SaaS Actionable Metrics

Tracking The SaaS Metrics That Matter Most

Define your product's actionable metrics and align your team to grow smarter & faster.

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Who's this for?

Product Led Growth SaaS Businesses.

Identify what metrics matter and the biggest growth opportunity in your data.

Owners, Managers, Leadership Teams

Establish clear goals and get your team on the same page.

Team members

Know the growth goal for your role. Take this to your boss and say enough is enough, let's do something about this.
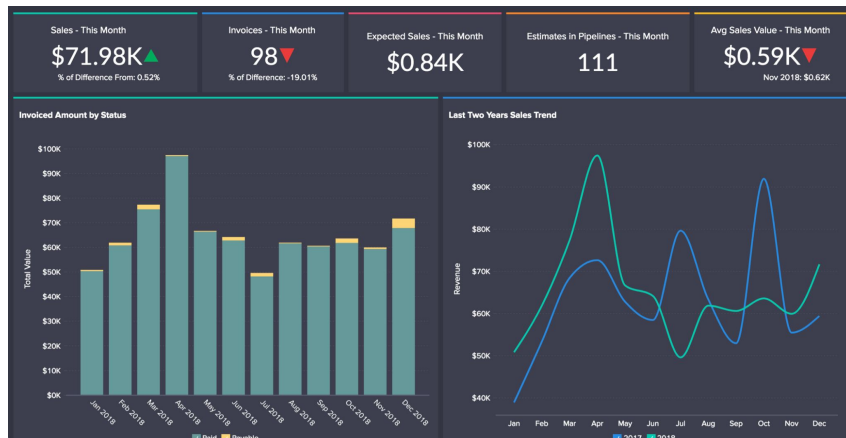
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Summary

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Metrics

Executive Dashboards:

Current Status of the business and trend

Customer Journey Dashboards:

Find opportunities in improving the current focus in the customer journey

Vanity Metrics Defined

1. A metric that makes you feel good **without telling you anything** about your current focus in the business.

2. One businesses vanity metric **can be another businesses actionable metric.**

3. An actionable metric **at one moment may be a vanity metric** at another based on your stage & focus.

4. Vanity metrics: **good for feeling awesome, bad for action**.' –Tim Ferris

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How do you recognize a vanity metric?

1. **Is it always going up?**
   I.e. cumulative page views, revenue to date, Email subscribers

2. **Is anyone responsible for the result?**
   Metrics are not being used by someone who complete their goals

3. **Provides an incomplete picture**
   Email open rates

4. **Has the Focus of your business changed?**
   I.e. moving from acquisition to onboarding focus based on your current needs.

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Actionable Metrics?

The most important actions that your users take that lead them to have success with your product based on their point in the customer journey

— **Acquisition** – How do users find you?

— **Activation** – Do users get first value?

— **Revenue** – How do you make money?

— **Retention** – Do users come back?

— **Referral** – Do users tell others?

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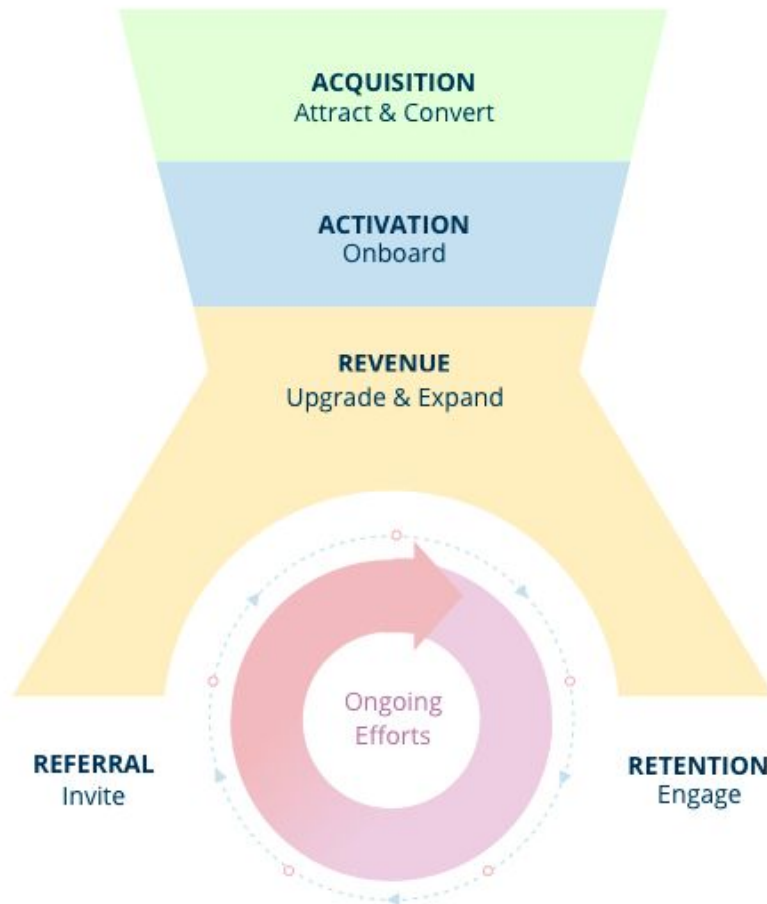
How do you recognize an actionable metric?

