



PROFITABILITY ANALYTICS
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Dictionary Frequently Used KPIs by Industry



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INTRODUCTION

In conversation about measuring the effectiveness of a strategy or business success, the following question frequently comes up. "Which are the best Key Performance Indicators (KPIs) to use?"

This is a difficult question as businesses can be very unique by industry, but also unique within an industry. The most relevant KPIs for a company may vary depending on factors such as the type of operations, geographic location, and strategic goals. It's crucial to carefully select and track KPIs that align with the specific needs and objectives of the business, and regularly analyze the results to drive performance improvement and sustainable growth.

For all industries, there are several KPIs that can provide insights into the operational efficiency, safety, financial performance, and environmental sustainability of the business.

Following are commonly used KPIs by several industries along with their definitions. You may notice there are a few KPIs that are common across several industries. By reviewing industries, other than your own, you may find alternate KPIs that may be useful.

As always, we would love your feedback.

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OIL & GAS



- 1. Production Volume:** This KPI measures the total volume of oil, gas, or other hydrocarbons produced during a specific period of time. It reflects the overall production performance and the ability to meet production targets.
- 2. Safety Incidents:** This KPI measures the number and severity of safety incidents, such as accidents, injuries, and spills, in the workplace. It reflects the effectiveness of safety protocols, training, and risk management practices.
- 3. Asset Utilization:** This KPI measures the utilization and efficiency of assets, such as drilling rigs, production facilities, and transportation equipment. It reflects the effectiveness of asset management and the ability to optimize resource utilization.
- 4. Exploration Success Rate:** This KPI measures the success rate of exploration activities, such as drilling and discovery of new oil or gas reserves. It reflects the effectiveness of exploration strategies, technologies, and geological assessments.
- 5. Operating Cost per Barrel of Oil Equivalent (BOE):** This KPI measures the average cost of producing one barrel of oil equivalent, which is a standard unit of energy that combines oil, gas, and other hydrocarbons. It reflects the efficiency of production operations, cost management, and cost competitiveness.

OIL & GAS



6. **Health, Safety, and Environment (HSE) Performance:**

This KPI measures the performance in managing health, safety, and environmental risks and compliance with regulatory requirements. It reflects the effectiveness of HSE policies, procedures, and practices.

7. **Revenue per BOE:** This KPI measures the average revenue generated per barrel of oil equivalent, reflecting the pricing, sales volumes, and revenue generation effectiveness.

8. **Reserves Replacement Ratio:** This KPI measures the ratio of the company's proven reserves additions to its production during a specific period of time. It reflects the ability to replace depleted reserves and sustain future production levels.

9. **Environmental Performance:** This KPI measures the environmental performance of the oil and gas operations, such as greenhouse gas emissions, water usage, waste management, and environmental compliance.

10. **Return on Investment (ROI):** This KPI measures the return on investment from capital expenditures, projects, and investments, reflecting the financial performance and capital allocation effectiveness.

RETAIL



1. **Sales Revenue:** This KPI measures the total revenue generated from sales of products or services during a specific period of time. It reflects the overall performance and growth of the retail business.

2. **Gross Profit Margin:** This KPI calculates the percentage of gross profit, which is the difference between sales revenue and the cost of goods sold, to sales revenue. It reflects the profitability of the products or services sold and the effectiveness of pricing and inventory management.

3. **Inventory Turnover:** This KPI measures the number of times the retail business sells and replaces its entire inventory during a specific period of time. It reflects the efficiency of inventory management and the ability to sell products quickly to generate revenue.

4. **Average Transaction Value:** This KPI measures the average value of each customer transaction, calculated by dividing the total sales revenue by the number of transactions. It reflects the average spending per customer and can indicate the effectiveness of upselling, cross-selling, and pricing strategies.

5. **Customer Conversion Rate:** This KPI measures the percentage of customers who make a purchase compared to the total number of customers who visit the retail store or website. It reflects the effectiveness of marketing, merchandising, and sales efforts in converting visitors into customers.

