



• ARCHITECTURE NOTES · RESOURCE

The Compound Model

Retention x CRO x content. Run as one program, not three. The compound multiplier is what shows up on the brand-revenue line.

Companion to: The retention x CRO x content compound effect we measured.



Why this exists

Retention work shipped in isolation lifts revenue. CRO work shipped in isolation lifts revenue. Content work shipped in isolation lifts revenue. Run as one program, the compound multiplier is what shows up on the brand-revenue line. Across the brands we run on this model, the floor is 25 to 40 percent of revenue from retention, 20 to 40 percent CRO uplift on the architecture build, and parity-quality content cadence at flat headcount. Brands running the three as separate programs leave 30 to 50 percent of their potential on the floor.

- For: brand leaders running 2 of the 3 disciplines, planning the third hire or vendor.
- For: agencies asked to lift the compound rather than swap one program at a time.
- For: founders trying to understand why a tactical hire is not moving the needle.
- Output: a 90-day plan, a quarterly forecast, and the 5 KPIs to wire into one dashboard.



The six handoffs (three forward, three reverse)

01 Retention -> CRO

List quality + open data tells CRO who is most valuable. CRO ships for the high-LTV cohort first, not the average visitor. Without this handoff CRO optimises for cold traffic and the LTV cohort sees a generic experience.

02 CRO -> Content

The winning hero copy is the brief for every content piece next month. Content that does not match the hero erodes the funnel - visitors arrive expecting one promise, content delivers another.

03 Content -> Retention

Brand voice from content travels into every retention email. Without it the welcome flow reads like a different brand and the audience disengages on the third email instead of the tenth.

04 CRO -> Retention

CRO discovers which value claim converts. That claim becomes the lead email of the welcome series. The flow stops being a discount drip and starts being a credibility ladder.

05 Retention -> Content

The most-clicked subject lines and most-replied-to emails are the seed for the next quarter's editorial calendar. Audience tells you what they want; content writes for that signal.

06 Content -> CRO

Long-form content uncovers the language patterns that resonate. Those phrases become the hero variants CRO tests next. Hero ideas stop coming from hunches and start coming from organic-traffic evidence.



Linear vs compound math

Three programs run separately

- Each program lifts its own metric in isolation.
- Lift = $R + C + Co$ (additive). Typical 8-15% on each.
- Brand revenue lift on the year: ~22-30% best case.
- Headcount: 3 specialists or 3 vendors.
- Reporting: 3 dashboards, 3 reviews, 3 priorities.

One program with handoffs wired

- Each program also lifts the next downstream program.
- Lift $R \times C \times Co$ (multiplicative). Typical 25-50% per leg.
- Brand revenue lift on the year: 50-90%, sometimes more.
- Headcount: 1 operator + 3 specialists, OR 1 vendor running all 3.
- Reporting: 1 composite KPI. Priorities arbitrate against each other, not against silos.



Diagnostic - find your weakest leg

01 Symptom: low return-customer rate

If repeat-buyer share is under 25 percent of revenue, retention is the weakest leg. The compound starts here. Until retention lifts, CRO is optimising a leaky bucket and content is feeding mostly one-time visitors.

02 Symptom: hero copy does not move

If hero variant tests are flat for 90 days, CRO is the weakest leg. The hypothesis bank is the bottleneck, not the test infrastructure. Read the top retention threads and top organic posts before writing the next variant.

03 Symptom: content gets traffic, no revenue

If pillar content is ranking but bounces, content is the weakest leg in REVENUE terms (not in SEO terms). The content brief is divorced from the offer. Re-brief from the hero copy down.

04 Symptom: all three look fine, revenue flat

You probably do not have a weak leg - you have weak handoffs. Run the runbook on slide 7 even if the in-discipline metrics are healthy.



How the math works (illustrative, not a case study)

01 Linear path: separate programs

If retention lifts +12% on its own metric, CRO lifts +10% on conversion, content lifts +15% on attributed revenue, the brand-revenue impact compounds at roughly the SUM, weighted by how much of the revenue each touches. Typical year-end lift in this regime: 15-25%.

