

Lec: Product Metrics - 1

Agenda:

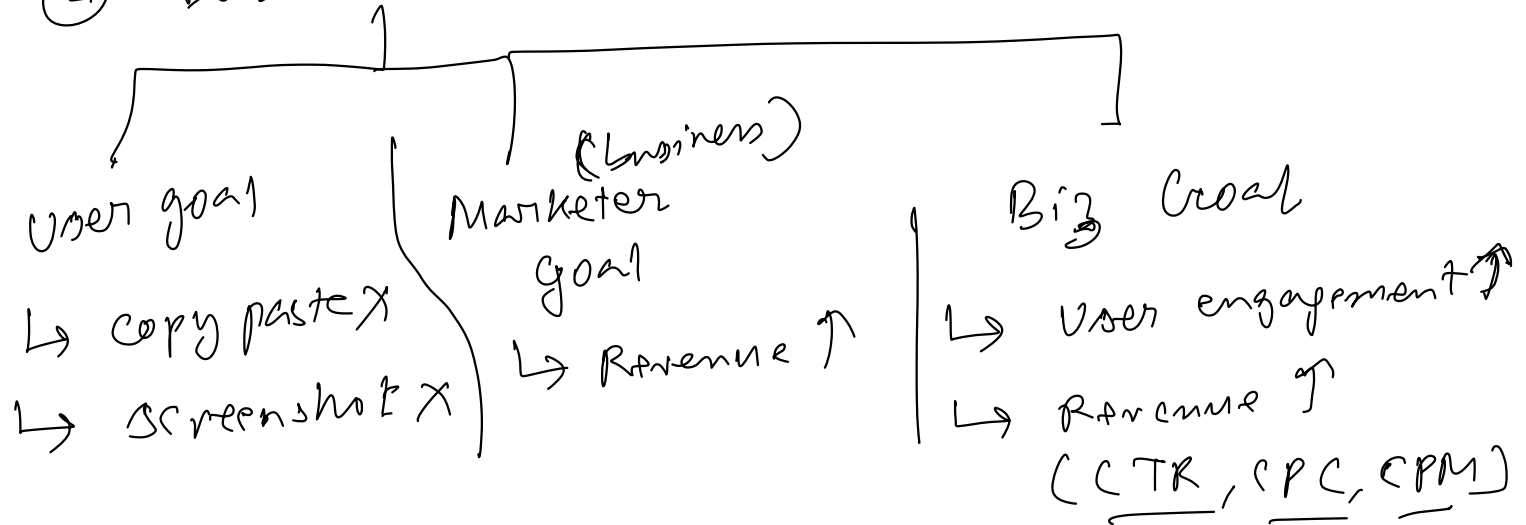
- 1 Metrics (Product Metrics)
- 2 Guard rail metrics
- 3 KPIs (Key Performance Indicators)
- 4 Classification of Product Metrics
- 5 NSM (North Star Metric) ←
- 6 Level - 1 (Primary metric) ←
- 7 Level - 2 (Supporting metric) ←
- 8 OKR (Objective Key Results)

Vanity metric vs Actionable metric

Feature - 'save' feature

(1) Clarify

(2) Business Goals



③

Define Metrics:

[Modified] USER Funnel Framework

~~AAA~~ ERR

A - Awareness
(Discoverability)

A - Acquisition

A - Activation
(Adoption)

~~AAA~~ RRR

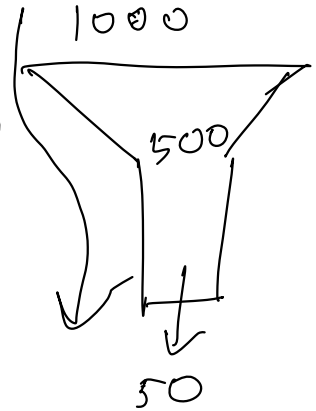
Acquisition

Activation

Retention

Referral

Revenue




E - Engagement

R - Revenue

R - Retention / Renewal

(CLV) - customer lifetime value



#

Vanity metrics

Actionable metrics

Aspect

Vanity metrics

Actionable metrics

Nature Superficial metrics that focus on showcasing positive but often superficial numbers.

Emphasis Prioritizing quantity over quality, may not provide meaningful insights.

Actionability Lack a direct connection to specific actions to improve performance or decision-making.

Purpose Sometimes called "ego metrics" as they can boost an ego with impressive numbers.

Examples Total website visitors, social media followers, page views, downloads. For example - A social media influencer might have 5M followers but when promotes a product, only able to get a CTR of 0.001%

Metrics that are relevant to the core goals and objectives of a business or product.

Prioritize quality over quantity, focusing on critical data.

Closely tied to specific actions that can improve performance or outcomes.

Goal-oriented and help organizations track progress toward achieving desired outcomes.

Conversion rates, customer acquisition cost, customer lifetime value, retention rates, revenue per user.