RETAIL



6. **Customer Retention Rate:** This KPI measures the percentage of customers who continue to make purchases from the retail business over a specific period of time. It reflects the loyalty and satisfaction of customers and the effectiveness of customer retention strategies.

7. **Online Traffic and Conversion:** For retailers with an online presence, KPIs such as website traffic, bounce rate, and online conversion rate can provide insights into the effectiveness of the online store, digital marketing campaigns, and customer engagement.

8. **Store Traffic and Conversion:** For brick-and-mortar retailers, KPIs such as foot traffic, dwell time, and store conversion rate can provide insights into the performance of the physical store, visual merchandising, and store operations.

9. **Employee Productivity:** This KPI measures the productivity of employees, such as sales per employee or transactions per employee, and reflects their contribution to sales and customer service.

10. **Return on Investment (ROI):** This KPI measures the return on investment from marketing, advertising, and promotional activities, reflecting the effectiveness of these efforts in generating revenue and profitability.

INSURANCE



1. **Loss Ratio:** This KPI measures the ratio of losses incurred by the insurance company to the earned premiums, expressed as a percentage. It reflects the effectiveness of the company's underwriting and risk management practices, and can indicate the profitability of its insurance policies.

2. **Combined Ratio:** This KPI measures the sum of the loss ratio and the expense ratio, which includes the operating expenses of the insurance company as a percentage of earned premiums. It reflects the overall efficiency of the company's operations and can indicate its ability to generate profit from its insurance business.

3. **Premium Growth:** This KPI measures the percentage increase or decrease in written premiums over a specified period of time. It reflects the company's ability to attract new customers, retain existing ones, and grow its revenue base.

4. **Policy Retention Rate:** This KPI measures the percentage of policies renewed by customers, reflecting their loyalty and satisfaction with the insurance company. It can indicate the company's ability to retain customers and generate recurring revenue.

5. **Claims Processing Time:** This KPI measures the average time taken by the insurance company to process and settle claims, reflecting its efficiency in handling claims and providing customer service. It can impact customer satisfaction, retention, and the company's reputation.

INSURANCE



6. **Loss Adjustment Expense (LAE) Ratio:** This KPI measures the ratio of LAE, which includes expenses related to investigating, settling, and defending claims, to earned premiums, expressed as a percentage. It reflects the efficiency of the company's claims management processes and can impact its profitability.

7. **Underwriting Profit Margin:** This KPI calculates the percentage of underwriting profit, which is the difference between earned premiums and incurred losses and expenses, to earned premiums. It reflects the profitability of the company's underwriting operations, excluding investment income.

8. **Investment Income:** This KPI measures the income generated from the company's investment portfolio, such as interest, dividends, and capital gains. It reflects the company's investment performance and can contribute to its overall profitability.

9. **Expense Ratio:** This KPI measures the ratio of operating expenses, including overhead costs, to earned premiums, expressed as a percentage. It reflects the efficiency of the company's expense management and can impact its profitability.

10. **Customer Satisfaction:** This KPI measures the satisfaction level of customers with the insurance company's products, services, and overall experience. It can be measured through customer surveys, feedback, and ratings, and reflects the company's reputation, customer retention, and business growth.

CONSTRUCTION



1. **On-Time Completion:** Measure the percentage of projects completed on or before the scheduled completion date.
2. **Schedule Variance:** Calculate the difference between the planned schedule and the actual schedule.
3. **Cost Variance:** Evaluate the difference between the planned budget and the actual costs incurred.
4. **Cost of Goods Sold (COGS):** Measure the direct costs of construction materials, labor, and equipment.
5. **Defect Rate:** Track the number of defects or errors found in completed work.
6. **Customer Satisfaction:** Collect feedback from clients and stakeholders to assess their satisfaction with the quality of work.
7. **Total Recordable Incident Rate (TRIR):** Calculate the number of recordable incidents (injuries, illnesses) per 100 full-time workers.
8. **Lost Time Incident Rate (LTIR):** Measure the number of incidents that result in lost workdays per 100 full-time workers.
9. **Labor Productivity:** Measure the amount of work completed per labor hour or per worker.

