Ecommerce Product Roadmap

Goal 1 Choose Products to Sell

- Research Market
- Find Products

Goal 2 . Build the Store

- Design & Content
- Catalog, Payments, Shipping, Taxes
- Operations
- Analytics & KPIs
- Store Launch

Goal 3. Grow the Store

- Digital Marketing Strategy
- Attract Audience
- Engage Audience
- Acquire Customers
- Delight Customers

Goal 4. Optimize the Store

- Conversion Research
- Customer Experience

Project Backlog and Release planning

Ecommerce application: Backlog and release planning matrix

Commerce Product Metrics and KPI

1. Shopping cart abandonment rate

Cart abandonment is a term used in ecommerce to refer to visitors placing items in their shopping cart, but then leaving the site without completing the purchase.
The shopping cart abandonment rate is calculated by dividing the number of completed purchases by the number of shopping carts created. To turn the rate into a percentage subtract the number from one, and then multiply it by one hundred:

1 – [(No. of Completed Transactions) ÷ (No. of Shopping Carts Created)] x 100 = Cart Abandonment Rate Percentage
For example, in case of 50 completed purchases from 250 shopping carts created, the shopping cart abandonment rate would be 80 percent:

1 – (50 ÷ 250) x 100 = 80%

2. Conversion rate

Conversion rate refers to the percentage of the visitors who take an action on website. This action can be anything, such as signing up for an email newsletter or making a purchase.
To calculate the conversion rate, divide the number of conversions – whatever conversion you're looking for, whether it's newsletter signups, purchases, etc. – by the number of visitors to the store, and then multiply it by 100 to get the percentage:

(No. of Conversions ÷ No. of Leads) x 100 = Conversion Rate
for example, if you make 50 sales from 1,000 website visitors, the conversion rate will be 5%.

(50 Sales ÷ 1,000 Visitors) x 100 = 5% Conversion Rate

3. Cost of customer acquisition

Customer acquisition cost – also referred to as CAC – is how much money it takes to "buy" a customer.
For example, let's say that in one month you spent $1,000 on sales and marketing and closed 25 new customers. Each customer would have cost you $40 to acquire.
To calculate the customer acquisition cost, simply divide the total amount of money spent on marketing and sales by the total number of customers those activities delivered.
Amount of Money Spent to Acquire Customers ÷ No. of Customers Acquired = Customer Acquisition Cost

4. Average order value

Also know as AOV – is an ecommerce metric that refers to the average amount of money spent by customers per order.ge order value
To calculate the average order value in a given time frame, take the total revenue and divide it by the total number of orders:

Total Revenue ÷ Total No. of Orders = Average Order Value
For example, if you made $10,000 from 120 sales in one month, then the AOV would be $83.33.

5. Gross profit margin

Gross profit margin sums up how much money you actually make by presenting the difference between the revenue and profit as a percentage.

To calculate the gross profit margin you need to know two things:

1. Total revenue – how much money you've earned in sales.

2. Cost of goods sold (COGS) – the total business costs, including manufacturing, mFirst, let's calculate the profit. Take the total revenue for a given period and subtract the cost of goods sold:

Revenue – Cost = Profit

Then, to calculate the gross profit margin percentage, divide the profit by the total revenue and then multiply it by 100.Revenue – Costs) ÷ Revenue x 100 = Gross Profit Margin in Percent Marketing, operations, employee salaries, etcFor example, if you made $20,000 in sales with costs of $12,000, the profit margin would be $8,000. Then, divide $8,000 by $20,000, and multiply it by 100 to reveal a gross profit margin of 40%.

($20,000 – $12,000) ÷ $20.000 = 0.4 x 100 = 40%.