

## Common Metrics for a Retail Business

- **Sales Metrics:**
  - Retail businesses often focus on sales related KPIs, including total sales revenue, average transaction value, and sales per square foot (for physical retail).
- **Inventory Turnover:**
  - Retail businesses with physical products must manage inventory efficiently to avoid overstocking or understocking. Inventory turnover rates are crucial.
- **Conversion Rate:**
  - Measure the percentage of visitors or shoppers who make a purchase.
- **Customer Acquisition Cost (CAC):**
  - Calculate the cost of acquiring a new customer, which includes advertising, marketing, and sales expenses.
- **Return on Investment:**
  - Assess the effectiveness of marketing campaigns, advertising spend, and promotions to ensure they deliver a positive return.
- **Average Order Value (AOV):**
  - Determine the average amount customers spend per transaction. Increasing AOV can boost revenue without acquiring more customers.
- **Customer Lifetime Value:**
  - Understand the long-term value of your customers, especially if you rely on repeat business.