CONSTRUCTION



10. **Equipment Utilization:** Assess how efficiently construction equipment is being used on a project.
11. **Gross Margin:** Calculate the difference between total revenue and direct project costs, divided by total revenue.
12. **Net Profit Margin:** Determine the percentage of profit earned after all expenses, including overhead and taxes.
13. **Resource Utilization:** Evaluate how effectively resources like labor, materials, and equipment are being utilized.
14. **Supplier Performance:** Monitor the performance of suppliers in terms of timely delivery, quality, and cost.
15. **Inventory Turnover:** Calculate how often construction materials are used and replaced within a given period.
16. **Change Order Frequency:** Measure how often changes are requested during a project, as they can impact project timelines and costs.
17. **Waste Generation:** Track the amount of construction waste generated and disposed of.
18. **Energy Consumption:** Measure the energy consumption associated with construction activities.

MANUFACTURING



- 1. Overall Equipment Efficiency (OEE):** This KPI measures the effectiveness of manufacturing equipment by calculating the percentage of time the equipment is running at its full capacity, accounting for availability, performance, and quality. It reflects the overall productivity and utilization of manufacturing assets.
- 2. Production Cycle Time:** This KPI measures the time taken to complete a single production cycle, from the start to the finish of a product. It reflects the speed and efficiency of the manufacturing process.
- 3. First-pass Yield:** This KPI measures the percentage of products that pass quality control checks and are deemed acceptable in the first attempt without any rework or repair. It reflects the effectiveness of the manufacturing process in producing quality products.
- 4. Scrap and Rework Rate:** This KPI measures the percentage of products that are scrapped or require rework due to quality issues. It reflects the level of defects or rejections in the manufacturing process, and can help identify areas for improvement.
- 5. Inventory Turnover:** This KPI measures how quickly raw materials, work-in-progress (WIP), and finished goods are moving through the manufacturing process, reflecting inventory management efficiency, production agility, and liquidity.

MANUFACTURING



6. **Cost of Goods Sold (COGS):** This KPI measures the direct costs associated with manufacturing a product, including raw materials, labor, and manufacturing overheads. It reflects the cost efficiency and profitability of the manufacturing process.

7. **Supplier Performance:** This KPI measures the performance of suppliers in terms of quality, delivery, and cost. It reflects the reliability and effectiveness of the supply chain, which is critical for manufacturing businesses.

8. **Employee Safety:** This KPI measures the number of workplace accidents, incidents, or near misses, reflecting the effectiveness of safety measures and protocols in place to protect employees and comply with regulatory requirements.

9. **On-time Delivery:** This KPI measures the percentage of orders or shipments that are delivered to customers on time, reflecting the reliability and responsiveness of the manufacturing process in meeting customer expectations.

10. **Energy Consumption:** This KPI measures the consumption of energy resources, such as electricity, gas, or water, in the manufacturing process, reflecting the sustainability and environmental impact of the operations.

HEALTHCARE



- 1. Patient Satisfaction:** This KPI measures the satisfaction level of patients with the care and services provided by the healthcare organization. It can be measured through patient surveys, feedback, and ratings, and reflects the overall patient experience and perception of the quality of care.
- 2. Patient Wait Time:** This KPI measures the time patients spend waiting for appointments, treatments, or procedures. It reflects the efficiency of patient flow and resource allocation, and can impact patient satisfaction and access to care.
- 3. Average Length of Stay (ALOS):** This KPI measures the average number of days patients spend in the hospital or other healthcare facility. It reflects the efficiency of patient management, resource utilization, and patient flow, and can impact patient outcomes and resource allocation.
- 4. Patient Safety Incidents:** This KPI measures the number of patient safety incidents, such as medication errors, falls, or infections, that occur within the healthcare organization. It reflects the effectiveness of patient safety protocols and measures in place to prevent adverse events.

