

# Excel: Calculate Average and Ignore Zero and Blank Cells

Authored by  
**Mohammed loot**

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In the realm of [Excel](#), calculating an [average](#) is a fundamental and frequently executed task. However, this seemingly straightforward operation often presents a significant challenge when the underlying [dataset](#) is imperfect, containing incomplete entries or values of [zero](#). These specific data points, if included indiscriminately, can drastically skew your statistical results, leading to misleading insights and flawed business decisions. This comprehensive guide will meticulously demonstrate a precise and reliable methodology for calculating an [average](#) in [Excel](#) that effectively ignores both [zero](#) values and [blank cells](#). By mastering this technique, you ensure your analysis is accurate and reflective of the true underlying trends, which we will achieve by leveraging the powerful [AVERAGEIF](#) function.

## The Challenge of Skewed Averages

The [average](#), or arithmetic mean, is universally understood as a central, representative value for a set of numbers. Yet, when analysts deal with real-world [data](#) housed within spreadsheet applications like [Excel](#), the inclusion of [zero](#) values or [blank cells](#) can distort this representation significantly. The meaning of a [zero](#) requires careful interpretation: it might genuinely indicate a quantitative measurement of "nothing" (e.g., zero inventory), or it might signify the absence of activity (e.g., zero sales from a new employee). If the goal is to determine the typical [performance](#) of active contributors, these inactive or non-participating data points should ideally be excluded from the [average](#) calculation.

Similarly, [blank cells](#) typically denote missing data or entries that were never recorded. While [Excel](#)'s standard [AVERAGE](#) function is designed to inherently ignore blank cells, the need to explicitly address both zeros and blanks simultaneously is crucial for robust [data integrity](#).

Imagine a scenario where you are analyzing monthly [sales](#) figures across a team of [employees](#). Several individuals might have recorded [zero sales](#) for that particular period. Including these [zero](#) values in a simple [average](#) calculation would artificially depress the overall mean, making the typical output of actively selling employees appear worse than it truly is. This highlights the indispensable necessity for precise [data analysis](#) and careful consideration of what the calculated [average](#) is truly intended to represent. Ensuring calculation accuracy is paramount for drawing valid and actionable conclusions.

## Introducing the AVERAGEIF Function

To effectively overcome the challenge posed by skewed averages in conditional datasets, [Excel](#) provides the specialized [AVERAGEIF](#) function. This function is specifically engineered to calculate the [average](#) of [cells](#) within a specified [range](#), but only if they meet a single, predefined [criteria](#). It is important to reiterate that [Excel](#)'s conventional [AVERAGE](#) function already ignores [blank cells](#) when computing a mean. Therefore, our primary tactical use of [AVERAGEIF](#) will be to precisely

instruct [Excel](#) to also exclude [zero](#) values from the resulting calculation, thus solving the dual problem.

The fundamental [syntax](#) for the [AVERAGEIF](#) function is structured as follows: `AVERAGEIF ( range , criteria , )`.

**range:** This argument specifies the array or [range](#) of [cells](#) that you intend to evaluate against the condition.

**criteria:** This is the specific [criteria](#) that must be met. It can be expressed as a number, a logical expression, a [cell](#) reference, or a piece of text that defines which [cells](#) will be included in the average.

**:** (Optional) This argument designates the actual [range](#) of numeric [cells](#) to [average](#). If this argument is omitted, the function defaults to using the original `range` provided.

For our specific purpose--excluding [zero](#) values--the critical component lies within the `criteria` argument. We utilize the expression "`<>0`", which is the logical operator for "not equal to [zero](#)". Since the function naturally ignores [blank cells](#), this single condition is sufficient.

Therefore, the concise and powerful formula required to calculate the [average](#) while successfully ignoring both [zero](#) and [blank cells](#) simplifies to the following structure:

```
=AVERAGEIF(B2:B14, "<>0")
```

This formula precisely instructs [Excel](#) to compute the [average](#) value exclusively from the specified [range](#), such as **B2:B14**, only considering those [cells](#) that contain values not equal to [zero](#). Because [Excel](#)'s inherent [average](#) logic automatically disregards [blank cells](#), the condition "`<>0`" is entirely sufficient to achieve the desired outcome of calculating the mean based only on positive numeric data.

## Practical Application: Sales Data Example

To provide a clear demonstration of the utility of the [AVERAGEIF](#) function, let us apply it to a common practical business scenario. Suppose we are tasked with analyzing an [Excel dataset](#) that records the total [sales](#) generated by various [employees](#) within an organization over a quarter. This [dataset](#), mirroring many real-world examples, contains entries that are not ideal: some [employees](#) have [zero](#) sales recorded, and there are [blank cells](#) where data might have been missed or the employee was non-operational.