1. **Is it a ratio or percentage?**
I.e. trial user conversion rate, email click-through rate

2. **Would a change in the metric be a result of your work or initiatives?**
I.e. Customer success manager responsible for onboarded accounts

3. **Can it be misinterpreted?**
First week retention

4. **Is this in line with your current business focus**
Later stage startup looking at 6-month retention

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Define actionable metrics

Primary Metrics
The most important metrics for the stage.

Secondary Metrics
What are the additional metrics that assist in the conversion of the primary metrics?

Note:
*Primary vs Secondary terms refer to **importance not timing.** Secondary metrics may come first in the customer journey.*

Acquisition	Activation	Revenue	Retention	Referral
Primary Metric Secondary Metrics	Primary Metric Secondary Metrics	Primary Metric Secondary Metrics	Primary Metric Secondary Metrics	Primary Metric Secondary Metrics

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Initial Concept

Startup Metrics for Pirates: AARRR! by Dave McClure

Expanded on by

- **Trevor Hatfield** (inturact.com)
- **Claudiu Murariu** (innertrends.com)

Example: Hotjar

We will use Hotjar heatmaps as a simple example to help explain Actionable Metrics

hotjar

Product ▾   Pricing   Resources ▾   Company ▾   **Try it free**   Sign in

✔ 35,167 companies signed up last month   ✔ No credit card required   ✔ GDPR- & CCPA-ready

Understand how users are really experiencing your site without drowning in numbers

Traditional web analytics tools help you analyze traffic data. But numbers alone can't tell you what users really do on your site — Hotjar will.

G Sign up with Google   Sign up with Email

No credit card required

Acquisition	Activation	Revenue	Retention	Referral

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Acquisition (Attract & Convert)

The first step where **visitors find you online and initiate sign up** to begin exploring your solution.

Primary Metric	Secondary Metrics
What is your customer acquisition strategy?	What are the actions that lead up to getting the prospects to convert?
Free Trial	- Visits - Sign Up Intent - Visits to Pricing Page - Started Registration - Download Resource - Subscribe to Blog

Activation (Onboard)

They signed up. Get them to **experience value for the first time**.

Primary Metric	Secondary Metrics
What is the promise of your product?	What are the steps a user needs to take to get to experience the promise of your product?
• Create Heatmap	• Create Account • Install Embed Code • Test Embed Code is Installed • Preview Heatmap

Revenue (Upgrade & Expand)

Users subscribe to your tool and become customers. The more they use it the more they should be **willing to pay for additional features.**

Primary Metric	Secondary Metrics
How will you make money from new users?	How will you make more money from existing customers?

• Initial Purchase	• Upgrade Tier
	   ○ Personal = Basic to Plus
	   ○ Business = Increase pageviews per day
	   ○ Agency = Add Client

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Retention (Engage)

Users are coming back to your product and looking to see increased value and **engage with the product more.**

Primary Metric	Secondary Metrics
What are the main reasons your customers are using your product?	What are the actions that help people achieve their reasons?
• Analyze Heatmaps	• View Click Heatmap • View Scroll Heatmap • Add Note to Headmap • Download & Share Heatmap

Referral (Invite)

Users are loving your product and **start sharing it with their network** of friends, colleagues and co-workers.

Primary Metric	Secondary Metrics
How can a user generate a new seat in your product?	What are the actions they need to take to get more people to use your product?
• New Referral (Invitation Accepted)	• New Referral Invitation Sent • Add New Team Member

10 questions to define your metrics:

Acquisition: What is your customer acquisition strategy?
- What are the actions that lead up to getting the prospects to convert?

Activation: What is the promise of your product?
- What are the steps a user needs to take to get to experience the promise of your product?