HEALTHCARE



5. **Readmission Rate:** This KPI measures the percentage of patients who are readmitted to the hospital within a specified period of time after discharge. It reflects the effectiveness of care transitions, care coordination, and patient management, and can impact patient outcomes and healthcare costs.

6. **Emergency Department (ED) Wait Time:** This KPI measures the time patients spend waiting in the emergency department before receiving care. It reflects the efficiency of triage, assessment, and treatment processes, and can impact patient satisfaction and patient flow in the ED.

7. **Revenue Cycle Metrics:** This includes various KPIs related to revenue cycle management, such as days in accounts receivable (DAR), clean claims rate, denial rate, and cash collection rate. These KPIs reflect the financial performance and efficiency of the healthcare organization in managing revenue, billing, and reimbursement processes.

8. **Staffing Ratios:** This includes KPIs related to staffing levels, such as nurse-to-patient ratio, physician-to-patient ratio, and other relevant ratios based on the type of healthcare facility. These KPIs reflect the adequacy of staffing levels to meet patient needs, maintain quality of care, and ensure patient safety.

HEALTHCARE



9. **Preventive Care Metrics:** This includes KPIs related to preventive care measures, such as vaccination rates, cancer screening rates, and other relevant preventive care measures. These KPIs reflect the effectiveness of preventive care initiatives in promoting population health and preventing diseases.

10. **Clinical Quality Metrics:** This includes various KPIs related to clinical outcomes, such as mortality rates, infection rates, complication rates, and other relevant measures of clinical quality. These KPIs reflect the effectiveness of clinical care processes and the quality of care provided to patients.

TECHNOLOGY

1. **Revenue:** The total income generated by the company, which indicates its financial performance.
2. **Customer Acquisition Cost (CAC):** The cost incurred to acquire a new customer, including marketing and sales expenses. It helps measure the efficiency of customer acquisition strategies.
3. **Customer Lifetime Value (CLTV):** The predicted revenue generated over the entire customer lifecycle. It helps assess the long-term value of acquiring and retaining customers.
4. **Churn Rate:** The rate at which customers stop using a company's products or services. A high churn rate may indicate customer dissatisfaction or competitive challenges.
5. **Monthly Recurring Revenue (MRR):** The predictable and recurring revenue generated on a monthly basis, typically used in subscription-based business models.
6. **Average Revenue per User (ARPU):** The average revenue generated per user or customer. It helps evaluate the profitability of each customer.
7. **Conversion Rate:** The percentage of website visitors or leads that convert into paying customers. It measures the effectiveness of sales and marketing efforts.

TECHNOLOGY

8. **Product Adoption Rate:** The rate at which customers adopt and start using a new product or feature. It indicates customer interest and satisfaction with the product.

9. **Customer Satisfaction Score (CSAT):** A measure of customer satisfaction based on surveys or feedback. It helps gauge customer sentiment and identify areas for improvement.

10. **Time to Market:** The time it takes to develop and launch a new product or feature. It reflects the company's ability to innovate and respond to market demands.

11. **Employee Productivity:** The measure of employee output and efficiency in completing tasks. It helps assess workforce performance and resource allocation.

12. **Technical Support Response Time:** The average time taken to respond to and resolve customer support requests. It indicates the effectiveness of support operations.

FOOD SERVICES

1. **Cost of Goods Sold (COGS):** This KPI measures the direct costs associated with producing food, such as ingredients, packaging, and labor. It reflects the efficiency of procurement, inventory management, and cost control, and is a critical indicator of food service businesses' profitability.

2. **Food Cost Percentage:** This KPI calculates the percentage of revenue spent on food costs, calculated as COGS divided by total food sales. It reflects the efficiency of food cost management, pricing strategies, and menu engineering, and can impact the overall profitability of the food service business.

