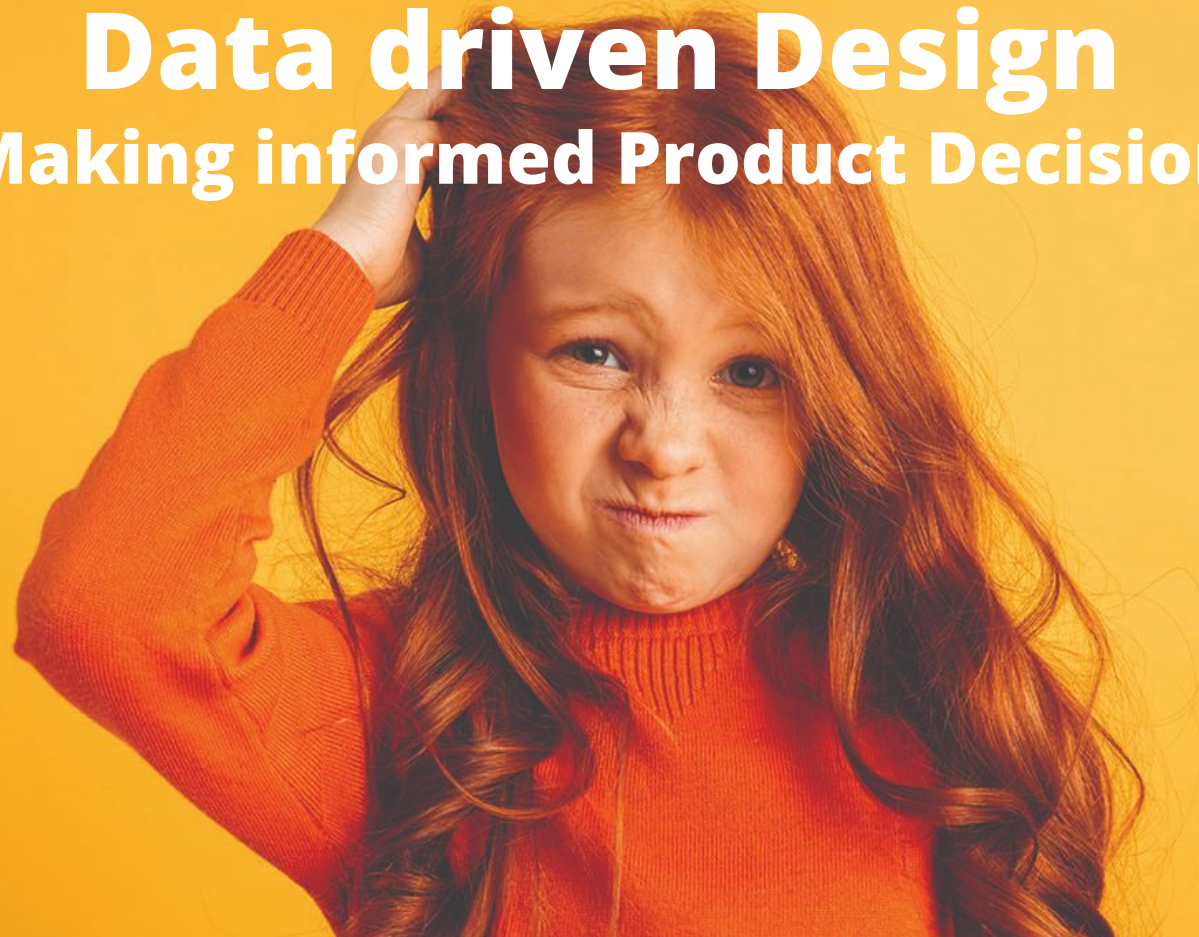


# **Data driven Design**

## **Making informed Product Decision**



# Hi, I'm Robin

“If it cannot be measured, it cannot be managed.”

by Peter Drucker

# Agenda

Why is it important to be data-driven?

What are Key Experience Indicators?