Revenue: How will you make money from your new users?
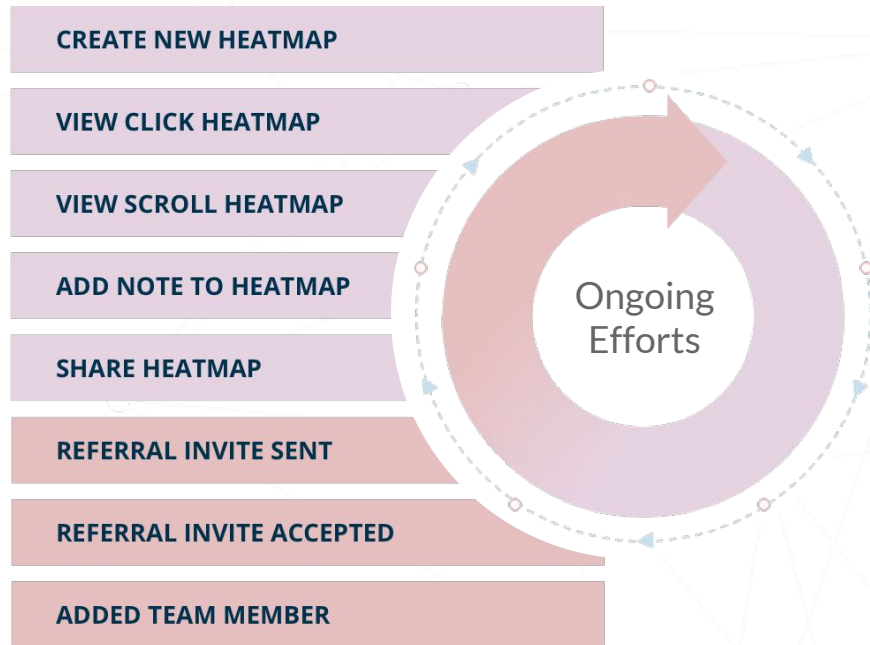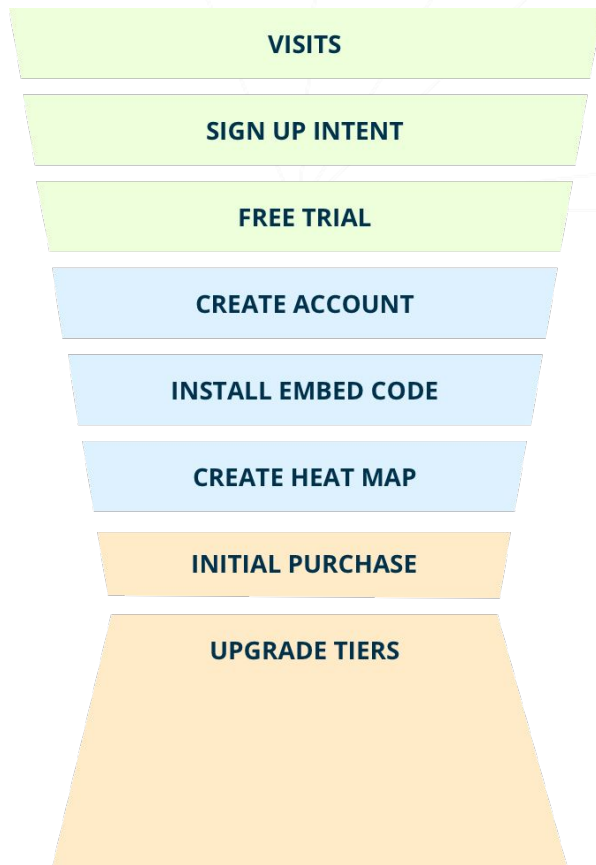- How will you make more money from existing customers?

Retention: What are the main reasons your customers are using your product?
- What are the actions that help people achieve their reasons?

Referral: How can a user generate a new seat in your product?
- What are the actions they need to take to get more people to use your product?

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So, how does this come together?

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VISITS

SIGN UP INTENT

FREE TRIAL

CREATE ACCOUNT

INSTALL EMBED CODE

CREATE HEAT MAP

INITIAL PURCHASE

UPGRADE TIERS

CREATE NEW HEATMAP

VIEW CLICK HEATMAP

VIEW SCROLL HEATMAP

ADD NOTE TO HEATMAP

SHARE HEATMAP

REFERRAL INVITE SENT

REFERRAL INVITE ACCEPTED

ADDED TEAM MEMBER

Ongoing Efforts

Align Your Team Around the Metrics

- Which team is responsible for **growing them?**

- What person on the team is responsible for **addressing any challenges?**

- Where will the **metrics be tracked?**

- What are the **strategies to grow them?**

- **What tools are needed** to execute the strategies?

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Is Your Team Aligned?

A report by **Forrester Research** supports this by concluding that businesses with proper alignment see a **32% increase in revenue growth, while organizations with less alignment actually see a 7% decrease**.

Only **8% of companies say their marketing and sales teams are aligned**, according to **Forrester Research.**

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Which teams are responsible for growing them?

