

OPERATING KPIs IN FASHION

Stop guessing. Start planning with the right numbers.

Real operating-KPI benchmarks from 21 mid-market fashion brands,
and what to do when your numbers fall outside the range.



WRITTEN BY

Annie Gisslen

VP of Customer Solutions, Hakio

A NOTE FROM THE AUTHOR

We built this guide so you'd have a reference point.

When we start working with a fashion brand, the first conversation is almost always the same: what are your targets, and where are you today? Most teams can answer the first half. Very few can answer the second with any confidence, because they have no reference point.

I've spent a decade in supply-chain operations, first as a consultant at Deloitte and now leading customer solutions at Hakio. The pattern repeats everywhere: capable teams, tracking real numbers, with no reliable way to tell a healthy number from a warning sign.

So we made this. It brings together the operating KPIs we see mid-market fashion brands actually tracking, the real ranges 21 of them are hitting today, and a short playbook for when your numbers fall outside the range. Use it to benchmark yourself honestly, then decide where to focus.



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About Hakio

The platform behind the benchmarks

Hakio is an end-to-end, AI-driven demand and supply planning platform built for fashion brands, from range and demand planning through to allocation and sell-out monitoring. The benchmarks in this guide come from the brands who plan on it.

— WHY A NUMBER ON ITS OWN MEANS NOTHING

Most teams track KPIs in isolation. Without a reference point, a number is just a number.

Someone pulls a sell-through figure and it reads 65%. Is that good? It depends. A replenishment-led brand at 65% probably has a problem; a fashion-forward brand with a wide seasonal range could be fine. The number hasn't changed, the verdict has. A figure only becomes a signal once you can place it against a benchmark and a context, and that is exactly what this guide gives you.

— Three numbers, three verdicts

65%

Sell-through: strong, or a warning sign?

Depends on your category, season and price architecture.

28 wks

On hand: comfortable, or dangerously high?

Depends on your lead time, reorder model and the season ahead.

45%

MAPE: acceptable, or a crisis?

Depends on whether it's new or existing product, and if it's improving.

75%

of the brands in our masterclass said they don't benchmark their KPIs against any external data. Most planning decisions are still made without a reference point. This guide is that reference point.

THE BENCHMARKS, AND THE ONE DISTINCTION THAT RUNS THROUGH THEM

Real ranges from 21 brands, read through two very different portfolios.

Every benchmark in this guide is anonymised and aggregated across 21 mid-market fashion brands on Hakio (16 to 19 brands per metric where the sample is narrower), supported by published industry sources where a metric isn't yet measured in the platform. Nothing here is a generic market average.

NooS

Never out of stock

Evergreen products that sell year on year, replenished continuously. Consistent demand makes them significantly easier to forecast, so their benchmarks sit far tighter than the brand average.

Fashion

Seasonal ranges

Trend-led, season-bound products with short selling windows and new introductions every drop. Harder to forecast and harder to clear, so most metrics carry a separate, more forgiving benchmark.

Most KPIs below therefore show two reference points. Read them side by side. A NooS-heavy business and a fashion-led one can post the same headline number and be in completely different health. Where a benchmark is drawn from outside the Hakio base, the source is noted on the page.

A note on sourcing. Markdown, stockout and return-rate ranges draw on published industry benchmarks (NRF 2025, McKinsey State of Fashion, IBF) alongside Hakio data, and are flagged as such. Forecast, OTB, inventory, sell-through and GMROI figures are from the Hakio customer base.

The 10 KPIs that matter, at a glance.

Grouped by the three questions every planning team is really asking. Each one is unpacked over the pages that follow.

— DID YOU PLAN RIGHT?

01**Forecast accuracy**

MAPE, existing SKUs

Target 30–45% MAPE

02**OTB utilisation**

In-season vs committed

Target 15–25% flexible

The demand signal you build everything else on. If you can't trust it, nothing downstream is safe.

— DID YOU BUY AND HOLD INVENTORY RIGHT?

03**Weeks on hand**

NooS current

Sweet spot 12–26 wks

04**Inventory turn**

Annual, NooS

Target 4–6×

05**Stock availability**

Within lead time

Target $\geq 90\%$

— DID YOU SELL WELL, AND AT WHAT COST?