3. **Gross Profit Margin:** This KPI calculates the percentage of revenue left after deducting COGS from total sales, expressed as a percentage. It reflects the overall profitability of the food service business and considers both the direct and indirect costs associated with food production and sales.

4. **Sales Growth:** This KPI measures the percentage increase or decrease in sales over a specified period of time. It reflects the performance of the food service business in terms of revenue generation and market demand, and is an important indicator of business growth and sustainability.

FOOD SERVICES



5. **Customer Satisfaction:** This KPI measures the satisfaction level of customers with the food, service, and overall experience provided by the food service business. It can be measured through customer surveys, feedback, and ratings, and reflects the quality of service and customer retention.

6. **Table Turnover Rate:** This KPI measures the number of times tables are turned over within a specified period of time, reflecting the efficiency of table utilization and service speed. It impacts the revenue generation and profitability of the food service business, as higher table turnover rates can lead to increased sales.

7. **Labor Cost Percentage:** This KPI calculates the percentage of revenue spent on labor costs, including wages, benefits, and taxes, calculated as labor costs divided by total sales. It reflects the efficiency of labor cost management, scheduling, and productivity, and can impact the overall profitability of the food service business.

8. **Inventory Turnover:** This KPI measures the number of times inventory is sold and replaced within a specified period of time, reflecting the efficiency of inventory management and cost control. It impacts the cash flow and profitability of the food service business, as excess inventory can tie up capital and increase costs.

9. **Menu Item Performance:** This includes various KPIs related to menu item performance, such as sales by menu item, margin by menu item, and popularity of menu items. These KPIs help identify the most profitable menu items, pricing strategies, and opportunities for upselling or cross-selling.

FOOD SERVICES

10. **Waste and Losses:** This includes KPIs related to waste and losses in food production, such as food waste percentage, spoilage rate, and pilferage rate. These KPIs reflect the effectiveness of inventory management, portion control, and food safety practices, and can impact the cost of goods sold and overall profitability.

REAL ESTATE



1. **Occupancy Rate:** The percentage of occupied units or spaces in a property. It helps measure the property's revenue-generating potential.
2. **Net Operating Income (NOI):** The total revenue generated from a property minus all operating expenses, excluding debt service and income taxes. It is a measure of the property's profitability.
3. **Cash Flow:** The amount of money left after deducting all expenses (including debt service) from the property's total income. Positive cash flow indicates the property is generating more income than expenses.
4. **Return on Investment (ROI):** Measures the return generated on a real estate investment, often calculated as a percentage of the initial investment.
5. **Cap Rate (Capitalization Rate):** The ratio of a property's net operating income to its current market value, used to assess the property's potential return on investment.
6. **Vacancy Rate:** The percentage of vacant units or spaces in a property, which helps assess the potential rental income and demand.
7. **Average Rent:** The average rental income per unit or square footage in a property, which reflects the market demand and the property's pricing strategy.

REAL ESTATE



8. **Debt Coverage Ratio (DCR):** A measure of a property's ability to cover its debt obligations, calculated as the net operating income divided by the annual debt service.
9. **Days on Market (DOM):** The average number of days a property remains on the market before being sold or leased, which reflects the property's marketability and demand.
10. **Return on Equity (ROE):** Measures the return on an investor's equity in a property, calculated as the net profit divided by the equity invested.

