The one metric that matters most to gain traction

How data can improve your onboarding process

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Who's this for?

Product Led Growth companies that have launched free trial or freemium strategies to get more customers.

Companies that need data-led insights based on their early traction to:

- understand what their customer needs are when setting up a trial
- offering them the best trial experience.

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Summary

1. Make the promise of your product a part of your onboarding process
2. Identify when people experience the promise
3. Benchmark data
4. How to tackle low onboarding rates
5. Understand the time it takes to finish the onboarding process
6. The influence of nurturing emails on onboarding

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How are customers converting from free trial to paid?

Created Account (start trial)	→	Trial Hit Limit (time or feature)	→	Upgrade	→	Renew

The Blocker:

Experience the promise of your product

Experience the promise of your product

Experience the promise of your product

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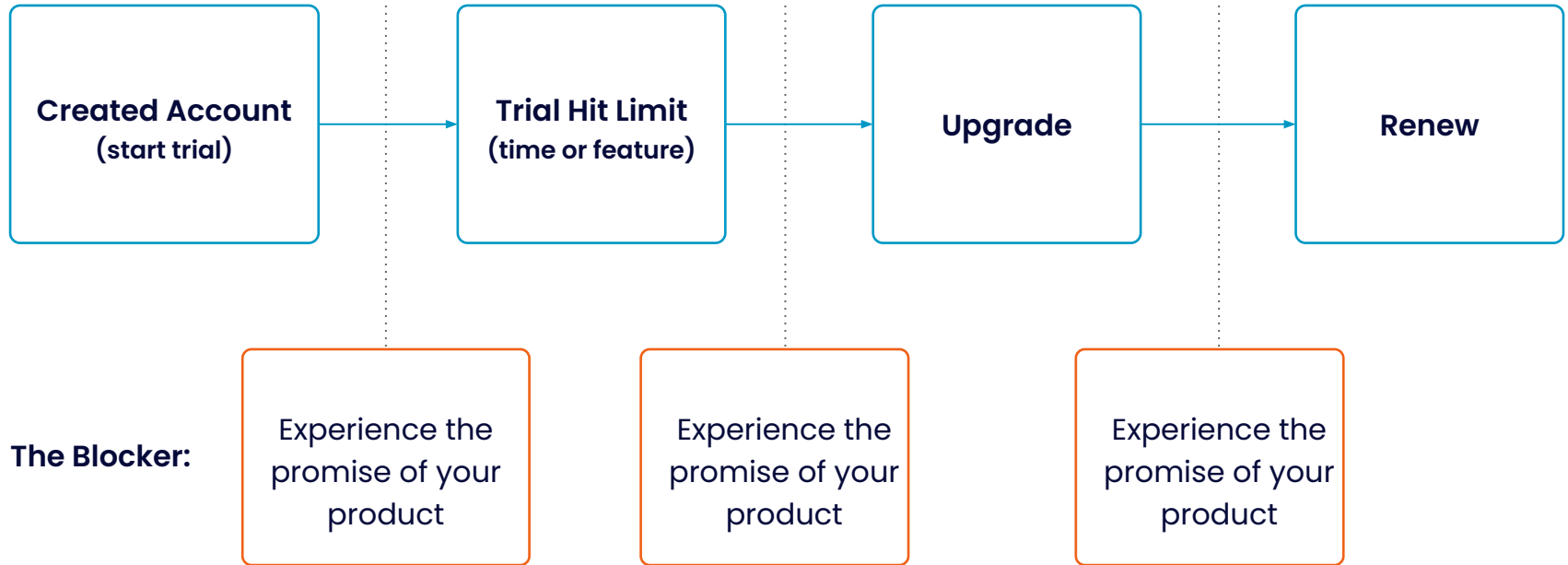
How important is to have users experience the promise of your product

