

5 metrics you need to track as a new juice business owner

We did some calculations based on [these](#) numbers by the U.S. Bureau of Labor Statistics and found there's a consistent trend when it comes to the success rate of businesses in the U.S.:

Over the last 30 years, about 80% of businesses will survive their first year, but only [25% of those survive past 15 years in business!](#)

These sound like scary numbers, but take a deep breath and get ready to read, because we're here to teach you the 10 numbers you need to track so you can grow your business with confidence.

We'll keep these brief to give you a top-down look at what you'll need to know, and we'll delve deeply into each metric in its own article.

Are you in the planning phase of your juice business? We recommend you *read this article first* to learn the 5 things that will make or break your juice business *before you even start*.

Let's get started:

1. Cost of materials

Whether you run an online juice shop or a brick and mortar store, you'll want to know exactly how much it costs to get your juice out on the market. For a cold press juice business, this cost includes your produce, bottles, caps, and labels for each cold press juice recipe you make. Knowing this total cost allows you to get a full picture of what one bottle of your juice *really* costs.

This is especially important as you expand your menu to offer different juice recipes. Making one bottle of juice with spinach, kale, and green apples will vary in cost when compared to one bottle of plain orange juice. By knowing how much each recipe costs to make, you'll be able to price all of your juice more fairly & learn when it's best to bulk

purchase materials.

2. Cost of labor

Cost of labor refers to the amount of manual work that's required to make, package, and deliver your juice. We recommend measuring labor costs in terms of time (hours) first and foremost, because this will give you a good idea of how much time it will take to grow your operation overtime. It's super important to keep a good track of this number throughout all of your juicing process because it will allow you to improve each phase (prepping, shredding, juicing, etc.) and find inefficiencies before they become the norm!

This also applies if you run a home-based juice business:

- How long does it take to prep your produce for 1 batch of juice?
- How long does it take to juice, package and label your product?
- How long does it take to clean your juicer and your kitchen after every batch?

Having a solid answer to these questions will give you an idea of what costs to expect when you're ready for someone else to take over these tasks.

3. Average cost of unexpected expenses

Is your juicer constantly breaking down because it's working overtime? Did you buy a handful of bottles at an inflated cost because you keep selling out? These are crucial expenses to keep tabs on!

Understanding where your emergency budget is going is so important for maximizing your business potential and reducing long-term costs. Instead of sweeping these costs under the rug, keep a complete log that tells you exactly how much you're unexpectedly spent on your business, so you can learn to predict future costs and prevent future money sinks. Being diligent about tracking unexpected expenses means you learn to plan for them – this means less costly surprises for you, and more money in your pockets!

4. Cost of Spillage and Spoilage

No business is perfect. This means that some days you'll have unsold inventory that needs to be tossed, or a batch of juice that has a suspicious ingredient in the mix. When this occurs, get ready to write what happened, how much was lost or spilled, and what

you can do next time to prevent the issue.

But don't beat yourself up when things go wrong! It's not realistic to think spillage and spoilage will never ever happen on your watch – we're all human. Keeping good track when things go wrong will give you a realistic idea of what percentage of your material and labor costs are lost revenue. Then, once you've got a tried-and-true number in mind, you can brainstorm ways to reduce waste and increase profits with your team.

Remember: owning a business isn't about starting out perfectly! It's about keeping good notes and using them to get 1% better every day!

5. Average number of customers & order size

Whether you're a big or small juice shop, understanding your customer's buying habits will help you manage your business effectively. This information will allow you to identify trends, such as peak times for sales or popular juice flavors. It will also help you gauge the effectiveness of promotions and adjust your inventory, staffing, and marketing strategies in the most informed way.

In Conclusion

Tracking these five key metrics—cost of materials, cost of labor, average cost of unexpected expenses, cost of spillage and spoilage, and average number of customers and order size—will provide you with a comprehensive understanding of your juice business's financial health and operational efficiency. Keeping a close eye on these numbers will help you make data-driven decisions, optimize your processes, and ultimately set your business up for long-term success.

Remember, success in the juice industry, like any business, requires constant attention to detail and a willingness to adapt and improve. By monitoring these metrics regularly, you'll be better equipped to navigate the challenges and opportunities that come your way.

Stay tuned for our upcoming articles, where we'll dive deeper into each of these metrics, offering tips and strategies to help you master them and drive your juice business toward greater success. Happy juicing!