# TRACKING THE NUMBERS THAT MATTER

The key numbers to watch for main-street and tech businesses, and a simple weekly habit to stay on top of them.

TYPE: GUIDE  REVIEWED: NOVEMBER 2026  TIME: 9 MINUTES  LEVEL: BEGINNER

AT A GLANCE

- **KPIs** (key performance indicators) are the few numbers that tell you how your business is really doing.
- Pick **5 to 8**, check them **weekly**, and compare with your targets.
- The right KPIs depend on your business type. Lenders and investors will ask about them.

## Why it matters

Your bank balance tells you what happened. KPIs warn you what's coming. A drop in new customers this month shows up as a drop in sales next month. Watching a few numbers each week lets you act early.

## Numbers every business should watch

| KPI | What it tells you |
|---|---|
| Sales | Are you growing? |
| Gross margin | Are prices covering direct costs? See **M-08 Costs, Margins and Break-Even**. |
| Cash in the bank and months of cash left | How long can you operate? See **M-06 Cash Flow: Why Profitable Businesses Still Run Out of Money**. |
| New customers | Is marketing working? |
| Repeat customers | Do people come back? |
| Cost to win a customer | Is marketing efficient? See **M-09 Unit Economics: What Each Customer Is Worth**. |

## Extra numbers by business type

| Business type | Useful KPIs |
|---|---|
| Restaurant and food | Food cost %, labor cost %, average check, covers per day |
| Retail | Sales per square foot, inventory turnover, average transaction |
| Services | Billable hours, utilization (share of hours billed), average job size |
| Salons and studios | Chair or room utilization, rebooking rate, average ticket |
| Subscription and software | Monthly recurring revenue, churn, activation, lifetime value |
| E-commerce | Conversion rate, average order value, return rate, ad cost per order |

## Step by step

1. **Pick 5 to 8 KPIs** from the tables above.
2. **Set a target** for each.
3. **Find where the numbers come from**: your point-of-sale system, bookkeeping software, bank or analytics.
4. **Track them weekly** on one page. See **O-14 Weekly Business Dashboard**.
5. **Ask "why?"** when a number moves, and decide one action.
6. **Share them with your team** so everyone knows what matters.

> EXAMPLE
>
> **Marisol** tracked six numbers every Monday. One week, her food cost jumped from 30% to 34% of sales. She found a new cook was making portions too large. A quick training on portion sizes brought it back to 31%, saving roughly $1,200 a month.

## Common mistakes

- **Tracking too many numbers.**
- **Looking only at sales.**
- **Checking only at year end.**
- **No targets**, so you can't tell good from bad.

## Your checklist

- ☐ Choose 5 to 8 KPIs
- ☐ Set a target for each
- ☐ Find the source for each number
- ☐ Set a weekly time to update them
- ☐ Share them with your team

## Key words, explained

| Word | What it means |
|---|---|
| KPI | A key number you track to measure performance. |
| Target | The number you're aiming for. |
| Utilization | The share of available time that's paid work. |
| Average ticket | The average amount per sale. |

## Where to go next

- **O-14 Weekly Business Dashboard**
- **G-03 Growth Numbers Investors Watch**
- **M-14 Monthly Money Checklist**

IMPORTANT
This guide is general education from the Project Underdogs Founder Library. It is not legal, tax, accounting, immigration or investment advice, and it is not an offer of investment or a promise of funding. Figures are general examples and ranges, not quotes. Rules change and every business is different, so check your situation with a qualified professional. Full terms: LIB-03 Disclaimer and Terms of Use.