

The Ultimate Ecommerce KPI Kit

Cheatsheets and checklists so you can spend less time buried in analytics and still use them to power up your marketing activities and ecommerce efforts with Key Performance Indicators.

Key Takeaways

WHY SHOULD I USE THIS GUIDE?

You should use this guide if you:

- ✓ **Struggle with analytics**, understanding how to use analytics platforms, or troubleshooting problems with marketing or website performance.
- ✓ Want to know how analytics can **improve your decision making**.
- ✓ Lack a 'sixth sense'

WHO IS THIS GUIDE FOR?

In order to get the most out of this guide, you should:

- ✓ Function in a marketing, ecommerce, or web development role (including management of these functions).
- ✓ Have access to an analytics platform (whether or not you fully understand its capabilities).
- ✓ Understand basic marketing terminology and concepts.
- ✓ Be able to shape or contribute to setting your team's 'SMART' goals, and be able to begin to set one for a given metric so that you can track your progress and productivity more effectively.

WHAT WILL THIS GUIDE DO FOR ME?

After using this guide, you'll be able to:

- ✓ Better understand metrics, their definitions, and communicate their weight and significance more importantly to colleagues and counterparts.
- ✓ Quickly understand and intelligibly read reports on marketing and web performance.
- ✓ More efficiently troubleshoot problems in the marketing funnel and website experience.
- ✓ Align your expectations for your campaigns and projects.
- ✓ Set your own Key Performance Indicators (KPIs) to help consistently monitor your marketing and website management efforts.
- ✓ Decide which KPIs you'll want to focus on and set up a dashboard.

Important Terms to Understand

Review the following basic terms and definitions to better align your marketing team:

- **Analytics:** collecting, processing, and analyzing data to uncover patterns, correlations, and insights that can be used for decision-making and strategic planning. Google Analytics is an example of a tool that tracks and reports website traffic. Google Analytics can provide insights into where website visitors are coming from (e.g., organic search, social media, direct traffic), what actions they're taking on the site, and whether they're completing desired actions (like making a purchase or signing up for a newsletter).

Example:

The diagram shows a table with three columns: Metric, Data or Value, and Trend or Delta (Δ). The table has three rows. The first row is labeled 'Metric A' and shows a value of 47 with a downward trend of 22%. The second row is labeled 'Sessions' and shows a value of 5,510 with an upward trend of 13.2%. The third row is labeled 'Metric B' and shows a value of 5.29% with an upward trend of 1.6%. A date range of 'April 1 - 30 (Last 30 Days)' is shown below the table, indicating the period for the data.

Metric	Data or Value	Trend or Delta (Δ)
Metric A	47	↓ 22%
Sessions	5,510	↑ 13.2%
Metric B	5.29%	↑ 1.6%

April 1 - 30 (Last 30 Days)

Date Range or Period

Important Terms to Understand

- **Dashboard:** A visual interface that provides an *at-a-glance* view of key performance indicators relevant to a particular objective or business process. Data is typically shown or visualize in the form of graphs, charts, or other graphics and easy visual identifiers.
- **Data:** The raw, unprocessed facts and statistics collected for analysis. Data can be quantitative (numerical) or qualitative (non-numerical).
- **Date Range or Period:** A fundamental aspect of analytics, as it specifies the span of time for which the data is analyzed. This can include any length of time depending on the specific needs of your analysis — it could be a day, a week, a month, a quarter, a year, or any custom period of time. Setting and tracking goals is a critical part of business success. By using specific date ranges, you can track your progress towards goals over time.
- **Comparison Period:** By selecting different date ranges, you can compare business performance across different periods. This allows you to evaluate whether metrics are improving or deteriorating over time. For instance, comparing the conversion rate of an e-commerce website this month versus last month can help identify trends and assess the effectiveness of marketing strategies.
- **Trend or Delta (Δ):** The change between the date range or period and the comparison period, typically expressed as a percentage increase or decrease.
- **Dimension:** In the context of Google Analytics, a dimension is a characteristic or attribute of your data. For example, the city from which website traffic originates is a dimension; other examples might include the type of device used to access a site or the age of the user.
- **Segmentation:** This is the process of dividing data into subsets based on certain criteria. In Google Analytics, you might segment your data by new vs. returning visitors, by geographic location, or by source of traffic (like organic search or social media), among other factors.