OVERALL RETENTION CURVE

44% of the onboarded accounts returned in week 1

OVERALL RETENTION CURVE

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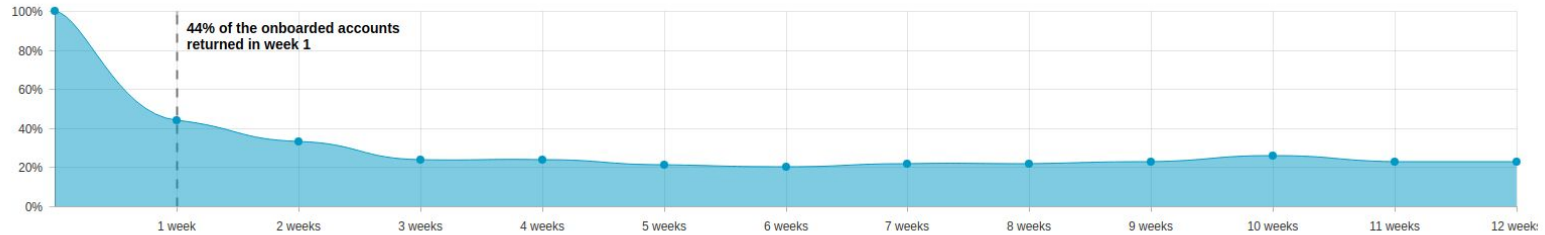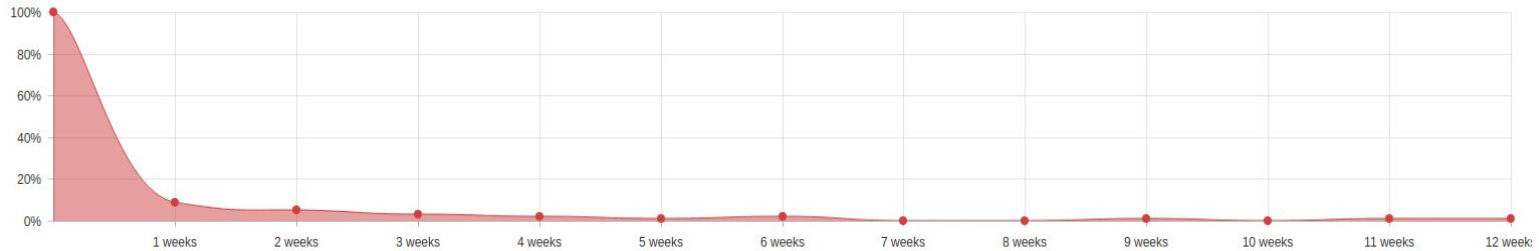
The Framework for defining the promise of your product

Our framework **defines the onboarding process** as the moment from which the user **creates their account** with your product or app, to the moment when **the promise of your product or app** is delivered to them for the first time.

This promise is the **value that your product or app can deliver** to him or her.

The beauty of this framework is that the promise of every product is very easy to find.

The promise rests on the homepage of your product or app. It is the biggest heading on the homepage, and it is this heading that is the most **direct attempt at convincing a user to create an account.**

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Example 1

Front is built to simplify the organization of conversations amongst customer success or customer support teams.

Front's promise: A singular, collective inbox for customer success or support teams to organize all of their conversations with customers in one place.

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Example 2

PandaDoc simplifies the process of creating, sending, tracking, and e-signing sales documents.

PandaDoc promise: To facilitate the closure of sales documents.

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Biggest pain: No promise between
Created account -> Trial Limit Hit

By far the biggest segment to tackle because most trials never hit their limit (end of trial period, usage, etc). 60-80% of all the trials we analyzed.

The limit is often linked to the promise of your product:

— Docusign: 30 days free trial to e-sign documents
— The limit or length of the trial does not matter if the promise is never reached.

For most SaaS businesses, that **promise needs to be experienced in the first hours or at most the first few days after creating an account**

Created Account
(start trial)

Promise

Trial Hit Limit
(time or feature)

