20-Item Checklist
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Business Metrics for Data-Drive Companies

1. Mobile-optimized version for web site (responsive design). Worldwide mobile loading times under 2 seconds. If High traffic from remote locations, uses Content Delivery Networks for Edge-Cashing for rapid page-load times. Direct purchase available from Android and iOS applications.
~For products and services

2. Web site visitors' full click-stream is recorded for later analysis.
~For products and services

3. Visitor "Conversion" on web site is tracked at two levels - voluntary registration and first sale.
~For products and services

4. Ongoing program of A/B testing of web site features and text to optimize conversion rates and revenues.
~For products and services

5. Achieve and maintain high Google Ad Rank (ad content and web site landing page text factual and relevant to AdWords).
~For products and services

6. Realistic Estimates for FLV (Future Lifetime Value of a new customer), click-through rates, and conversion-to- revenue rates permit setting an upper bound on profitable Max CPC (Cost per click-through) to bid for AdWords.
~For products and services

7. Meaningful incentives for customers to interact with company online between store visits. An example would be targeted promotional offers specifically for those who register online.
~For products and services

8. Web site shows accurate local store inventory with images and prices.
~For products only

9. Customers can order-ahead online and pick up at the most convenient physical store. ~
~For products only

10. Collaboration with third-party shopping and delivery services to allow same-day (or faster) door-to-door delivery of online purchases.
~For services only

11. Service (such as evaluating credit and making a loan) is completed as fast or faster than online competitors.
~For services only

12. All interactions with a single customer - web visits, purchases at the SKU level online or in store, support calls and complaints, returns, etc - are stored in a common database and available for just-in-time viewing by Company representatives when talking to a customer.
~For products and services

13. Company has developed a paid recurring-revenue "membership" program that is attractive to a significant portion or to all customers. Examples: mandatory Costco Membership, Amazon Prime.
~For products and services

14. Point-of-sale customization. When completing a purchase, customers are offered coupons or other incentives to purchase again in future - and offer is customized based on their unique purchase history.
~For products and services

15. Special programs to distinguish, reward, and retain the highest-level recurring revenue customers - "Whales" as they are called in the gambling industry.
~For products and services

16. Track churn rates and have a program to contact former customers who have "gone quiet" and are potentially lost - and provide incentives for them to return.
~For products and services

17. Track all SKU deliveries and sales patterns at the individual store level to prevent excessive days inventory.
~For products only

18. Track all SKU deliveries and sales patterns at the individual store level to identify "zero-inventory" items and avoid the opportunity cost of lost sales.
~For products only

19. Use a model that modifies inventory levels at the store level by region, season, and day of the week to optimize days inventory against opportunity cost.
~For products only

20. Offer effective price reduction and last-minute promotions to established customers to clear any inventory - such as hotel rooms and airline seats - that would otherwise expire worthless.
~For products and services

Scoring for Product Companies: 19 Apply
• 16 or more out of 19: Very good to excellent
• 14 out of 19: Good, but needs improvement
• 11 out of 19: Passing
• 10 or fewer out of 19: Lagging

Scoring for Service Companies: 14 Apply
• 10 or more out of 14: Very good to excellent
• 8 out of 14: Good, but needs improvement
• 7 out of 14: Passing
• 6 or fewer out of 14: Lagging