Case Study:

As Product Manager for Zoom, identify relevant Metrics that will be monitored for different stages

Using AARRR Framework:

AARRR
GROWTH FUNNEL

| ACQUISITION | ACTIVATION | RETENTION | REFERRAL | REVENUE |
| FINDING CUSTOMERS | CONVERTING VISITORS TO PAID | KEEP PAYING CUSTOMERS | CUSTOMERS AS ADVOCATES | ACTUAL MONEY EARNED |

Acquisition Metrics:

1	% Visitor Users join Meeting	The number of users who join zoom meeting but are not zoom user	It measures % of users who get invited by any Zoom user but not the user; canbea potential user
2	% visitor converting to sign up	Number of visitors converts to Zoom users	It measure % user converted in the funnel, which can further look into what cause to drop off, effectiveness ratio
3	Cost per Acquisition (CPA)	Cost for acquiring user to sign up	It helps to measure cost to acquire; If CAC is low, the product was able to create value and have good friction & virality
4	% Traffic channel	User find the product	It measures the effectiveness of inorganic channels like marketing campaigns, SEO, compared to organic channels like direct search or invite

Activation Metrics

1	% new users who host/join a meeting in n days	N days taken by the user to host/invite N days taken by the user to join	It measure quality of user acquisition signed up, the larger the N days gives insight shows ineffectiveness of the marketing campaign or a non-smooth onboarding process
2	Number of meetings hosted/joined in 15 days	Number of meetings hosted/joined in 15 days	Measure how often user uses the application, if users understand the core features of the product, as churn is high at the early stage
3	Interval between First meeting and second meeting	Number of days' gap maintained between two successful meetings	It measures how the product has integrated in daily workflow, and whether the user understood core features
4	Time for signing up for the account	Time to complete sign up	It measures smooth and easy onboarding , so user don't bounce off at sign up page

Retention Metrics

1	Cohorts of user signup	User segmented under different cohort	To understand user behavior and segment of users finding traction for the product
2	% user uses Zoom AI companion	User using Zoom AI companion for pre-and post-meeting activities	Measure the traction of the user for AI features, if the features were able to provide value creation
3	1st Month and Quarter month retention rate	Ratio of MAU for first week to MAU for the quarter month	Measure the stickiness of the application, % user have integrated in daily workflow
4	% Churn rate after nth Meeting	Measure churn rate after nth Meeting	Measure after how many n meetings, user drop off, it will help to understand user behaviour track down application usage or issue

Referral Metrics

1	% referrals sent	% of referrals request sent by user	Helps to track value created by the product in market, creating good user base and brand advocate
2	Referral activation rate	Conversion rate from referral stage-> sign up stage	Virality of the product, it measures the traction of the product and core features liked by users
3	Referral Incentive cost/Referral Payback cost	Calculates incentive cost per referral/revenue or traffic after a certain period or payback period	Measure cost redemption per referral on successful signup & completing the first meeting, and X meetings completed after that , will help to measure payback cost
4	% referrals users > 2min meeting	% of users complete the meeting, filter accidental join. Or call drop	Measure the number of referrals the user onboarded, the activation stage filters out the quality of referral users, conversion, and completed first meeting

Revenue Metrics

1	% users upgrading to paid plans	% users upgrade from the freemium model to paid	It measures the revenue generated from % of users, also gives insight if users find it worth switching from freemium to paid version
2	LTV by cohort	Lifetime value revenue generated by a user	Lifetime value generated by user, segmented by cohort –it will help to measure where the product has found market fit
3	Revenue by region	Highest/Lowest revenue generated in the region	Helps in the strategic plan for expansion in high revenue region and improving at lowest revenue region
4	Revenue by Organization & revenue by single user	Revenue generation from Enterprise and single-user	Helps to understand the hero product in which segmented customers, wide use of the product in an organization or business, has stable revenue in a year, compared to a single user
5	CAC Payback period	Period to cover the CAC cost	The period taken by the company to recover cost, it helps to maintain financial health and proves product was able to create friction after onboarding

Conclusion:

Zoom may get a systematic, end-to-end perspective of its product lifecycle by defining and measuring the right KPIs within the **AARRR framework**, which stands for Acquisition, Activation, Retention, Referral, and Revenue. In the end, data-backed decision-making, **sustainable growth, and better customer lifetime value** are achieved when use-case-specific metrics are **aligned with AARRR.**