Promise

Upgrade

Promise

Renew

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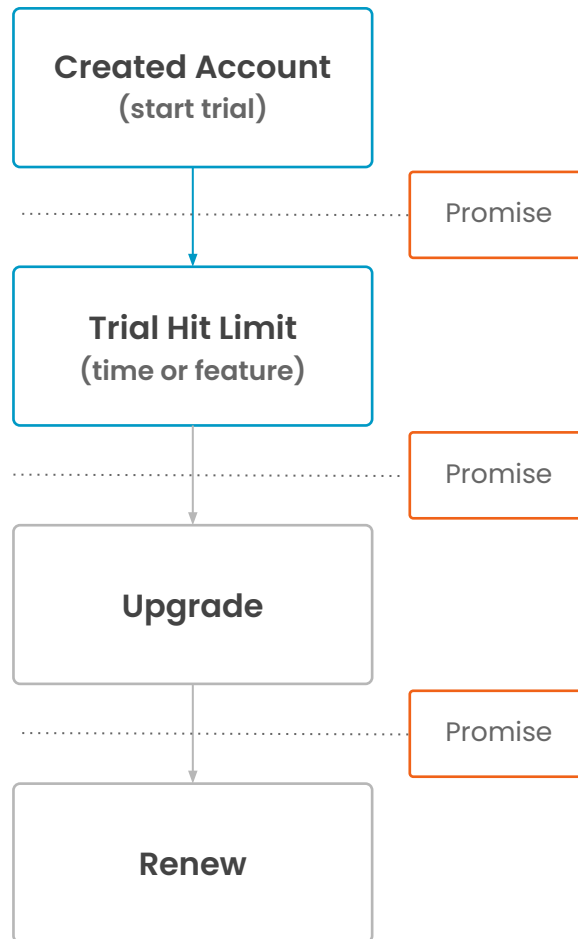
Is a promise a metric?

Yes. It's called **Onboarding Rate.**

The onboarding process **does not finish when users open the last email** in a sequence or go through a product guide.

The onboarding process **finishes when users experience the promise** of your product for the first time.

That way, tackling the **biggest blocker in the trial to paid funnel becomes a clear strategy** owned by product marketers and managers.

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How do you define it?

The promise of your product is not defined by data. It's defined by the job the product is designed to do for its users
It's often stated in big, bold letters on the homepage or landing pages of your product.

Create your Customer Journey Map:

Answer a series of questions to generate a customer journey map that includes the metrics that matter most for growing your specific business:

Get started here ››

AARRR	Acquisition		Activation		Retention		Revenue	Referral
Stage	Visits	Signup process	Onboarding	Goals	Engagement	Features	Revenue	Referral
Metrics	Visits	Clicked: Book A Demo	step 1. Created account	Sent second email campaign	Send email campaigns	Send email campaigns	Upgraded to paid	Second user joined
		Screen: Pricing	step 2. Created email campaign	Upgraded to paid	Add subscribers	Add subscribers	Downgrade	Team reach 10 members
		Screen: Signup	step 3. Added subscribers	Second user joined	Edit campaign	Edit campaign	Churned	Team reach 20 members
		Signup > Signup With Facebook	step 4. Tested email campaign					
		Signup > Signup With Google	step 5. Sent email campaign					
		Signup > Started Filling Form						

How do you tackle low onboarding rates?

Step 1: Get data on your onboarding funnel

Answer the following question:
what are the technical requirements for a user to be able to experience the promise of my product?

They are often **not the same as what you call today onboarding guides,** wizards, checklists or steps within your product.