Our goal is not to find the average sales across all tracked rows, but rather to compute the average [sales](#) exclusively for those [employees](#) who actively contributed positive sales during the period. This requires us to effectively exclude any entries that are either [zero](#) or [blank cells](#) from the final

[average](#) calculation. The following image represents our illustrative [dataset](#), where column B holds the sales figures we need to analyze:

	A	B	C	D	E
1	<b>Employee</b>	<b>Sales</b>			
2	A	10			
3	B	0			
4	C	4			
5	D	4			
6	E	3			
7	F				
8	G	0			
9	H	2			
10	I	1			
11	J				
12	K	4			
13	L	0			
14	M	5			
15					
16					
17					
18					
19					
20					
21					

## Comparing Standard AVERAGE with AVERAGEIF

Before implementing the conditional function, it is insightful to examine the result obtained by using the standard [AVERAGE\(\)](#) function on our sales [dataset](#). This function calculates the mean of all numeric values within the specified [range](#), automatically disregarding any [blank cells](#) but including zeros. If we apply the formula `=AVERAGE(B2:B14)`, the outcome is clearly illustrated below:

	A	B	C	D	E	F
1	<b>Employee</b>	<b>Sales</b>		<b>Overall Avg.</b>		
2	A	10		3		
3	B	0				
4	C	4				
5	D	4				
6	E	3				
7	F					
8	G	0				
9	H	2				
10	I	1				
11	J					
12	K	4				
13	L	0				
14	M	5				
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As demonstrated, the standard [average](#) sales per employee, considering all non-[blank cells](#), is calculated as **3**. This figure, however, is heavily influenced by the inclusion of multiple [zero](#) sales entries. Including these zeros significantly lowers the perceived typical [performance](#) of the actively contributing [employees](#). This major discrepancy underscores the critical need for conditional averaging when analyzing performance metrics.

We must now refine our calculation to strictly exclude both [blank cells](#) and [zero](#) sales values. This is the precise scenario where the [AVERAGEIF](#) function becomes indispensable. We input the following optimized formula into an unoccupied [cell](#), such as D2, to obtain our more accurate, performance-reflective [average](#):

**=AVERAGEIF(B2:B14, "<>0")**

The practical execution and resulting output of this formula within your [Excel](#) worksheet is clearly demonstrated in the subsequent screenshot:

	A	B	C	D	E
1	<b>Employee</b>	<b>Sales</b>		<b>Average if Not Zero and Not Blank</b>	
2	A	10		4.125	
3	B	0			
4	C	4			
5	D	4			
6	E	3			
7	F				
8	G	0			
9	H	2			
10	I	1			
11	J				
12	K	4			
13	L	0			
14	M	5			
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As evident from the result, this powerful, conditional formula precisely calculates the [average](#) by exclusively considering values that are numerically positive. This provides a significantly more meaningful metric for the average [sales](#) generated solely by actively contributing [employees](#), offering a dramatically clearer and more accurate picture of actual [performance](#).

## Verifying the Accuracy of the Calculation

To foster complete confidence in the output generated by the [AVERAGEIF](#) formula, it is always best practice to perform a systematic manual verification. This process ensures that the calculation adheres strictly to our desired exclusions and confirms the formula's robustness. We can achieve this by manually identifying all numeric values within our [dataset](#) that are explicitly neither [blank](#) nor equal to [zero](#), and then computing their [average](#) directly.

Reviewing our example [dataset](#), the numeric values that satisfy the condition (strictly greater than [zero](#)) are: 10, 4, 4, 3, 2, 1, 4, and 5. This totals exactly 8 values that meet our positive sales [criteria](#). Performing the manual [average](#) calculation confirms the result:

Average of Values Greater than Zero:  $(10 + 4 + 4 + 3 + 2 + 1 + 4 + 5) / 8 = 4.125$ .

This meticulous manual confirmation unequivocally matches the value precisely computed by our [AVERAGEIF](#) formula in the preceding step. This successful validation process reinforces the accuracy and robust effectiveness of the function in refining [data analysis](#) by enabling the selective exclusion of undesirable data points.

## Beyond AVERAGEIF: Advanced Averaging Techniques

While the [AVERAGEIF](#) function is an excellent and highly efficient tool for conditional averaging based on a single [criteria](#), [Excel](#) provides even more sophisticated functions for handling complex scenarios that demand multiple conditions. For instance, if your analysis requires calculating an [average](#) based on several simultaneous [criteria](#) (e.g., average sales greater than [zero](#), only for the Western region, and only for product category 'A'), the [AVERAGEIFS](#) function is the appropriate and most powerful solution. This versatile function allows you to specify multiple [criteria ranges](#) and their corresponding conditions, substantially expanding your analytical capabilities beyond single conditional calculations.

For even more intricate or highly customized conditional [averaging](#), particularly when dealing with older versions of [Excel](#) or when dealing with highly dynamic [datasets](#) that necessitate complex logical tests, [array formulas](#) offer unparalleled flexibility. These advanced formulas often involve combining functions like [AVERAGE](#) with [IF](#), and they must be executed by pressing the Ctrl+Shift+Enter key combination. Alternatively, for a simpler, visual method of excluding data before calculation, consider utilizing [filtering data](#) directly within [Excel](#) to isolate only the desired data points before applying a straightforward [AVERAGE](#) function.

## Additional Resources for Excel Proficiency

Mastering [Excel](#) is an ongoing journey that rewards continuous learning and the exploration of its vast array of computational capabilities. To further enhance your [data analysis](#) skills and effectively tackle diverse computational and reporting challenges, we highly recommend delving into additional tutorials and specialized resources. These guides can provide invaluable insights into other common operations and introduce you to advanced functions, empowering you to extract deeper, more meaningful insights from your critical [data](#).

The following tutorials explain how to perform other common and essential operations in [Excel](#):

How to Use SUMIF in Excel

Understanding COUNTIFS for Multiple Criteria

Advanced Data Filtering Techniques

Creating Dynamic Charts in Excel