Acquisition	Activation	Revenue	Retention	Referral
Marketing Sales	Customer Success Sales Marketing Product	Sales Customer Success Product Marketing	Customer Success Product Marketing	Marketing Customer Success Product

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Who on the team owns the metric?

Stage	Metric	Person Responsible
Acquisition	Free Trial	Michael Jordan
Activation	Create First Heatmap	Larry Bird
Revenue	Initial Purchase	Allen Iverson
Retention	2nd Heatmap Created	Manute Bol
Referral	New Referral	Magic Johnson

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Where will the metrics be tracked?

Acquisition	Activation	Revenue	Retention	Referral
Own DB Google Analytics HubSpot MailChimp	Own DB InnerTrends Mixpanel Fullstory	Own DB InnerTrends Stripe	Own DB InnerTrends Mixpanel	Own DB Ambassador InnerTrends Mixpanel

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What are the strategies to grow them?

Acquisition	Activation	Revenue	Retention	Referral
Inbound Marketing Paid Advertising Cold Outreach Account-Based Marketing SEO Growth Hacking Social Media Partner Program	Walkthroughs Checklists In-App Messages Triggered Emails Drip Sequences User Engagement Tracking Product Updates	Pricing Strategies Free Trials Demos Sales Enablement Content Phone Calls	How To Resources Webinars In-App Messaging Feature Additions Retention Emails Engagement Tracking Training Courses Customer Surveys Product Updates	Affiliate Program Referral Program Product Invite Features

What tools are needed to execute the strategies?

Acquisition	Activation	Revenue	Retention	Referral
HubSpot	INTERCOM	stripe	INTERCOM	Ambassador
GROW	Appcues	zuora	Appcues	GROWSURF
Google Ads	Inner Trends	Recurly	Inner Trends	
viral loops	segment		segment	
Growbots				
SimilarWeb				
built With				

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Track Your Progress

Setup tracking to help monitor the metrics and hold your team accountable for their growth.

Create a Company Scorecard

Used by the leadership team to track the primary metrics and see a bird's eye view of company growth and where the biggest areas of focus need to be.

Metric	Person Responsible	Goal	Goal Direction	11/1/20 – 11/7/20
Free Trial	Michael Jordan	250	>=	300
Create First Heatmap	Larry Bird	200	>=	150
Initial Purchase	Allen Iverson	100	>=	97
2nd Heatmap Created	Manute Bol	75	>=	80
New Referral	Magic Johnson	50	>=	52

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Create Team Scorecards

Allows teams to get more granular and address both the primary metrics, secondary metrics.

Product Marketing Weekly Team Meeting

Metric	Person Responsible	Goal	Goal Direction	11/1/19 – 11/7/19
Created Account	Larry Bird	250	>=	300
Install Embed	Larry Bird	200	>=	150
Test Embed Code is Installed	Allen Iverson	150	>=	97
Create Heatmap	Larry Bird	100	>=	105
Preview Heatmap	Allen Iverson	50	>=	48

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Identify Opportunities

Ask the right questions to identify the opportunities in improving your actionable metrics.

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Get a Head Start

Step 1: https://www.innertrends.com/customer-journey-metrics

Step 2: http://bit.ly/pls-actionable-metrics

Product Led Summit - Actionable Metrics v5.0 ☆ 📁
File Edit View Insert Format Data Tools Add-ons Help   All changes saved in Drive

Secondary Actionable Metrics

	A	B	C	D	E
1	**Acquisition**	**Activation**	**Revenue**	**Retention**	**Referral**
2	How do users find you?	Do users have a great first experience?	How do you make money?	Do users come back?	Do users tell others?
3	The first step where visitors sign up on your website for your software to begin exploring.	They are now using your product and we want to make sure we help them quickly understand the value of the software.	Users subscribe to your tool and become customers. Next, customer success begins to take greater precedence.	Users are coming back to your product and looking to see increased value and engage with the product more.	Users are loving your product and start sharing it with their network of friends, colleagues and co-workers.
4	**Primary Actionable Metrics:**	**Primary Actionable Metrics:**	**Primary Actionable Metrics:**	**Primary Actionable Metrics:**	**Primary Actionable Metrics:**
5	What is your customer acquisition strategy? (Free Trial, Free Signup, Request Demo, etc)	What is the promise of your product?	How will you make money from new users?	What are the main reasons your customers are using your product?	How can a user generate a new seat in your product?

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Find your biggest growth opportunities with Market 8 and InnerTrends

Book your free 2 hour workshop with the SaaS Growth Experts: Diagnose your bottlenecks & hit your growth goals!

In our session we'll dive into:
- Your product, how it works, and how it makes your users successful
- 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.

Apply here

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Ready to kick SaaS? - **Let's talk!**

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

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