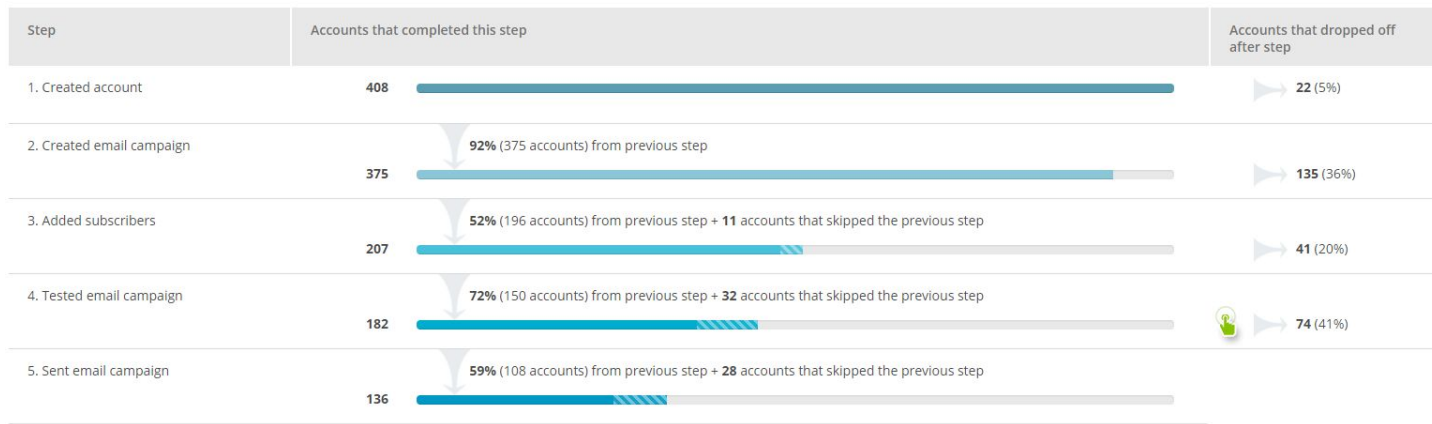Most often, **the technical requirements are part of a linear process**. Eg for Docusign:
— Create account
— Upload document
— Send to second party
— Get it signed

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How do you tackle low onboarding rates?

Step 2: Identify the technical requirement where most people have problems

A cohort funnel will tell you that. A cohort funnel is critical as 20-50% of your users will delay going through the technical requirements for a later time.
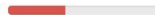
THE ONBOARDING CONVERSION RATE STEP BY STEP

Step	Accounts that completed this step		Accounts that dropped off after step
1. Created account	**408**		**22** (5%)
2. Created email campaign	**92%** (375 accounts) from previous step **375**		**135** (36%)
3. Added subscribers	**52%** (196 accounts) from previous step + **11** accounts that skipped the previous step **207**		**41** (20%)
4. Tested email campaign	**72%** (150 accounts) from previous step + **32** accounts that skipped the previous step **182**		**74** (41%)
5. Sent email campaign	**59%** (108 accounts) from previous step + **28** accounts that skipped the previous step **136**		

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How do you tackle low onboarding rates?

Step 3: Identify what influences people to go through the technical requirement with the highest drop off rate

Here is where data science comes to the rescue. An algorithm can be used to look at all the activity that happens between 2 onboarding steps and categorize it automatically

Action name	Total no. of accounts that performed this action between steps	Accounts that reached the next step: 152	Accounts that dropped off: 35	Action specificity level
Actions specific to accounts that reach the next step				
Clicked: Widget Modal > Select Widget	156	143	13	
/teams/:teamId/:category?/clients/:clientId/reports/:reportId/: Clicked: save-data-source	150	136	14	
Actions specific to accounts that dropped off				
Screen: /teams/:teamId/:category?/reports/	42	26	16	
Actions that are not specific to accounts that reached the next step or dropped off				
Connected google-analytics	31	28	3	

Here is where product guides or email sequences can become very helpful.

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Tackle the onboarding time

AVERAGE TIME SPENT BETWEEN THE ONBOARDING STEPS:

Calculated only for the accounts that went from one step directly to the next one.

S1 Created account	S2 Created email campaign	S3 Added subscribers	S4 Tested email campaign	S5 Sent email campaign
between 02 Jul 2021 and 31 Aug 2021	anytime after creating an account	anytime after creating an account	anytime after creating an account	anytime after creating an account

781 accounts

⏳ 32 sec   ⏳ 01 min   ⏳ 02 min   ⏳ 07 min

265 accounts
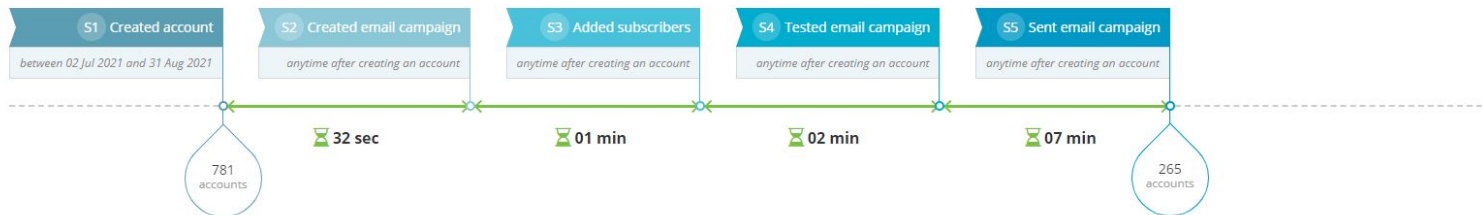
THE DISTRIBUTION OF THE TIME SPENT TO FINISH THE ONBOARDING PROCESS