02 Compound path: handoffs wired

Each leg also lifts the next leg downstream. The same +12 / +10 / +15 in-discipline lifts now compound multiplicatively because the inputs to leg 2 are improved by leg 1, and so on. The math approaches $(1.12 \times 1.10 \times 1.15) - 1$ +42% on brand revenue.

03 The real-world band we observe

Across the brands we run on this model: 25-40% of total revenue from retention, 20-40% CRO uplift over the architecture build period, parity-quality content cadence at flat headcount. Brands not running it as one program leave 30-50% of their potential on the floor.

04 Why the gap is THAT large

Three programs running separately fight each other for headcount, calendar attention, and budget. Each handoff is a leverage point: the same hour of the same person creates more value when the output of program A becomes the input of program B than when it sits in a deck that



The 90-day runbook

— **Week 1 - score the three legs**

Use the diagnostic above. Score each leg 1 to 5 on program maturity. Do not start with the strongest leg; start with the weakest.

— **Week 2 - name the operator**

One person who arbitrates priorities across all three programs. Title does not matter. Authority does. Without this seat, handoffs stall on email follow-ups.

— **Weeks 3-4 - wire one handoff**

Pick the single most-leveraged handoff from the framework. Define the format (a Notion table, a weekly Slack post, a doc in shared Drive). Make it weekly, not "as needed".

— **Weeks 5-8 - measure the leading metric**

Each handoff has a leading metric (cohort CTR uplift, content-to-hero-match rate, voice-consistency score on retention emails). Read it weekly. If it is not moving in 4 weeks, the handoff format is wrong, not the strategy.

— **Weeks 9-10 - wire the second handoff**

Only after the first one has shown a leading-metric move. Two handoffs running well beats six handoffs running poorly.

— **Weeks 11-12 - composite KPI review**

Build one dashboard with the 5 metrics on slide 9. Replace the three siloed reports with this single review. The review cadence is the operating system.

— **Day 90 - lock the cadence**

If the leading metrics moved, you have a working compound. Codify the handoff formats as recurring rituals (weekly retention-to-CRO sync, monthly hero-to-content brief, quarterly editorial planning).



When this model is the wrong move

01 Pre-product-market-fit

Compound assumes the offer is right and the question is amplification. If repeat-purchase rate is structurally broken (product, price, market), wiring handoffs amplifies a broken signal. Fix product first.

02 Single-discipline crisis mode

If retention is on fire (Klaviyo deliverability collapse, paid-ads CPA crisis, content totally absent for 6 months), do triage on the failing leg first. Compound thinking is for systems that are working, not failing.

03 Sub-2M ARR

Below this scale, the operator-unification cost outweighs the multiplier. One person doing all three with rigour beats three vendors with handoffs. Compound starts paying around the third hire, not the first.

04 Heavy paid-acquisition mix

If 70 percent or more of revenue is paid-driven, paid is your fourth leg and the compound model needs to expand to include creative-to-CRO and audience-to-retention handoffs. The 3-leg version under-invests in paid signal.



The 5 metrics to wire into one dashboard

REPEAT-BUYER REVENUE

25-40%

Share of total revenue from customers who bought before. The article cites this

COHORT-VS-COLD CTR DELTA

meaningful majority

CTR difference between top-LTV cohort and cold traffic on the same hero.

HERO-TO-CONTENT MATCH

Share of content pieces whose lead claim matches the current winning hero

WELCOME OPEN RATE

industry+20-40%

Email 1-3 of the welcome series, vs your industry baseline. When emails

CRO UPLIFT (BUILD PERIOD)

Cited in the article as the typical CRO lift over the architecture-build period



- NEXT STEP

Run it for one quarter.

Pick the weakest leg, name the operator, wire one handoff. Measure the leading metric weekly. Bring the data to the next architecture review.

[Read the full architecture note ->](#)