

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