06**Sell-through**

NooS full-price

Target 85–90%

07**Markdown rate**

% GM lost

Industry 10–20%

08**Stockout rate**

% SKU-days at zero

Industry avg ~8%

09**Return rate**

Across channels

Best-in-class <12%

10**GMROI**

Gross margin ROI

 ≥ 8 strong

GMROI is the scorecard. Get the other nine right and this one improves as a result.

Forecast accuracy

If you can't trust the demand signal, nothing downstream is safe.

MAPE (mean absolute percentage error) measures the gap between what you forecast and what you actually sold. Lower is better. Before you decide how much to buy, where to position stock, or how much open-to-buy to hold back, you need to know how reliable the signal is.

39%

Hakio base median MAPE

Ahead of the 45–55% fashion industry average, and closing on the ≤30% IBF best-practice line.

Where the 21 brands land

The full spread across accuracy bands. NooS-heavy brands sit at 10–25%, seasonal fashion at 25–55%.



What good looks like

Target 30–45% MAPE on existing product.
Watch the trend more than the absolute:
is it improving month on month?

The journey to get there

Structured planning processes, clean data feeds, and a disciplined approach to new-product introductions, where the biggest gaps usually hide.

MAPE distribution and medians: Hakio customer base, 21 brands. Industry average and best-practice line: IBF.

OTB utilisation

Inventory turn tells you what happened. OTB utilisation tells you how much room you had to react.

What it measures

Open-to-buy utilisation is the share of your total buy that stays uncommitted at the start of the season, available for in-season reorders once real sell-through signals arrive.

Why it's often invisible

It's rarely tracked as a formal KPI. Most brands only notice it when sell-through is low at season end. The fix isn't buying less, it's buying smarter: smaller pre-season commitments on unproven items, larger flexible reserves on proven performers.

— THREE COMMITMENT PROFILES

Over-committed

7% flex

92% committed

Most mid-market brands. Almost no room to chase winners or cancel losers.

Balanced

19% flex

80% committed

Some room for in-season reorders on top performers.

Best practice

25% flex

75% committed

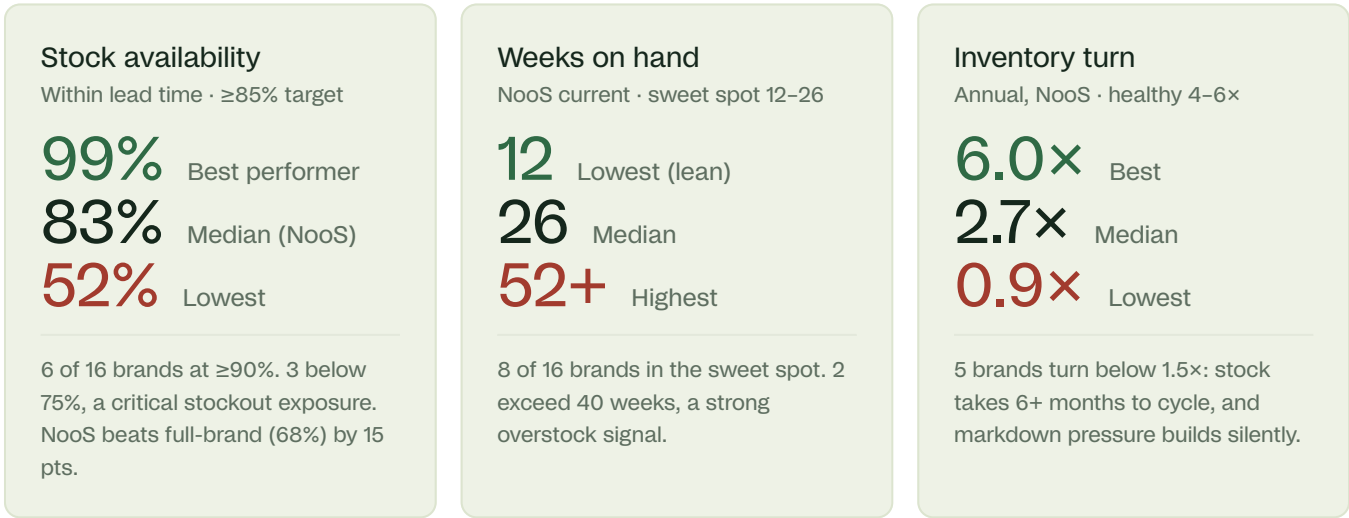
Reserved OTB deployed systematically as sell-through signals come in.