BANKING



- 1. Net Interest Margin (NIM):** This KPI measures the difference between the interest earned on loans and investments and the interest paid on deposits and borrowings. It reflects the bank's profitability from its core lending and investment activities.
- 2. Loan Portfolio Quality:** This KPI measures the quality of the bank's loan portfolio by assessing the percentage of non-performing loans (NPLs) or delinquency rate. A lower NPL or delinquency rate indicates better loan portfolio quality and lower credit risk.
- 3. Capital Adequacy Ratio (CAR):** This KPI measures the bank's capital adequacy and financial stability by comparing its capital (both Tier 1 and Total Capital) with its risk-weighted assets. It is used to assess the bank's ability to absorb losses and meet regulatory requirements.
- 4. Return on Assets (ROA):** This KPI measures the bank's profitability in relation to its total assets. It is calculated by dividing the net income by average total assets and reflects how effectively the bank is utilizing its assets to generate profits.
- 5. Customer Satisfaction:** This KPI measures the satisfaction level of the bank's customers through surveys, feedback, and other customer engagement methods. It reflects the bank's ability to provide excellent customer service and meet customer expectations.

BANKING



6. **Cost-to-Income Ratio (CIR):** This KPI measures the efficiency of the bank's operations by comparing its operating expenses with its operating income. A lower CIR indicates better cost management and operational efficiency.

7. **Deposit Growth Rate:** This KPI measures the growth rate of the bank's deposit base over a specific period of time. It reflects the bank's ability to attract and retain deposits, which are a critical source of funding for lending and investment activities.

8. **Cross-Selling Ratio:** This KPI measures the bank's ability to cross-sell additional products or services to its existing customers. It reflects the bank's success in deepening customer relationships and increasing customer wallet share.

9. **Compliance and Regulatory Adherence:** This KPI measures the bank's compliance with relevant laws, regulations, and industry standards. It reflects the bank's adherence to risk management practices, regulatory requirements, and governance standards.

10. **Digital Adoption:** This KPI measures the bank's progress in adopting digital technologies and channels, such as online banking, mobile banking, and other digital services. It reflects the bank's ability to adapt to changing customer preferences and market trends.

TELECOM



- 1. Revenue per User (RPU):** The average revenue generated by each customer or user. It helps assess the profitability of individual customers and monitor changes over time.
- 2. Average Revenue per Unit (ARPU):** The average revenue generated per telecom service unit (such as a mobile phone line or internet connection). It helps evaluate the overall revenue generation efficiency.
- 3. Customer Churn Rate:** The rate at which customers leave or discontinue their services. Churn rate is a critical KPI as retaining existing customers is often more cost-effective than acquiring new ones.
- 4. Customer Acquisition Cost (CAC):** The cost incurred to acquire a new customer. It includes marketing, advertising, and sales expenses. Monitoring CAC helps ensure the cost-effectiveness of customer acquisition strategies.
- 5. Network Availability:** The percentage of time the network is operational and accessible to customers. Network availability is vital for customer satisfaction and retention.
- 6. Network Coverage:** The geographical area covered by the network infrastructure. It helps assess the reach and accessibility of telecom services to potential customers.

TELECOM



7. Average Speed and Quality of Service: The average speed and quality of internet or data services provided to customers. It measures the level of customer satisfaction with the network performance.

8. Customer Satisfaction Index (CSI): A measure of customer satisfaction based on surveys, feedback, or Net Promoter Score (NPS). Monitoring CSI helps identify areas for improvement and enhance customer experience.

9. Customer Support Resolution Time: The average time taken to resolve customer support issues or inquiries. It measures the efficiency of customer support services and customer satisfaction with the resolution process.

10. Market Share: The percentage of the total market held by a telecom company. It helps gauge competitiveness and market position compared to other telecom providers.

11. Infrastructure Investment Ratio: The ratio of infrastructure investments to revenue generated. It indicates the level of investment in network expansion, upgrades, and technological advancements.

12. Average Revenue per User per Service (ARPU per Service): The average revenue generated per user for specific services, such as voice, data, messaging, or value-added services. It helps identify revenue sources and optimize service offerings.