Understanding Metrics

- **Metrics:** quantifiable measures used to track and assess the status of a specific business process. They're a kind of standard of measurement by which efficiency, performance, progress, or quality of a plan, process, or product can be assessed. They are data points that track various types of information and can be used to monitor and assess the status of various business processes.
 - ◆ All KPIs are metrics, but not all metrics are KPIs.
 - ◆ Metrics in analytics can be categorized into two main types: *count metrics (or values)* and *rate metrics*.

- **Count Metrics (Values):** These are raw numbers representing a total count of a particular activity or event. They show the absolute value or total number of occurrences. Examples include total sessions, pageviews, or users. These metrics can provide a sense of the overall volume or scale, but without context or comparison, they can be somewhat limited in usefulness.

Example:

- If you know your website had 10,000 sessions last month, that's a count metric. But without knowing the total number of sessions from the previous month or other similar timeframes, it's hard to gauge whether this is an increase, a decrease, or steady performance.
- **Rate Metrics (Rates):** These are calculated by comparing two different metrics and are typically expressed as a percentage or ratio. Rate metrics can provide insights into efficiency, performance, or quality. Examples include conversion rate, bounce rate, or click-through rate.

Example:

- A conversion rate (like purchases divided by total visits) offers a more insightful measure of how well your website or campaign is performing in terms of turning visitors into customers.

Understanding Metrics

Metrics can typically be grouped into *three broad categories*: Acquisition, Engagement, and Monetization.

- **Acquisition:** Acquisition metrics reflect how well you are attracting visitors to your website (or app) by. They give insights into the effectiveness of your marketing efforts in driving traffic. Examples of acquisition metrics might include: Number of Users / Unique Visitors, Traffic Source (organic, direct, referral, social, paid), Click-Through Rate (CTR), Cost per Click (CPC), or Cost per Acquisition (CPA).
- **Engagement:** Engagement metrics show how users interact with your site once they arrive. They are useful in understanding user behavior and the overall user experience. Examples of engagement metrics can include Bounce Rate, Pageviews / Session, Average Session Duration, Pages per Session, Return Visitor Rate, Social Media Engagement (likes, shares, comments).
- **Monetization:** Monetization metrics are typically related only to ecommerce sites, and measure the financial success of your store. They can provide insights into how effectively you're converting visits and traffic into revenue. Some monetization metrics include: Conversion Rate, Average Order Value (AOV), Conversion Value, Revenue, Customer Lifetime Value (CLV), Cart Abandonment Rate.

In summary, Acquisition-related metrics tell us where our website users came from, Engagement-related metrics tell us what our users did once they got here, and Monetization-related metrics tell us what financial outcomes happened as a result.

Understanding Key Performance Indicators (KPI)

- **Key Performance Indicators (KPIs):** Key Performance Indicators (KPIs), on the other hand, are a subset of metrics. These are crucial metrics that are specifically chosen to measure performance against the strategic goals and objectives of a business. KPIs are tied to specific targets or goals and are used to measure the effectiveness of different activities in achieving these targets.
 - ◆ All KPIs should be established with ratification from the team, and have a clear connection to the team's business goals, or the project or campaign objective.

Example:

- To illustrate the difference, consider an online retail business. It may track numerous metrics through Google Analytics, such as daily website visits, pageviews, average session duration, and bounce rate.
- However, the business's KPIs may be more focused and specific to its goals. For instance, if the business's primary goal is to increase sales, a KPI may be the conversion rate (the percentage of website visitors who make a purchase). If the goal is to grow the customer base, a KPI might be the number of new user sign-ups.
- In summary, while metrics provide a broad overview of business performance, KPIs are used to measure progress towards specific business goals. KPIs are essentially the most important metrics that help a business determine whether it is on track to achieve its strategic objectives.
 - ◆ Remember: *All KPIs are metrics, but not all metrics are KPIs.*

Website Metrics Navigator

Let's Talk Website Metrics

- Now that we are ready to consider our goals, here is a list of some commonly used **website metrics**, along with their definitions, what they might indicate (use-case), generalized thresholds for rates (where applicable), how they are typically measured, and what metrics you might want to consider that are related.
- Note: “General Thresholds” are not intended to apply equally to all industries and verticals.

