

Everyday Dialogues: Key Performance Indicators [B2]

KPI, CAC, lead, conversion rate... A volte, il linguaggio del marketing può mandarci in tilt! Impariamo alcuni termini utili con questo breve dialogo.

Dave: Our sales performance is down compared to last year. We need to analyse what's working and what isn't. Laura: I agree. We're tracking a lot of data, but I'm not sure it aligns with our strategic goal of expanding into new markets. Dave: We need to identify the right KPIs. After all, we can't improve what we don't measure. Laura: How about lead generation? A good KPI could be the number of leads from our new market campaigns. Dave: Yes! And the conversion rates from those leads, too. That directly supports the expansion goal. What else? Laura: I'd like to see a KPI for our CAC within those new markets: how much is it costing us to acquire new customers? Dave: Great. Then we can see how effective our sales & marketing spend is. What about operations? Laura: Hmm, there, we should look at a KPI for delivery times in the new regions. We can see if our service matches what we promise. Dave: Perfect. Now, how can we make sure these KPIs are clearly defined and everyone understands how they support our strategy? Laura: We'll set up a dedicated team. They can review them every month to track progress and adjust them if necessary. Dave: Then, hopefully, our performance in the new markets will improve.

NOW LET'S REVIEW THE VOCABULARY!

Sales performance means how much a company sells within a specific timeframe. Tracking refers to monitoring and measuring to gather data. KPI is short for 'key performance indicator'. These quantifiable metrics are used to evaluate the success of a company or specific activity. A lead is a person or company who has shown interest in a product or service and could potentially become a customer. In the context of sales, conversion rate is the percentage of leads who have been converted into customers. CAC is short for 'customer acquisition cost'. This metric measures how much a

company spends to gain a new customer. Sales & marketing spend is the total amount of money spent on promoting products and services to acquire (and retain) customers and increase sales. It is used in CAC calculations. Delivery time refers to how long it takes for a purchased product to reach the customer, after the order has been placed. In this context, progress is the advancement towards achieving a goal.

Glossary

- **the order has been placed** = effettuare un ordine
- **aligns** = allineare, essere coerente
- **improve** = migliorare
- **gather** = accogliere, riunire
- **key performance indicator** = indicatore chiave di prestazione
- **goal** = obiettivo
- **matches** = corrispondere
- **timeframe** = periodo di tempo
- **customer** = cliente
- **increase** = aumentare
- **purchased** = acquistare
- **reach** = raggiungere