AEROSPACE & DEFENSE



1. **Revenue Growth:** Measures the year-over-year increase in total revenue, indicating the company's ability to generate sales and expand its business.
2. **Profit Margin:** Calculates the percentage of profit earned from total revenue, demonstrating how efficiently the company manages its costs.
3. **Backlog:** The total value of orders for which the company has not yet completed delivery, showing the demand for its products and services.
4. **Program Performance:** Evaluates the financial and schedule performance of specific aerospace and defense programs, ensuring they meet contractual obligations and remain within budget.
5. **Return on Investment (ROI):** Measures the profitability of investments made by the company in research, development, and new product initiatives.
6. **Operating Efficiency:** Measures how efficiently the company utilizes its resources to produce goods or services, indicating cost-effectiveness and productivity.
7. **Contract Win Rate:** The percentage of contract bids won by the company, reflecting its ability to compete and secure new business opportunities.
8. **Research and Development (R&D) Investment:** The amount of money invested in R&D activities to develop new technologies, products, and innovations.

AEROSPACE & DEFENSE



9. **Customer Satisfaction:** Assesses the level of satisfaction among the company's customers, which can impact long-term relationships and repeat business.

10. **Workforce Productivity:** Measures the output and efficiency of the company's workforce in terms of production and project completion.

11. **Health and Safety Metrics:** Tracks workplace accidents and safety incidents to ensure a safe working environment for employees.

12. **Supply Chain Performance:** Evaluates the efficiency and reliability of the supply chain, as delays or disruptions can significantly impact operations.

13. **Innovation Index:** Measures the level of innovation and the adoption of new technologies in the company's products and processes.

ENERGY

1. **Energy Production:** Measures the total energy output from various sources, such as oil, gas, coal, renewable energy, etc.
2. **Capacity Utilization Rate:** Calculates the percentage of energy production capacity that is currently being utilized, indicating operational efficiency.
3. **Energy Efficiency Ratio:** Measures the amount of energy output achieved per unit of energy input, reflecting efficiency in production and consumption.
4. **Revenue per Megawatt-Hour (MWh):** Measures the average revenue earned per unit of energy produced, indicating the company's revenue generation efficiency.
5. **Carbon Emissions:** Tracks the total greenhouse gas emissions generated by the company's operations, helping monitor environmental impact and sustainability efforts.
6. **Renewable Energy Capacity:** Measures the percentage of the company's energy production that comes from renewable sources, reflecting commitment to sustainability.
7. **Safety Incident Rate:** Tracks the number of safety incidents and accidents within the company, reflecting safety performance and risk management.
8. **O&M (Operations and Maintenance) Costs:** Measures the total operational and maintenance costs incurred to produce and deliver energy.

ENERGY



9. **Asset Utilization:** Calculates the percentage of time that energy-generating assets (e.g., power plants) are in operation, indicating asset efficiency.
10. **Customer Churn Rate:** Measures the percentage of customers lost over a specific period, reflecting customer satisfaction and loyalty.
11. **Distribution Losses:** Tracks the percentage of energy lost during transmission and distribution, indicating network efficiency.
12. **Cost per Unit of Energy:** Calculates the average cost incurred to produce one unit of energy, guiding pricing and cost management.
13. **Capacity Addition Rate:** Measures the rate at which new energy production capacity is added, indicating expansion and growth.
14. **Reserve Margin:** Represents the surplus energy production capacity above peak demand, ensuring system reliability.
15. **Power Purchase Agreement (PPA) Penetration:** Measures the percentage of energy sold through long-term power purchase agreements, reflecting revenue stability.
16. **Energy Consumption by Source:** Tracks the breakdown of energy consumption by source (e.g., fossil fuels, renewables, nuclear), indicating the company's energy mix.

ENERGY

17. **Return on Investment (ROI):** Measures the return generated on capital investments made in energy projects and assets.