Metric	Abbreviations	Definition	Use-case	General Thresholds	Related Metrics
Sessions (Count)	SES	Total number of visitors to a website. It's measured by tracking the number of visitors to a site during a specific period.	A high traffic count may indicate successful promotional efforts or popular content	More sessions over time is typically better.	Hits, Traffic Sources
Conversion Rate	CR, CONV	Number of conversions divided by total number of sessions. The percentage of website visitors who complete a desired action, such as making a purchase or filling out a form.	A high conversion rate typically indicates effective marketing and a user-friendly website. Low Conversion but high Add to Cart Rate means a later stage checkout problem.	<1%: Urgent. There is a problem preventing users from converting. <2%: Poor. Consider investigating immediately. 2-4%: Average. 5-8%: Good >8%: Great	Add to Cart Rate
Add to Cart Rate	ATCR	Number of users who added a product to cart divided by total number of sessions.	A high rate can indicate appealing products and an effective product presentation. A low rate might suggest a need to improve offer, product descriptions, images, or pricing.	<1%: Urgent. Consider investigating immediately. <3%: Poor. Bad offer or fit. 3-6%: Low Average. 7-10%: Average >10%: Good	Conversion Rate, Conversions, Started Checkout, Cart Abandonment Rate

Acquisition

Metric	Abbreviations	Definition	Use-case	General Thresholds	Related Metrics
Sessions (Count)		The percentage of visitors who leave a website after viewing only one page. It's measured by dividing the number of single-page sessions by the total number of sessions.	A high bounce rate might suggest that the landing page isn't relevant to visitors or that the page doesn't encourage further exploration.	>99%: Urgent. Consider investigating immediately. >90%: Poor. Bad offer or fit. 75-90%: Low Average. 50-75%: Average <50%: Good <40% Great fit. <25% High performing landing page.	Engagement Rate, Engaged Sessions, Exit Page, Sessions
Engaged Sessions (Count)	Eng. Sessions	The inverse or opposite of bounce rate. Engaged sessions move onto another page or next step.	A high engagement rate means users are staying on your website or taking the next step.	<1%: Urgent. Consider investigating immediately. <10%: Poor. Bad offer or fit. 10-25%: Low Average. >50%: Average >60%: Good >75% High performing landing page.	Bounce Rate, Sessions, Engaged Sessions
Session Duration/Time (Count)	Sess. Time	The time (counted up from 0 seconds) of an individual user's session.	Useful only to calculate average session time.	-	Average Session Time
Average Session Time	Avg. Session Time	The average time your users spend during a session. The total session time of all users divided by the total number of sessions.	Determine how long users spend on-page on average, and compare it to how long users <i>should</i> be spending on page.	-	Engagement Rate, Bounce Rate, Add to Cart Rate

Engagement

Metric	Abbreviations	Definition	Use-case	General Thresholds	Related Metrics
Bounce (Count)	B	A session where the user leaves the website after viewing only a single page		-	
Bounce Rate (Rate)	BR	The percentage of visitors who leave a website after viewing only one page (and not taking action on it). It's measured by dividing the number of single-page sessions by the total number of sessions.	A high bounce rate might suggest that the landing page isn't relevant to visitors or that the page doesn't encourage further exploration.	>99%: Urgent. Consider investigating immediately. >90%: Poor. Bad offer or fit. 75-90%: Low Average. 50-75%: Average <50%: Good <40% Great fit. <25% High performing landing page.	Engagement Rate, Engaged Sessions, Exit Page, Sessions
Engagement Rate (Rate)	ER	The inverse or opposite if bounce rate. Engaged sessions move onto another page or next step on the landing page (such as submitting a form).	A high engagement rate means users are staying on your website or taking the next step.	<1%: Urgent. Consider investigating immediately. <10%: Poor. Bad offer or fit. 10-25%:Low Average. >50%: Average >60%: Good >75% High performing landing page.	Bounce Rate, Sessions, Engaged Sessions
Average Session Time or Average Time on Site (Rate)	Avg. Session Time			Genuine session duration: The time it would take to create an order and complete checkout.	
Exit or Exit Rate (Rate)	Ex.	The point (page) at which a user leaves the website. Note: Different from a 'bounce'			

