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Product analytics – Introduction to metrics

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Problem Statement

You have recently joined as Product Manager-Analytics in a fast growing SaaS startup. One of your first jobs is to build a web based dashboard that will track the relevant metrics across the lifecycle of the product. For this you need to first identify the relevant metrics that you will track for the different stages and then build a wireframe for the dashboard which will help track all these metrics.

In your submission identify the relevant metrics (along with explanation of why you will use them) and then share the screenshot of your wireframe.

Hint: Use the AARRR framework to find the relevant metrics.

Metrics - AARRR

Acquisition	Activation	Retention	Revenue	Referral
• **CAC :** This metric measures how much cash is spent on sales and marketing activities to acquire a new customer and how long it will take to recoup initial investments. This will help in determining if the company should boost sales costs or cur back. • **CLV:** This metric gives us the revenue generated by a user over its lifetime as a customer. CAC greater than CLV is a red flag, corrective measures have to be taken.	• **Activation Rate:** This metric for analysing the percentage of acquired customers that are actually using your product. • **Average On-boarding Time:** This measure will give an idea of how long it takes for customers to go live – the time they become a customer to time they start using the product. If the customer takes too long to be onboarded it is considered a red flag and will require attention to improve flow.	• **Churn Rate:** It is important to track how many customers are lost over a time period to understand the company's retain ability. • **CRR:** the percentage of customers you keep relative to the number you had at the start of your period. This does not count new customers. It is the reverse of customer churn. CRR also gives you an indication of how loyal your customers are and how good your customer service is. By tracking and benchmarking CRR we can find ways to improve these areas of the business.	• **Monthly Recurring Revenue:** In order to make business sustainable, it is important to realise the fixed revenue that is incoming every month. This will help in recuperating the upfront investments made at the beginning along with making steady progress on development initiatives and resources.. • **ARPU:** This metric can help increase revenue/customer. Once we've gotten our churn rate under control and have a reliable way to acquire customers, the keys to increasing the revenue you're receiving are up-sells and cross-sells.	• **NPS:** is used to measure the loyalty of a company's customers. NPS gives quick and reliable feedback from customers. • **Viral Coefficient:** is the number of new users an existing user generates. This metric calculates the exponential referral cycle. This metric will help us understand if our referral scheme is actually making an impact or not.

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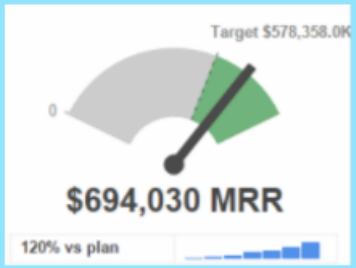
Revenue

Monthly Recurring Revenue



ARPU

261.16

Purchase Value per User

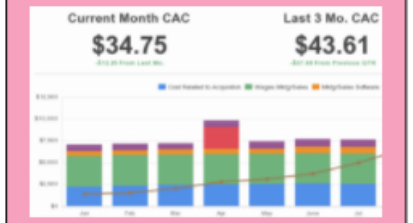
Retention

Customer Retention rate

Churn Rate

Acquisition

Customer Acquisition Cost

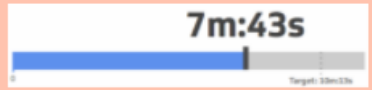


Customer Lifetime Value

Activation

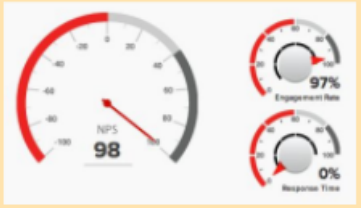
Activation Rate

Avg Onboarding Time



Referral

Net Promoter Score



Viral Coefficient

Current Customers	180
Customer Referrals	110
Closed Referrals	95

Viral Coefficient
.52

Link:
https://app.moqups.com/mathurgauri91@gmail.com/Wr8xp5u77s/view/page/aa9df7b72?ui=0

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