The counter-intuitive part. Even when forecast accuracy is a little off, brands that leave a flexible reserve consistently outperform on sell-through, because they can still react to what's actually selling.

Inventory health

Weeks on hand, inventory turn and availability, read together.

Three metrics, one balance. Push availability too hard and you inflate weeks on hand, drop your turn and lock up capital. Hakio NooS and full-brand data, 16 to 19 brands per metric.



The conflict to manage. The surest way to hit 100% availability is to overstock, which is exactly what wrecks weeks on hand and turn. These metrics are meant to pull against each other. Hold them in balance rather than maximising any one.

Sell-through

Are you selling what you bought?

82%

NooS median sell-through

NooS-managed product sold at planned price within the season. The clearest verdict on whether you bought the right things in the right quantities.

Fashion cohort median (9 brands) 92%

Industry target, mid-market 85–90%

Below 70%, markdown at scale becomes unavoidable. That's a buying problem showing up late, not a trading one. The fashion median runs higher only because that cohort skews to stronger performers, so read it alongside NooS, not instead of it.

Stockout rate

The customer-facing cost.

~8%

Industry average stockout rate

The share of selling days a SKU sat at zero available stock. Availability is the supplier-side view; stockout rate is what the customer actually hit.

Above 12%

you are losing meaningful demand, and may not know it.

Stockouts rarely show up in sell-through reports, so the lost sale is invisible unless you model it.

Markdown rate

Sell-through tells you what sold. Markdown tells you at what price.

Two brands can both hit 80% sell-through, one at full price, one after 40% off. Same headline, completely different P&L.

10–20%

of gross margin lost
to end-of-season discounting

30–40%

first-markdown depth
average discount when a SKU is
marked down

2–4 wks

latest safe timing
before season end, earlier trains
customers to wait

Markdown is not yet measured in Hakio: these are published industry figures. Over 40% of fashion goods globally are eventually sold at a markdown.

Return rate

The KPI that makes every other trading metric look better than it is.

It's also the one brands track least carefully. In our masterclass poll, not a single attendee said they track it. Yet a brand with 85% gross sell-through and a 25% return rate has a net sell-through closer to 64%, a different business from the one the gross numbers describe.

20–35%

DTC return rate
mid-market fashion

5–10%

Wholesale / retail
much lower than DTC

<12%

Best-in-class
blended target

Track net sell-through.

$\text{Gross} \times (1 - \text{return rate})$.
Returns inflate gross sell-through, distort the MAPE signal, and re-introduce stock at reduced value.

Return benchmarks: NRF 2025 / McKinsey State of Fashion.

GMROI

The single number that reflects every planning, buying and trading decision.

Gross Margin Return on Investment ties the other nine together. Get them right and this one improves as a result.

The formula

Gross Margin ÷ Average Inventory Cost. For every £, € or kr tied up in stock, how much gross margin did you generate?

Why it's the summary KPI

It captures the combined effect of sell-through, markdown, inventory turn and return rate in one figure, which is why it's the one to report upward.

HAKIO CUSTOMER BASE

7.3

NooS median · Fashion 7.0

Well above the industry norm (~2.3 brick-and-mortar, 2.5–4 e-commerce).

THE DIAGNOSTIC

<3.0

Destroying value

Inventory is costing you more than it returns.

3.0–8.0

Functional

Workable, with room to improve as you approach 8.

≥8.0

Strong

Inventory is working efficiently and compounding margin.

 WHY THESE KPIS FIGHT EACH OTHER

No single metric is the goal. The balance between them is.

The surest way to hit 100% availability is to overstock. That same move inflates your weeks on hand, drops your inventory turn, and ties up capital you could be deploying elsewhere. These metrics are designed to be in tension. A planning team that maximises one in isolation almost always damages another.