Conversions

Metric	Abbreviations	Definition	Use-case	General Thresholds	Related Metrics
Conversion	C	A purchase or completed order, but can also be a submitted form, booking or submitted request.		-	
Conversion Rate	CR	Number of conversions divided by total number of sessions. The percentage of website visitors who complete a desired action, such as making a purchase or filling out a form.	A high conversion rate typically indicates effective marketing and a user-friendly website. Low Conversion but high Add to Cart Rate means a later stage checkout problem.	<1%: Urgent. There is a problem preventing users from converting. <2%: Poor. Consider investigating immediately. 2-4%: Average. 5-8%: Good >8%: Great	Add to Cart Rate
Conversion Value	C\$	The value of a conversion (such as the total order amount in dollars or user's currency)	Determine how much a conversion is worth in order to attribute it to site performance or a customer's value	-	AOV
Average Order Value	AOV				

Marketing Metrics Navigator

Let's Talk Marketing Metrics

- Now that we are ready to consider our goals, here is a list of some commonly used **marketing metrics**, along with their definitions, what they might indicate (use-case), generalized thresholds for rates (where applicable), how they are typically measured, and what metrics you might want to consider that are related.
- Note: “General Thresholds” are not intended to apply equally to all industries and verticals.

Metric	Abbreviations	Definition	Use-case	General Thresholds	Related Metrics
Customer Acquisition Cost	CAC	The total cost of acquiring a new customer, including all marketing and sales expenses. It's calculated by dividing total acquisition costs by the number of new customers acquired in the period being examined.	A low CAC suggests efficient acquisition efforts.		Adspend, ROAS, Opt-in Rate
Customer Lifetime Value	CLV	The projected revenue that a customer will generate over their lifetime. It can be calculated in various ways, but often involves estimating the future relationship of a customer and then discounting those cash flows back to their present value.	A high CLV indicates a valuable customer base and effective customer retention strategies.		Purchases, Conversions, AOV, Revenue

Marketing Metrics

Metric	Abbreviations	Definition	Use-case	General Thresholds	Related Metrics
Return on Adspend (Rate)	ROAS			Note: This is highly subjective. <=1: Poor and immediately not profitable 1-2: Bad, and likely not profitable 2-3: Might be profitable. 3-5 Might be sustainable for profitability. 5-7: Likely good. >7: Likely great, but might not be sustainable.	
Email Open Rate (Rate)	OR	The percentage of email recipients who open a given email.	A low open rate might suggest an unappealing subject line or poor audience targeting.	<5%: Urgent. Pause sending and investigate. 5-15% Poor 15-25%: Average 25-40%: Good	
Email Click Rate (Rate)	CLR	The percentage of email recipients who click on a link within an email after opening it.	A low Email Click Rate may indicate that the customer was interested enough to open, but not click for further engagement. Look at your content within the email and try to appeal more to your audience.		
Clickthrough Rate (Rate)	CTR	The percentage of viewers who click		<1%: Poor performance <2% Underperforming 2-5%: Good 5-8%: Great >8%: Excellent	

Marketing Metrics

Metric	Abbreviations	Definition	Use-case	General Thresholds	Related Metrics
Attributed Revenue (Count)	Attr. Rev.			Note: This is highly subjective. <=1: Poor and immediately not profitable 1-2: Bad, and likely not profitable 2-3: Might be profitable. 3-5 Might be sustainable for profitability. 5-7: Likely good. >7: Likely great, but might not be sustainable.	
Attributed Sales (Count)	Attr. Sales	The percentage of email recipients who open a given email.	A low open rate might suggest an unappealing subject line or poor audience targeting.	<5%: Urgent. Pause sending and investigate. 5-15% Poor 15-25%: Average 25-40%: Good	



The Ecommerce Troubleshooting Cheatsheet

A quick reference guide to troubleshooting ecommerce performance issues.

