

Top Metrics in SaaS



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Customer Acquisition Metrics

Your SaaS business is successfully drawing in new customers, but how do you measure how well your current approaches are working? Tracking these customer acquisition metrics may help guide your measurement of your efforts, make you more aware of your deficits, and keep you on track to ever-improving revenue and success.



Site Visitors

Track this and other related metrics to understand where your visitors come from, what they're doing on your site, and why they keep coming back. Split by returning customers and prospects.



Sign Ups

Correlate this metric to purchases and upgrades and improve the effectiveness of your marketing campaigns.



Cost Per Conversion

The cost of getting a customer to click in order to try or buy your product.



Viral Coefficient

$$\left(\frac{\text{Number of current customers} \times \text{The average number of referral invitations sent by each current customer} \times \text{Conversion rate of invitations sent}}{\text{Number of current customers}} \right)$$



Lead Velocity Rate (LVR) %

$$\left(\frac{\text{Number of qualified leads current period} - \text{Number of qualified leads last period}}{\text{Number of qualified leads last period}} \right) \times 100$$

Leads by Lifecycle Stage



Marketing Qualified Lead (MQL)

A prospect who has interacted with additional resources you offer (e.g. downloading eBooks, registering for webinars, etc.).



Sales Qualified Lead (SQL)

A prospect who has moved beyond the initial awareness stage and is most likely evaluating competing vendors – these prospects should be contacted directly by your sales team.



Funnel Conversion Rate

$$\left(\frac{\text{Total number of customers in a period}}{\text{Total number of leads that period}} \right) \times 100$$



Customer Acquisition Cost (CAC)

Sum of all sales and marketing costs in a period / number of customers acquired in that period. Whether your CAC is high or low depends on how much value your customers bring in.



Bookings

The holy grail: How much business did you book this period? Count this as the total value of all contracts signed over a year. Can include new contracts, renewals, upgrades, and more – anything that leads to new revenue for your organization. Look at more granular metrics related to bookings to account for different contract durations, upsells, etc.



Want to learn more?

Download our eBook:

The Definitive Guide To SaaS Metrics – Episode 1: Acquisition

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