61% of the accounts spent more than 20 min

39% - accounts with common behaviour

⏳ **10 min** average time to finish the onboarding process

61% - outliers who spent more than **20 min and 00 sec**

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Step 5
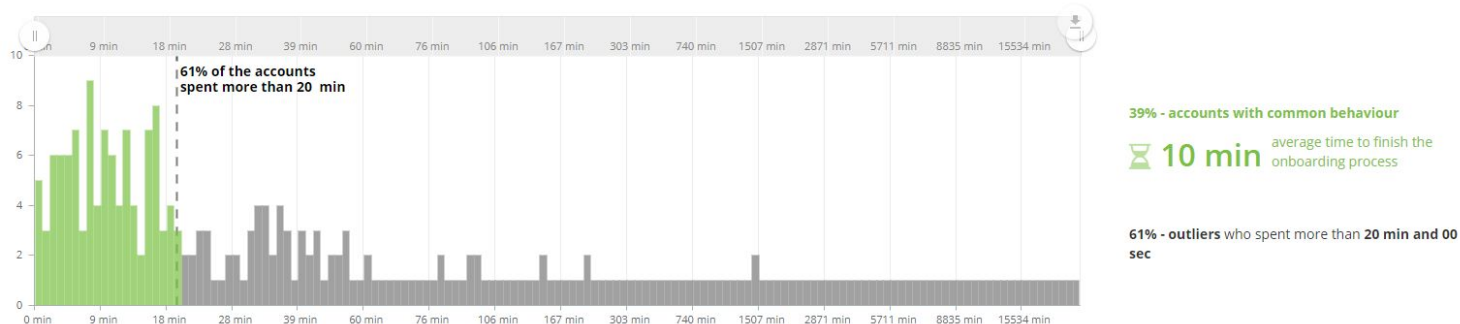
Tackle influence of email on onboarding

ALL EMAILS IMPACT:

Created account	Emails received		Onboarded
between 02 Feb 2021 and 31 May 2021	60 min after creating an account		anytime after receiving emails

There are also accounts that finished the onboarding within the first 60 min after they created the account. We don't analyze the emails sent to them.
Expand to see how they converted »

opened at least one email
614 accounts

11%
66 accounts

didn't open any email
511 accounts

8%
43 accounts

1125 accounts

There are also accounts that didn't receive any email after 60 min.
Expand to see how they converted »

☺ Your overall email strategy did not have a statistically significant impact on the user onboarding process. We can't say if your onboarding emails convinced more users to finish the onboarding or not.

Select a longer period or wait for more data to collect.

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Other scenarios for experiencing the promise

Created account ?	Converted to Paid	Onboarded ?	Converted to Paid
between 01 Sep 2020 and 31 Dec 2020	anytime after creating an account, before finishing the onboarding	anytime after creating an account	anytime after finishing the onboarding