Troubleshooting Cheatsheet

Problem	Possible Cause(s)	Next Steps + Possible Solution(s)
Low or no online store sales or revenue	<ul style="list-style-type: none"> → You do not have enough traffic (qualified or otherwise) to generate sales. → Something in your funnel or checkout experience is broken or users cannot checkout. 	<ul style="list-style-type: none"> → Review your sessions over a period and determine if there is enough traffic (qualified or otherwise). → Run a test transaction and put your 'customer hat' on.
Low or no website traffic or sessions	<ul style="list-style-type: none"> → Your traffic is not being tracked by your analytics engine. → You're not marketing your website. 	<ul style="list-style-type: none"> → Check an additional analytics tool to compare its values for metrics vs the platform reporting low or no website or traffic. → Review your marketing efforts to see if traffic is in fact being directed to your website.
Conversion Rate is low	<ul style="list-style-type: none"> → Something in your funnel or checkout experience is broken. → Your website prevents or inhibits users from checking out successfully. → Your offer doesn't work well with users (product-market-fit). 	<ul style="list-style-type: none"> → If you believe your product-market-fit is fine, consider installing a heatmap tool for a defined period of time (eg. 30 days) to better evaluate user activity on-page.
Add to cart rate is high/good, but conversion rate is low.	<ul style="list-style-type: none"> → Issues with the checkout process (for example, unexpected shipping costs or a complex checkout process) 	<ul style="list-style-type: none"> → Checkout process has issues or involves too many steps → Review page load speed test on specific checkout pages → Review data from payment merchant to see if legitimate transactions can go through → Implement single page or single step checkout process
Bounce rate is high (or engagement rate is low)	<ul style="list-style-type: none"> → The page doesn't offer the user a clear next step forward → Your landing page or content is not engaging or captivating enough 	<ul style="list-style-type: none"> → Review your analytics to find out where users are leaving your website from and test this page. → Review page load speed time by running a test. → Update your on-page copy and media to make it more captivating to your intended audience
Session time/duration is lower than expected, or much lower than it would take to complete an objective for a user.	<ul style="list-style-type: none"> → Your website or page is taking too long to load and users leave (bounce) before it loads properly. → Your landing page or content is not engaging or captivating enough 	<ul style="list-style-type: none"> → Check related metrics with Bounce and Engagement Rate. → Review your analytics to find out where users are leaving your website from and test this page. → Check Exit Rate by page.
Conversion values or Average Order Value metrics are wrong or missing	<ul style="list-style-type: none"> → Analytics tags or code snippets are not reading the dynamic value associated with conversion events. 	<ul style="list-style-type: none"> → Review your analytics tag install code and determine if it is recording or listening for a relevant price or value field.

Troubleshooting Cheatsheet

Problem	Possible Cause(s)	Next Steps + Possible Solution(s)
Clickthrough Rate is low	→ Your marketing activity (ad, email, etc.) is not performing well - the offer is not clear and/or the creative aspect doesn't resonate with your audience.	→ Change up your creative - text/copy, video or graphics and images need to be added to the campaign or activity. → Ensure you are split testing ideas for creative that are <i>different enough</i> to give you insights.
CTR is good or acceptable, but Engagement Rate or Conversion Rate is low.	→ Your marketing activation (ads, lead magnets, or email content) is resonating or working, but for users who make it through the landing page is working.	→ Retest the customer journey. → Review your creative, marketing copy, and offer to ensure it is consistent between marketing activations and landing page(s).
Attributed revenue to sales/marketing channels is lower than expected	→ Analytics tags or code snippets for the particular platform are not installed or not installed correctly. → Analytics tags are not recording values. → Attribution model or definition is not shared among platforms. → Conversion values for transactions are not recording	→ Consult with your web developer and run tests using the platform's support documentation with test orders. →

