



# Sales - Key Performance Indicators

Sr. No.	KPI	Definition	Strategies for Increasing/Decreasing
1.	Average Order Value (AOV) = Total Revenue / No. Of Orders (AOV)	This will provide information on how much the customer spends on one single order. This metric is also called Average Basket Value.	<ol style="list-style-type: none"> <li>1. Threshold-based free shipping</li> <li>2. Bundle Products together</li> <li>3. Up-sell additional features like protection plan etc.</li> <li>4. Recommend products that complement the purchase</li> </ol>
2.	Conversion Rate (CR) = Total # of visitors / Total # of Conversions	This determines how much traffic is required to generate the targeted sales.	<ol style="list-style-type: none"> <li>1. Increasing the traffic through organic, Paid, social &amp; Email marketing</li> <li>2. Influencing the customers through social platforms</li> <li>3. Identifying the target audience and providing a personalized experience</li> </ol>
3.	Gross Profit = Total Sales - Cost of Goods Sold (COGS)	Gross profit is the profit that the company makes after deducting the cost associated with making and selling the product (which is COGS).	<ol style="list-style-type: none"> <li>1. Strategies around reducing COGS (which is predominantly controlled by the buyers)</li> <li>2. Increasing sales</li> </ol>
4.	Cart Abandonment Rate (CAR) = Completed Transaction / # of Cart	This provides information # on the item users add to the cart but leave the site without making a purchase. This value should be lower. Average CAR as per Baymart institute is 69.23%.	<p>If the value is high then there is a serious concern in the checkout process, which could be</p> <ul style="list-style-type: none"> <li>• Complex checkout process</li> <li>• High shipping cost</li> <li>• Declined credit card processing</li> </ul>
5.	Revenue Per Visit (RPV)= Total Revenue / Total # of Visits	This is the revenue generated each time a customer visits the site. This is the best metric that will signal how to optimize the site. It is one of the key metrics that provide insights on where to optimize marketing efforts.	<ol style="list-style-type: none"> <li>1. Strategies that would increase the number of visitors that make a purchase</li> <li>2. Strategies that would increase the amount of money spent on each visit</li> </ol>
6.	Purchase Intent (PI)	Purchase Intent aims to connect online to offline data and gives a clear indication of the true value of the digital experience. This metric is now more critical to achieving a cohesive omnichannel experience.	<ol style="list-style-type: none"> <li>1. Social Media Marketing</li> </ol>
7.	Product View Rate (PVR)=Total # of Product Page Visits/Total # of Visits	This metric is critical for most of the features available in the path-to-product since the primary intention of these pages/features is getting the user to the product details page.	<ol style="list-style-type: none"> <li>1. Promotions</li> <li>2. Quick Find-ability of the product</li> <li>3. Inspirational content</li> <li>4. Story telling</li> <li>5. Personalization</li> </ol>

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