39 accounts

10 accounts

119 accounts

420 accounts

578 onboarded

1627 accounts

1049 not onboarded

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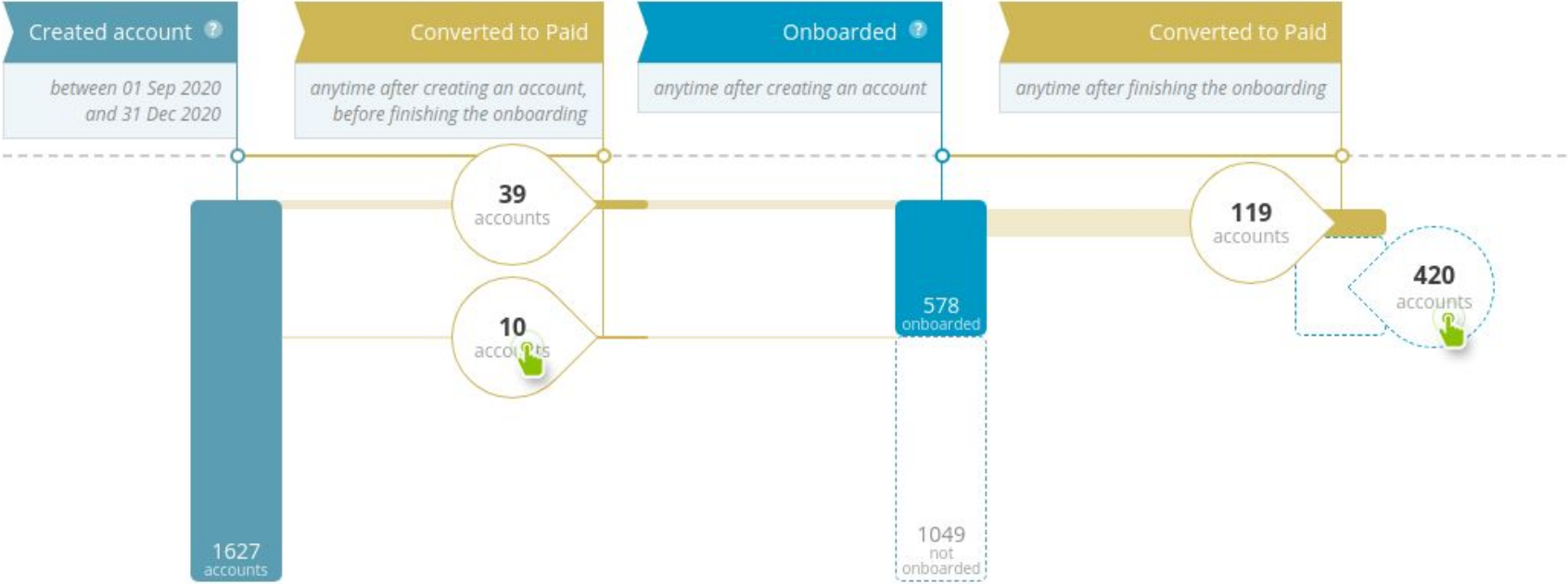
No promise between:
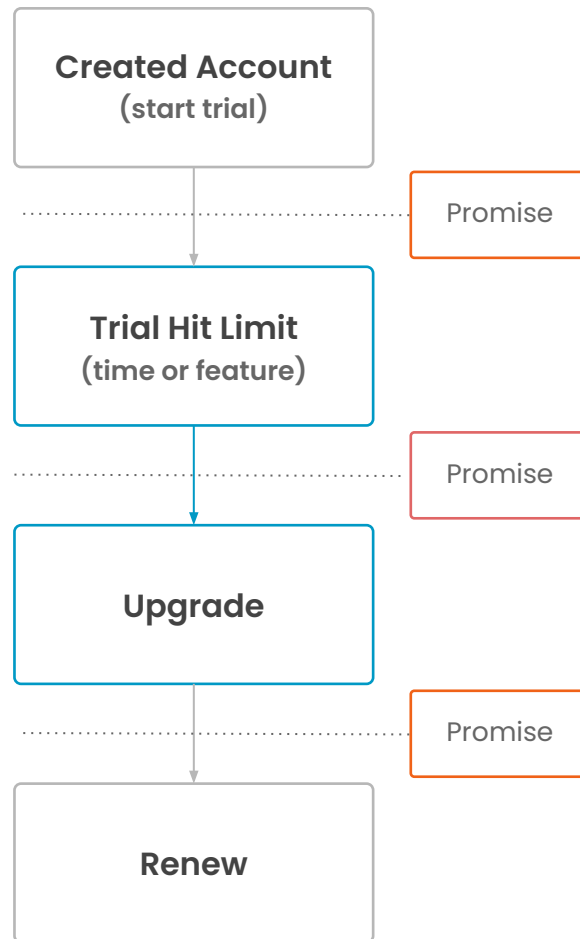## Trial Limit Hit -> Upgrade

This typically happens in SaaS companies with long setup cycles. 20-30% of all the trials we analyzed.

