

**Key Performance Indicators; General List**

- Sales per employee
- New clients per week vs. repeat existing clients
- Sales per square foot
- Average check
- Sales by category
- Merchandise vs. service
- Lead sources
- Sales by day of week/time of day
- Sales conversion rates
- Customer profile

Average Sale/Sale by Category

I worked with a coffee shop that needed to increase revenues by 10 percent which represented an increase in sales of about \$2000 per month. She was going to invest \$6000 in advertising to increase traffic to achieve her revenue goal. By knowing her average sale, which was \$3.95, we were able to bundle two items as a special at \$ 4.75. Just by upselling her regular customers, she was able to increase revenues without spending a dime or giving up any profitability.

Sales by Day of Week/Time of Day

By knowing when you are selling (or not selling) you can create a strategy to improve business during peak and non-peak times. For example, a pizza restaurant offered a daily lunch discount each weekday. Upon analyzing his day/daypart numbers, we found that Thursday and Friday lunches were triple the volume of Monday through Wednesday. Since business was so good later in the week, there was no need to continue offering a discount on those days. The owner was able to increase profits during the peak sales days and offer steeper discounts to lure customers during the off days.

New vs. Existing Clients

A salon client did not track new vs. existing clients or client retention. Once they analyzed their numbers, it was clear they were getting plenty of new clients; they just weren't retaining them. By understanding that, they were able to implement a two-fold strategy that included customer service training for the stylists to insure greater customer satisfaction- and ultimately their return -as well as a new customer welcome program that offered new clients discounts for pre-booking their next appointment.

Customer Profile/Demographics

Take the simplest customer demographic – the zip code. I recently worked with a franchisee for whom the franchisor did a quarterly mailing. In comparing the zip codes of the mailing to the actual client zip codes, we saw that the franchisor mailing list did not match the current client base. Armed with this information, the client was able to inform the franchisor so they could create a more geographically accurate mailing list and thus, better results from the marketing dollars spent.

Sales Per Employee

Do you have a star employee that you didn't realize? Or one who needs more help closing sales? More than just watching how your team acts when you're around, the sales numbers each one produces will tell a strong story.

Sales per Square Foot

A general metric helpful in identifying the margins set for items, and offering a perspective on ways to increase product selection or streamline offerings.

Merchandise vs. Service

In a service industry, many retailers add products to increase revenue, but forget to train the service staff on promoting the merchandise. Setting a goal for monthly sales of merchandise, and possibly establishing a reward system by employee for meeting an individual goal, will increase retail sales.

Lead Sources

Knowing where your customers hear about you, whether word of mouth, ad response or passing by, can help streamline your promotional efforts and identify ways to increase traffic from similar sources. Conversely, you may see gaps to increase new outreach to first time customers.

Sales Conversion Rate

If lots of folks visit your shop, but sales seem low, sales conversion is a measurement that will demonstrate the number who visit vs. visit and purchase. Knowing that visitors don't purchase enables you to identify issues like customer service, welcome attitude, store cleanliness or reputation, merchandising issues, and more.