Basic KPIs and Formulas Every Beginner Should Know!

Sales Revenue

- The total amount of revenue generated by the company from sales.

Sales Revenue = Quantity Sold x Price 2 Gross Profit Margin

- The percentage of revenue that remains after deducting the cost of goods sold.

Gross Profit Margin = (Revenue - Cost of Goods Sold) / Revenue

Sales Growth

- The percentage change in sales revenue from one period to another.

Sales Growth = ((Current Period Sales - Previous Period Sales) / Previous Period Sales) x 100 4 Average Order Value

- The average amount of each order.

Average Order Value = Total Revenue / Number of Orders

Sales by Region

- The total sales generated by each region or territory.

Sales by Region = Total Sales in Region / Total Sales for all Regions



Average Sales Price

- The average price of each sale.

Average Sales Price = Total Sales
/ Number of Sales

7 Conversion Rate

- The percentage of leads that result in a sale.

Conversion Rate = (Number of Sales / Number of Leads) x 100