What Metrics can you use, how do you find them and how do they play together?

Which tools can you use for Product Analytics?

**Data-driven**

**If you want to design and built a  
great product you need data to  
make decisions.**

# PRODUCT COLLECTIVE

“Every product person wants to make data-driven decisions. But to do so, you must have the **right data**, ask the **right questions**, and use the **right tools**. That’s having true product analytics maturity”

Mike Belsito  
Co-Founder, Product Collective

**Your users are  
the greatest source of data.**

# Learn and collect data in each phase of your development process

What do people need?

Who are the users?

Can people use the product?

Which design generates better results?

How engaged are our active users?

How many of our active users come back?



## Strategize & Ideate

## Build & Execute

## Launch & Operate

What is the users workflow?

How do they currently solve their problems?

Do people feel they will benefit from the product?

Are users successful in completing a task?

What percentage of our users have experienced value from the product?



# You need to learn and collect data in each phase of your development process

What do people need?

Who are the users?

## User Interviews & Observations

Qualitative Data

Do we understand what the user needs?

What is the users workflow?

How do they currently solve their problems?

Can people use the product?

Which design generates the best results?

## Usability Testing

Qualitative & Quantitative Data

Does the user understand how to use what we are building?

Do people feel they will benefit from the product?

How engaged are our active users?

How many of our users are coming back?

## Key Experience Indicators

Quantitative Data

Does it work as expected and does it provide the results and the value we envisioned?

Are users successful in completing a task?

What percentage of our users have experienced value from the product?

**Many product teams fail to continually assess the impact of the features they deliver.**

# Key Experience Indicators

# Key Experience Indicators

Key Experience Indicators (KEIs) provide a **quantitative score** of a specific, important, and actionable phenomenon related to using a product or service.

# **Measuring KEIs has the following benefits**

KEIs provide information to decision makers

KEIs can predict business outcomes

KEIs give insights into qualitative findings and customer anecdotes

**Some things to be aware of when  
working with Key Experience  
Indicators**

# **What vs. Why**

KEIs will never explain themselves.  
To fully understand a KEI, you must invest in qualitative research.

# **Good vs. Bad**

It is not always clear whether KEIs are showing a positive or negative phenomenon.