The organisational trap

Merchandising, sales and buying each set KPIs for their own team, with no shared view of how they interact. Set targets top-down, as a company: decide what 100% availability would cost you in weeks on hand before you chase it, so incentives across teams actually align.

Context changes the verdict

One brand we work with held over a year of inventory through the pandemic, exactly the right call when stores were shut and it could keep selling. With the world reopened, the board now wants that capital freed and weeks on hand down. Same metric, opposite verdict.

The takeaway. Before you set a target for any one KPI, map what it does to the others. A balanced scorecard, agreed across teams, beats a perfect score on a single line every time.

 THE PLAYBOOK

When you're outside the range.

Four common scenarios where your numbers fall outside the healthy range, and the first moves to make for each.

Always start with one question: is this a data-quality issue, or a planning-process issue? The two need very different interventions. In most cases, unfortunately, it isn't the data, it's planning and process.

Four signals, and the first moves to make.

The out-of-range combinations we see most often. Always start with one question: is this a data-quality issue, or a planning-process issue?

1 of 4

Sell-through < 70% + Markdown > 20%

Overbuying, wrong mix, or a price-architecture failure.

1. Audit the OTB split — committed pre-season versus left flexible.
2. Segment sell-through by category — breadth and depth need different benchmarks.
3. Run a markdown simulation first — understand the GMROI impact.

2 of 4

Weeks on hand > 40 + Turn < 2×

Capital locked, markdown pressure building.

1. Identify which SKUs drive the excess — NooS evergreen versus seasonal carry-over.
2. Review replenishment triggers — min/max settings often auto-inflate stock.
3. Consider promotional action early — margin beats clearance.

3 of 4

MAPE > 60% + OTB < 15% flex

Planning blind and locked in, the highest-risk combination.

1. Diagnose the MAPE type — consistent bias versus random noise need different fixes.
2. Segment by category — seasonal items inflate MAPE if the forecast window is wrong.
3. Strip returns from the demand signal before recalculating.

4 of 4

Availability < 80% + Returns > 25%

Stock in the wrong place, or returns distorting availability.

1. Separate supplier fill-rate from allocation and distribution problems.
2. Check allocation logic — is stock sitting in the wrong location or size run?
3. For high returns, audit sizing, product description and photography first.

 THREE CHECKS TO RUN THIS WEEK

You don't need a platform to start. You need three numbers.

Run these against your own planning data this week. They'll tell you fast whether you're looking at a healthy operation, or a signal you've been missing.

Check 1

Forecast accuracy

Run your existing-product MAPE over 12 months. Above 40%? Trending up or down? Then run the same for new products, and look at the gap between them.

Check 2

Inventory & OTB

Pull weeks on hand and inventory turn for your top 20 NooS SKUs. Any above 40 weeks, or turning below 2x? Then ask what share of your buy was uncommitted at season start, below 15% means no room to react.

Check 3

Trading performance

Check sell-through net of returns, not gross. A 25% return rate on 85% sell-through is really ~64%. That gap is your GMROI signal.

Your tailored benchmark report

This guide gave you the room's numbers. Now see your own.

A tailored Hakio benchmark report shows where your brand sits on every metric in this guide, and where the gap to top performers is biggest, with an overall maturity score across function, maturity and industry.

WHAT YOUR REPORT LOOKS LIKE

Sample · illustrative data

● You | Peer median ■ Target range

Forecast accuracy
MAPE, existing product



You 47%
median 39%

Weeks on hand
NooS, current



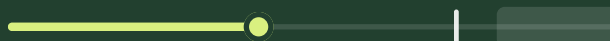
You 38 wks
median 26

Sell-through
NooS, full price



You 74%
median 82%

GMROI **YOUR BIGGEST GAP**
The scorecard



You 4.1
median 7.3

Sample for illustration — your report is built from your own planning data, on every metric in this guide.

5.2

Example maturity score

Scored across forecast accuracy, stock intelligence, season planning, S&OP control and data alignment.

15–30%

Typical impact goals

Inventory carrying-cost reduction, with 10–25% working-capital reduction, modelled to your data.

