Key Performance Indicators for Online Retailers

Recommended KPI's for Senior Managers

Purchase Conversion Rate	Order and buyer conversion rates are easy to calculate and influence. Measures how well you convince visitors to buy. Have a response plan ready to implement when conversion rate falls to unacceptable level
Average Order Value	There will be fluctuation in AOV on a daily basis. Look for a consistent increase or decline. Closely linked to conversion rates, new and returning visitors.
Average Revenue Per Visit	Useful to compare with purchase conversion. As traffic increases or decreases, purchase conversion rate should stay at a consistent level
Average Cost Per Conversion	KPI determines the most effective ways to focus marketing efforts that lead to the best return on investment. Important to use numbers from the same time frame
Retained Visitor Conversion	Monitoring the percentage of returning customers is indicative of customer satisfaction. Retained customers purchase at a higher rate than new visitors

Recommended KPI's for Strategists and Tactical Resources

Ratio Of New To Returning Visitors	This is a reach and acquisition indicator that measures the effectiveness of the marketing mix to drive visits. Important to use on a daily basis or results will be skewed
New And Returning Visitor Conversion Rate	Used to look for dramatic shifts that may indicate changes in your customer, product or marketing mix. Useful information for understanding barriers to purchase.
Percent Revenue From New And Returning Customers	Online commerce depends on a constant flow of new, qualified visitors who convert. Returning visitors should have a higher revenue percentage.
"Stickiness" Of The Home Page And Key Campaign Landing Pages	A measurement of response to marketing materials. Stickiness indicates visitors are getting no further than the home page or key landing page

Search To Purchase Conversion Rate	Any retail site selling more than just a handful of SKUs should have some type of internal site search. If you have a search engine on your retail site, tracking how searching visitors differentially convert into customers will help you understand the real value of your investment in search .
Percent Of Low Recency Visitors	Recency is observed to be tremendously important to a customer's decision to make another purchase. Retailers should calculate this KPI for both visitors and customers if possible.
Cart Checkout Completion Rates	The cart completion rate provides additional insight into your order conversion rate, helping you isolate problems to your shopping cart functionality.
Order Conversion Rate by Campaign Type	Order conversion rate for your campaigns will help you identify what is most effective for each. Choose to report on either the most expensive, most important or highest visibility campaigns currently being run. Alternatively, you may choose to track campaign types providing conversion rates for email, search marketing, and other campaign categories.
Percent Zero Result and Zero Yield Searches	If either of these numbers increases suddenly, explore which terms are returning zero results or zero yield, looking for emerging visitor interests or problems with your indexing.
Average Searches Per Visit	The total number of searches is measured in page views—unique searches executed by the visitors. This metric is designed to examine the frequency of which your visitors use your search technology.