**Average time to first click  
is 49 seconds.**

**Average time on site is 27:38  
minutes.**

**Page bounce rate is 99%.**

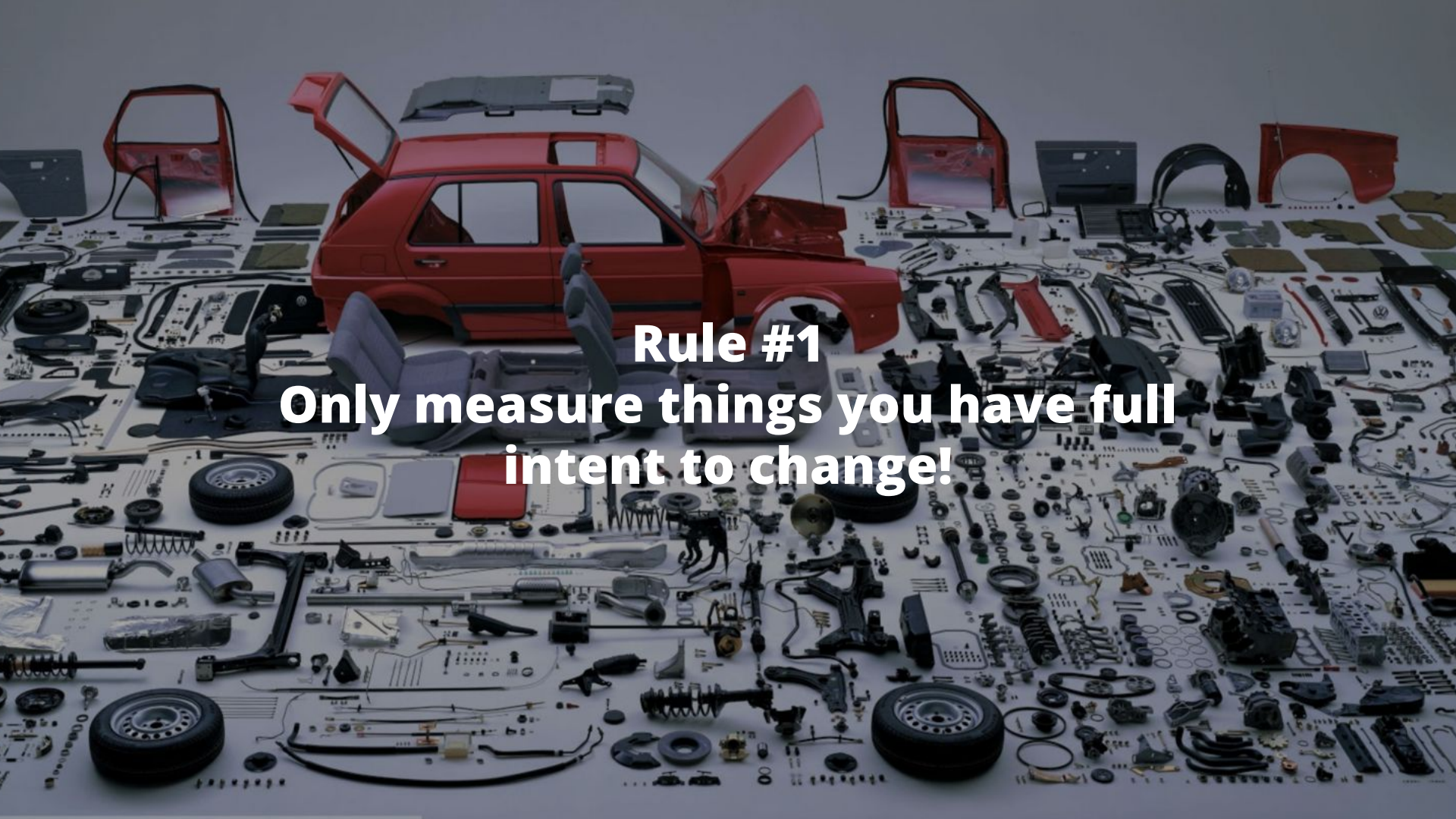
# **Attitude vs. Behavior**

What people say does not necessarily match how they behave.

People's attitude is interesting yet behavior is much more telling.

# **Overall vs. specific**

Measuring a specific phenomena gives you the ability to focus efforts and save resources.



**Rule #1**  
**Only measure things you have full  
intent to change!**

# **Test question for your team**

Will we take action once we have data for this metric?

A top-down view of a group of people's hands stacked in a circle, symbolizing teamwork and agreement. The hands are of various skin tones and are wearing white long-sleeved shirts. The background is a light, textured surface.

**Rule #2**  
**Reach team agreement and shared understanding**



# **Test question for your team**

Do we agree this metric is important to measure?

A stylized image of the Earth from space, showing the continents and oceans. A vertical line of fire or energy runs through the center of the planet, symbolizing the core. The background is a dark, starry space.

**Rule #3**  
**Only measure things that are core to  
the experience**

# **Test question for your team**

Does this metric measure a thing that is core to the experience?

# Antonellas Restaurants

A photograph of a restaurant interior. In the foreground, a chef's hand with red nail polish holds a white plate with a piece of seared fish, green herbs, and a sauce drizzle. The background shows a dining table with other plates, glasses, and silverware, slightly out of focus. The lighting is warm and ambient.

Chef Antonella opened her new restaurant six months ago.

Everything has been going really well.

Revenue is up, tables are reserved in advance, and the restaurant is full and lively every single night.

# Antonellas Restaurants

The background image shows a restaurant setting. In the foreground, a person's hand with red nail polish is holding a white plate with a piece of seared fish and greens. The table is set with various dishes, including bread and more plates of food. The lighting is warm and ambient, typical of a restaurant.