KPI Kit Checklist

Setting Your SMART Goals

- **SMART Goal:** A framework for creating effective goals that are aligned with business objectives and can realistically be achieved. It stands for Specific, Measurable, Achievable, Relevant, and Time-bound. Let's break down each component:
 - ◆ **Specific:** The goal should be clear, precise, and well-defined. This prevents any misunderstanding about what needs to be achieved. Utilizing KPIs from available metrics helps keep it specific.
 - ◆ **Measurable:** The goal should be quantifiable or at least provide precise means of recognition when it has been achieved. This could involve numerical targets or specific actions. Using an analytics engine that is installed or setup correctly should ensure your efforts can impact can be 'measured.'
 - ◆ **Achievable:** The goal should be attainable given the available resources and constraints. It should be challenging but still within the realm of possibility to achieve. If you have past data, set something that is on or near-trend with past performance. If you don't, set your sights lower than what you might expect. How much control you might have over the goal will also impact 'achievability.'
 - ◆ **Relevant:** The goal should be aligned with broader business objectives and be clearly beneficial to the organization. Choosing KPIs will help with 'relevance,' but these should be related to what you want to do with analytics, and what you want your users to be doing that align with your business goals.
 - ◆ **Time-bound:** The goal should have a clearly defined timeline that includes a starting date and a target date. The timeline is necessary to prevent tasks from being overtaken by the day-to-day crises that invariably arise in an organization. Your date range or period and the comparison period will provide instant feedback for this timeline.

Example:

- For example, a SMART goal for a marketer could be: "Increase website conversion rate by 15% over the next quarter." This goal is specific (increase website conversion rate), measurable (by 15%), achievable and relevant (assuming this aligns with business objectives and is within the marketer's control), and time-bound (over the next quarter). The marketer can then use analytics to track progress toward this goal, identify strategies that are working, and make necessary adjustments.

KPI Kit Checklist

This checklist is designed to help you determine which Key Performance Indicators (KPIs) are most relevant to your business or marketing objectives. By answering the following questions, you will have a clearer understanding of which KPIs are essential to measure, how to track them, who is responsible for monitoring them, and their implications for your customers and business.

Choose only one, and complete this checklist again for each individual KPI.

☐ Identify the KPI (most relevant metric) to measure your efforts

Fill in the specific KPI (rate or count metric) you want to measure. This should be a metrics (rate or count).

☐ Establish the Related Business Goal, Marketing Objective, or Challenge Experienced

Specify the goal or objective this KPI will help you achieve or the challenge it will help you overcome. This could be increasing brand awareness, boosting sales, improving customer satisfaction, etc.

☐ Identify the Key Stakeholders for Monitoring and Reporting on this KPI

Who will track and make decisions based on this KPI? This could be marketing managers, data analysts, product managers, etc.

☐ Determine the Frequency of KPI Monitoring and Reporting:

How often will this KPI be tracked and reviewed? This could be daily, weekly, monthly, etc., based on your operational needs and the nature of the KPI. The more data you have to parse, the more frequent the review and shorter the reporting cycle.

☐ Describe the Customer Impact:

Describe how tracking this KPI will affect or benefit customers. For instance, if your KPI is website load time, improving this could enhance customer experience on your site

☐ Specify the Tools for Data Collection

What tools will you use to gather and analyze data for this KPI? Examples include Google Analytics, SEMrush, Tableau, etc

KPI Kit Checklist

☐ **Define the Hypothesis Being Tested**

What is the assumption or prediction you're making that this KPI will help validate or invalidate?

☐ **Establish the Baseline and Targets**

What is the current performance level for this KPI? What performance level do you hope to achieve?

☐ **Determine the Plan for KPI Improvement**

What actions will you take if the KPI is not meeting its target? If applicable, what troubleshooting will you conduct to address performance issues?

Further Reading

Resources on Analytics + Beyond

Resources on Analytics + Beyond

Below are resources for further reading to increase your knowledge of analytics, as well as specific platforms like Google Analytics:

Google Analytics

- [Google Analytics 4 Tutorials](#)
- [Measure School - Standard Reports in Google Analytics 4](#)

General Concepts

- [A Beginner's Guide to Marketing Analytics in 2023](#)
- [How To Choose the Best KPIs for Your Business](#)

Related Topics

- [All About Keywords: What They Are, Why They Matter and How to Use Them](#)