2 options:

— Force user to upgrade and experience promise after upgrade
— Extend trial period and motivate user to experience promise

This often means your promise is very enticing but the effort required by the user is not small.

From our experience, experimenting with the trial periods/feature limits does not fix the problem, unless the product experience is great.
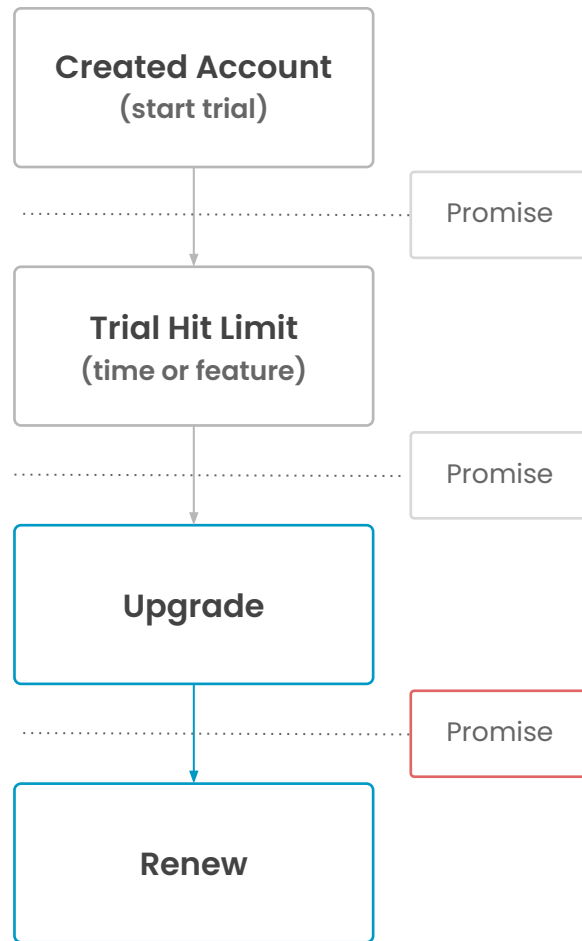
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Created Account
(start trial)

········ Promise

Trial Hit Limit
(time or feature)

········ Promise

Upgrade

········ Promise

Renew

No promise between:
Upgrade -> Renewal

We often see 10%-15% of users upgrading to a paid plan even though they still didn't experience the promise of the product.

This is the easiest group to tackle. They already paid, you just need to help them get set up.

When not tackled they generate **chargebacks or churn in the first 2-3 months**, having a considerable impact on your LTV metrics.

Created Account
(start trial)

Promise

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Experiment and start over

A good onboarding rate for B2B free trial or freemium product is **between 40-60%.**

With lots of experimenting **some companies manage it to get it to more than 70%.**

For **B2C products** we consider good onboarding rates between **30-50%.**

For most products the correlation between experimenting the promise of the product and upgrading is over 0.8 (very high).

The onboarding process **often takes hours or days while upgrading take days or weeks.**

Let's help you identify the metrics that matter!

Use this link to define your onboarding process and other actionable metrics:
https://www.innertrends.com/customer-journey-map

Let's hop on a call in a live session to run-thru!

Book me here

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To conclude

Your **biggest blocker** in getting people from trial to paid is ***not having them experience the promise of your product.***

To measure it and see how many people never get there, **you need to define it.**

The promise is *not defined by data* **but by the job your product is designed to do.**

Getting more than **50% of yours trials to experience the promise of your product will give you a very healthy growth rate.**

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In our session we'll dive into:

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- Which metrics you're tracking, how you're currently tracking them and what you should be tracking
- Defining your product's actionable metrics
- Aligning your entire team around the metrics that matter, and assigning responsibilities
- Dive into your funnel, and diagnose your biggest growth problem

You'll walk away with a step-by-step action plan you can implement straight away.

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Any Questions?

We look forward to partnering up and growing your SaaS with you!

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