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Grade received 100%
To pass 80% or higher
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1. Fill in the blank: _____ is an important metric to monitor for a new e-commerce store, because if there are few visitors, there will be even fewer sales. 1 / 1 point

- ☐ Cost
- ☒ Traffic
- ☐ Inventory
- ☐ Competition

☒ Correct
Monitoring traffic is important to a new e-commerce store, because if there are few visitors, there will be even fewer sales.

2. Why is it important to monitor conversion rates? 1 / 1 point

- ☐ It reveals key customer demographics that enables a company to create effective customer personas.
- ☐ It illustrates the amount of loss a company will experience if their cost per acquisition is too high.
- ☐ It conveys the amount of revenue generated by customers over their lifetime.
- ☒ It demonstrates whether users are taking actions that contribute to the success of a business.

☒ Correct
Monitoring conversion rates is important because it demonstrates whether users are taking actions that contribute to the success of a business.

3. Fill in the blank: By increasing _____, a store can increase their revenue regardless of whether they are able to acquire new customers or improve conversion rates. 1 / 1 point

- ☐ cost per acquisition
- ☐ the Net Promoter Score (NPS)
- ☐ qualified traffic
- ☒ the average order value

☒ Correct
By increasing the average order value, a store can increase their revenue regardless of whether they are able to acquire new customers or improve conversion rates.

4. What does it mean if the cost of acquiring a paying customer is higher than the average order value? 1 / 1 point

- ☐ It means that a company may be able to re-engage the potential customer with a reminder to complete their order.
- ☒ It means that the amount a company is spending to get customers is greater than the amount of money it is receiving in return.
- ☐ It means that in order to accurately calculate the amount of revenue earned, a company needs to monitor their customer traffic sources.
- ☐ It means that a company can track the average amount of money a customer spends each time they complete an order.

☒ Correct
If the cost of acquiring a paying customer is higher than the average order value, then the amount a company is spending to get customers is greater than the amount of money it is receiving in return.

5. Which is a metric that helps companies measure loyalty? 1 / 1 point

- ☐ Qualified traffic
- ☒ Customer retention rate
- ☐ Customer acquisition cost
- ☐ Cart abandonment rate

☒ Correct
Customer retention rate is a metric that helps companies measure loyalty. The customer retention rate is the percentage of customers that a company retains over a certain period of time. It gives companies an idea of how satisfied their customers are with the brand.