Chef Antonella opened her new restaurant six months ago.

Everything has been going really well.

Revenue is up, tables are reserved in advance, and the restaurant is full and lively every single night.

Close to 100% of customers are new. She has almost no returning customers.

On average, 70% of food is left on the plates.

Something is wrong although business is great.

# Metrics

# **The most used metric categories**

Reach - Activation - Active Usage - Engagement - Retention - Happiness

# Reach

Reach is the total number of people who have used the product in a recent time period.





# Reach

**How many people have used your product in a recent time period?**

Sample Metric:

- Subscribers
- Users from paid accounts
- Active licenses
- Active buyers (6-month)

# Activation

Activation is a foundational step that primes a new user to become an active user.



# Activation (Adoption)

**What percentage of new users have onboarded and experienced your product's value?**

Sample Metrics:

- Completed registration within 30 days
- Completed a first purchase
- Made a first deposit within 7 days
- Watched 5 videos on the first 7 days

# Active usage

Active users are people who have taken a key action and received value from your product within a recent time period.



# Active usage

**Are people showing up regularly and performing a key action?**

Sample Metrics:

- Weekly active users (WAU)
- Monthly active users (MAU)

# Engagement

A close-up, low-angle shot of a person's hands typing on a silver laptop keyboard. The person is wearing a grey, textured sweater. The background is blurred, showing a desk and another person's hands in the distance. The lighting is soft and focused on the hands and keyboard.

Engagement measures a deeper level of commitment to the product.

It accounts for both the frequency and cadence of completing key actions, answering the question, “how engaged are your active users?”

# Engagement

## How engaged are your active users?

Sample Metrics:

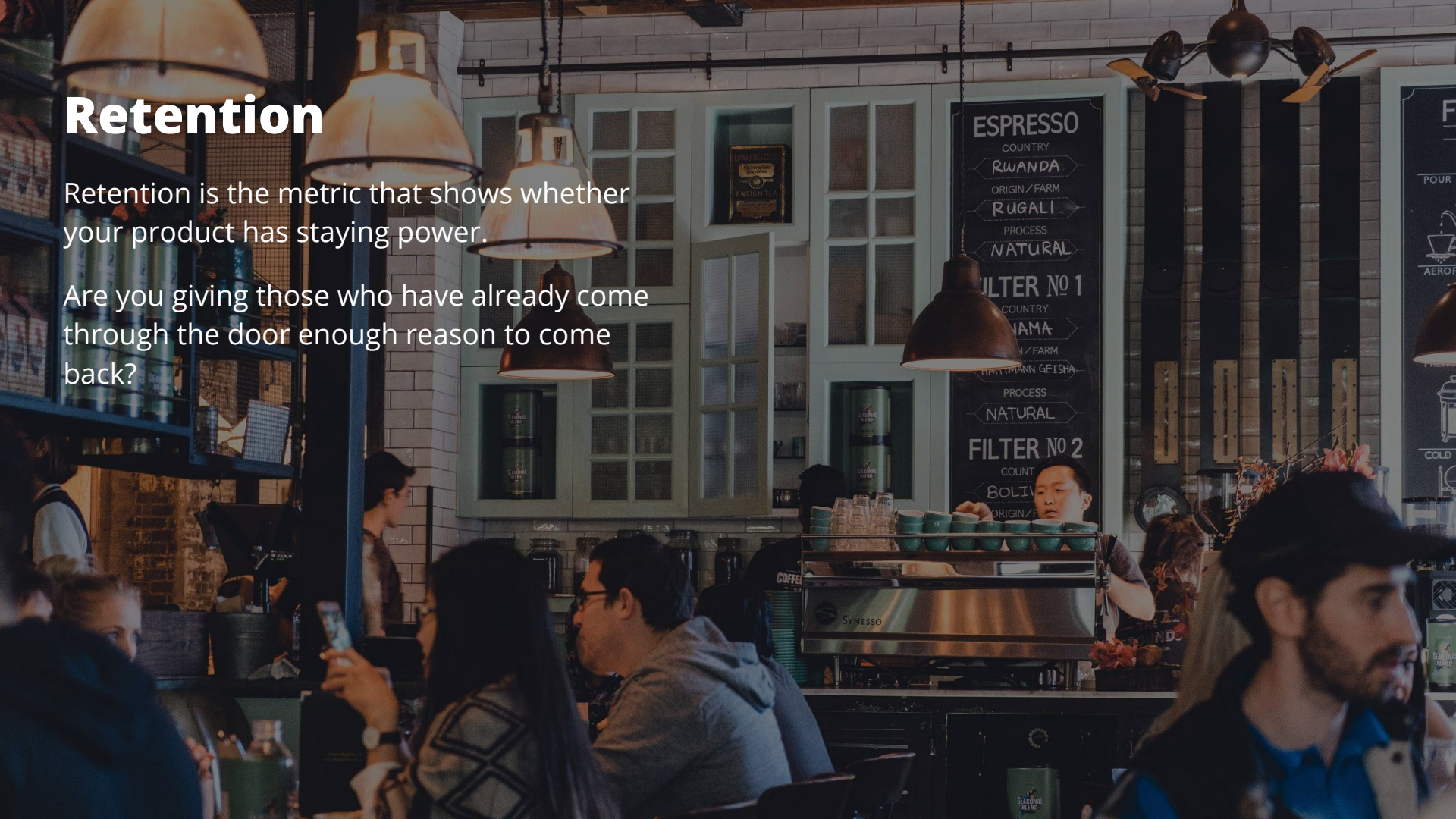
- Transactions
- Viewed reports
- Conversions
- Recommended product views
- Minutes watched (video)