8 KPIs

Benchmarked to peers

Your numbers placed against comparable fashion brands at a similar stage and scale.

Say hello to Hakio.

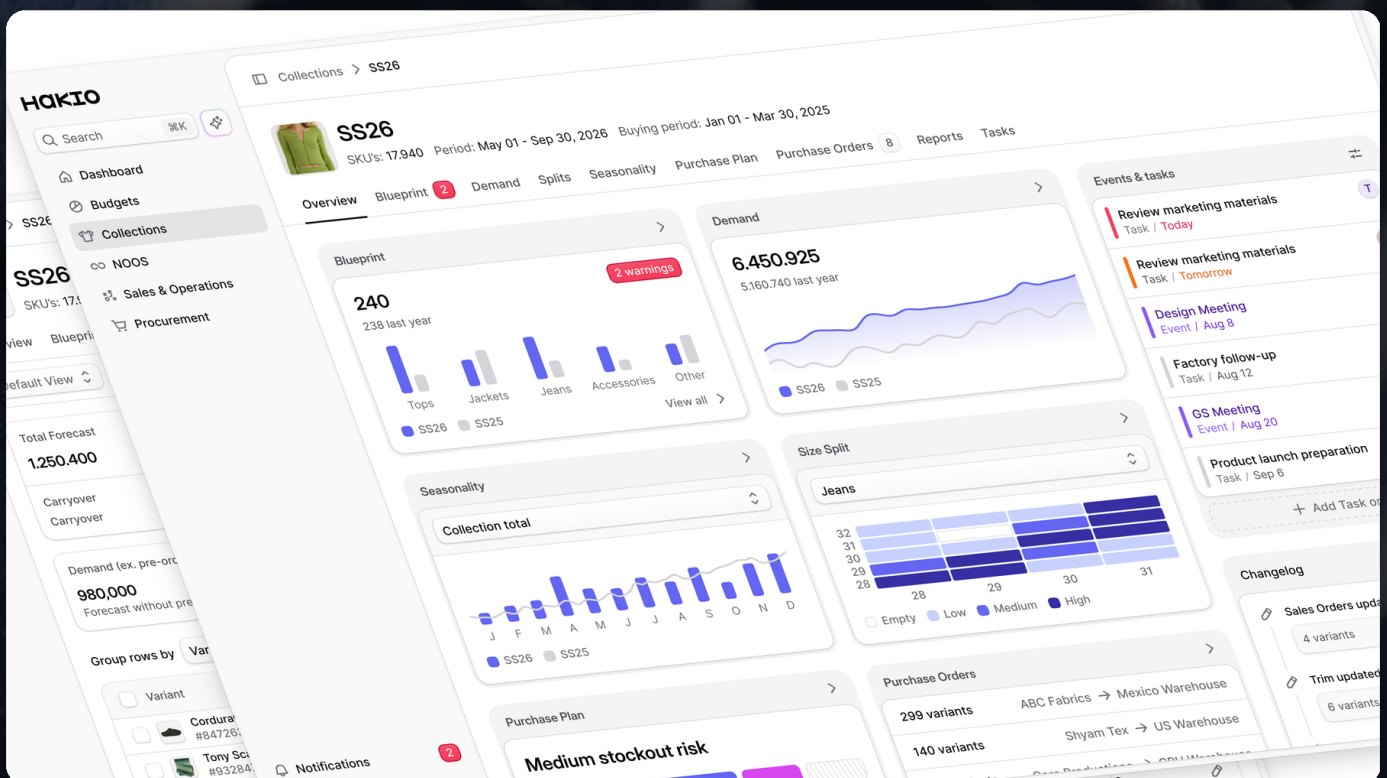
Book a call and we'll build your benchmark report.

hakio.com

— THE PLATFORM BEHIND THE BENCHMARKS

An end-to-end, AI-driven planning platform for fashion brands.

Hakio gives fashion brands the most accurate demand and supply planning available, from range and demand planning through to allocation and sell-out monitoring, with the operating KPIs in this guide built in.



Operating KPIs in Fashion · a Hakio masterclass guide. Benchmarks anonymised and aggregated across 21 mid-market fashion brands, June 2026.