CONSUMER GOODS

1. **Sales Revenue:** Measures the total revenue generated from the sales of consumer goods, indicating overall business performance.
2. **Gross Profit Margin:** Calculates the percentage of sales revenue that exceeds the cost of goods sold, providing insight into the company's pricing strategy and efficiency in production.
3. **Inventory Turnover:** Measures how quickly inventory is sold and replaced, reflecting demand, supply chain efficiency, and inventory management.
4. **Customer Retention Rate:** Measures the percentage of customers retained over a specific period, demonstrating customer loyalty and satisfaction.
5. **Market Share:** Assesses the company's portion of the total market for its products, indicating its competitiveness.
6. **Return on Investment (ROI):** Measures the return generated on marketing and promotional investments.
7. **New Product Success Rate:** Evaluates the success of new product launches in terms of revenue, market acceptance, and customer satisfaction.
8. **Customer Acquisition Cost (CAC):** Measures the cost of acquiring new customers, guiding marketing and sales strategies.

CONSUMER GOODS

9. **Brand Awareness:** Assesses the level of awareness and recognition of the company's brand among consumers.

10. **Customer Satisfaction Score (CSAT):** Measures customer satisfaction with products and services, providing insights into overall customer experience.

11. **Distribution Reach:** Assesses the extent of product distribution across various retail channels and geographic regions.

12. **Customer Churn Rate:** Measures the rate at which customers stop purchasing products or switch to competitors, indicating retention challenges.

13. **Average Order Value:** Calculates the average value of each customer's purchase, guiding pricing and upselling strategies.

14. **On-Time Delivery Rate:** Measures the percentage of orders delivered on time, reflecting supply chain and logistics efficiency.

15. **Brand Loyalty:** Assesses customer loyalty to the brand, which impacts long-term revenue and profitability.

16. **Product Return Rate:** Measures the percentage of products returned by customers, providing insights into product quality and customer satisfaction.

17. **Trade Spend Efficiency:** Evaluates the return on investment for trade promotions and discounts offered to retailers.

TRANSPORTATION



1. **On-Time Performance:** The percentage of trips or shipments that are delivered on time. It measures the reliability and punctuality of transportation services.
2. **Transit Time:** The average time taken to transport goods or passengers from one location to another. Monitoring transit time helps identify areas for improvement in speed and efficiency.
3. **Load Factor:** The percentage of available cargo or passenger capacity that is utilized. It measures the efficiency of resource utilization and helps optimize revenue generation.
4. **Fuel Efficiency:** The measure of fuel consumption per distance traveled or per unit of cargo carried. Improving fuel efficiency helps reduce costs and environmental impact.
5. **Maintenance Costs:** The total cost of maintaining and repairing transportation assets, such as vehicles, aircraft, or vessels. Monitoring maintenance costs helps optimize asset management and reduce downtime.
6. **Accident Rate:** The number of accidents or safety incidents per specific period. Tracking accident rates helps ensure safety compliance and identifies areas for improvement in safety protocols.
7. **Customer Satisfaction:** A measure of customer satisfaction based on surveys, feedback, or Net Promoter Score (NPS). It helps assess service quality, reliability, and responsiveness.

TRANSPORTATION



8. **Route Optimization:** The efficiency of route planning and optimization, measured by factors such as distance traveled, fuel consumption, and delivery times. Improving route optimization reduces costs and enhances operational efficiency.

9. **Fleet Utilization:** The percentage of time that vehicles or assets are actively utilized. Monitoring fleet utilization helps identify underutilized resources and optimize fleet management.

10. **Employee Productivity:** The measure of employee output and efficiency in transportation operations, such as the number of trips completed or cargo handled. It helps assess workforce performance and resource allocation.

11. **Customer Retention Rate:** The percentage of customers or clients that continue to use transportation services over a specific period. High customer retention indicates customer satisfaction and loyalty.

12. **Compliance with Regulations:** The level of adherence to transportation regulations, safety standards, and environmental requirements. Ensuring compliance helps avoid penalties, maintain reputation, and mitigate risks.

Now that you know more about commonly used KPIs by industry, we invite you to explore the Profitability Analytics Center of Excellence Library for related podcasts, webcasts, case studies, and articles.

Contact us: Info@Profitability-Analytics.org
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