can stay on top of revenue and identify the best ways to get more ticket sales.

▶ Eventbrite Dashboard: Event Management and Reports in One Spot



## Sell more tickets and increase your revenue with Eventbrite

There are various ways to increase revenue from your ticket sales. Using the formulas above allows you to track what sales funnels work and whether you're budgeting your money right compared to competitive prices and to earn a profit after expenses.

To make it easier to track and increase your revenue, consider using Eventbrite to manage your event. With our event management software, you can promote your event, track your sales, and increase revenue — all within a single platform.

Sell more tickets today

[Sign up](#)