divided by active users (WAU or MAU)

# Retention

Retention is the metric that shows whether your product has staying power.

Are you giving those who have already come through the door enough reason to come back?





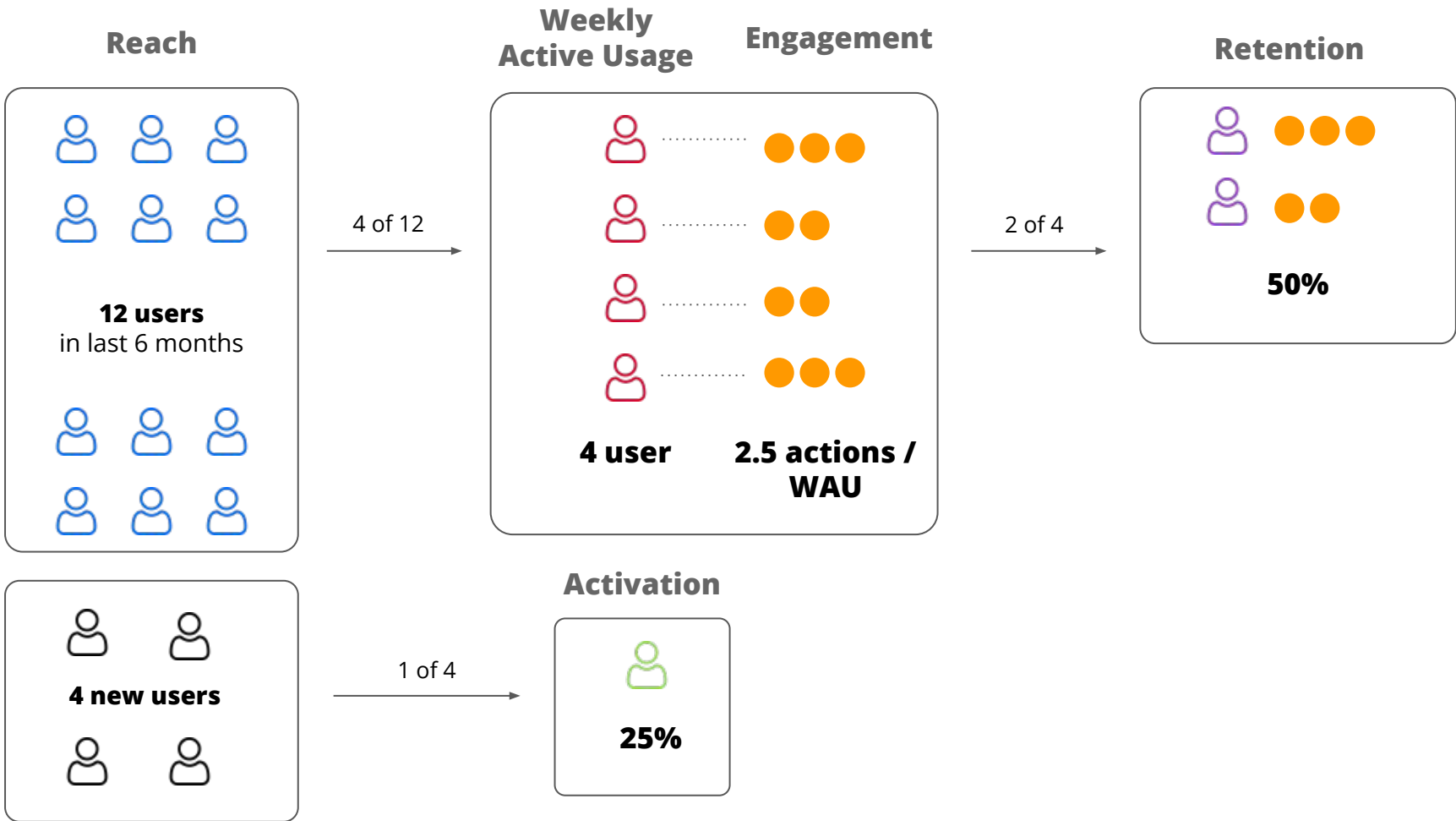
# Retention

**How many active users come back?**

Sample Metrics:

- 7 day retention
- 30 day retention

**How do these metrics play together?**



**Also add metrics that are specific to  
your business**

# Business-specific

## How else does your business deliver value?

Sample Metrics:

- Savings per user
- ARR per DAU
- Support Tickets per WAU
- Average purchase price
- Cart abandonment rate
- Good Churn

# Look at User Success to identify good metrics



Goals



Signals



Metrics



# Identify a User Success Goal

What makes your users successful?

**“The user can complete task xyz efficiently without the need for support.”**



## **Look at signals**

Which behaviour will indicate to you that you are on the right track to user success?

**Less questions asked to Support**

**User can perform the task quicker**





## Identify the Metrics

Which metrics will you use to measure success?

<b>#of support tickets/week</b>	<b>30</b>	<b>➡</b>	<b>5</b>
<b>avg. time spent on task/WAU</b>	<b>8 min</b>	<b>➡</b>	<b>4 min</b>
	BASELINE	➡	TARGET

**OK ... there is one other metric  
I should mention**

# Happiness

User happiness is a self-reported measurement, which means you have to ask people to rate their happiness rather than tracking their behavior.

That also means that emotions and bias come to play here.



# Key mistakes in measuring happiness

Measuring overall happiness

Measuring happiness out of context

Over complicating things



**If you are going to track happiness  
do it at the right time,  
in the right context and  
make it as simple as possible!**





**How was your experience?**



Great



Had Issues

**What went wrong?**

I could not hear others

Others could not hear me

Poor audio quality

I could not see others

Others could not see me

Poor video quality

Additional comments

Submit



# Metrics Framework

## **Choose your Focus Metric**

What matters most for your business?

# **Active Usage**

Weekly or monthly active users

**Define what “active usage” means  
for your product**

# What is an active user for your product?

People who go beyond visiting or logging in and also take a key action that the product was built for.

## Ask yourself

“If we improve this number will the product’s long-term performance improve?”

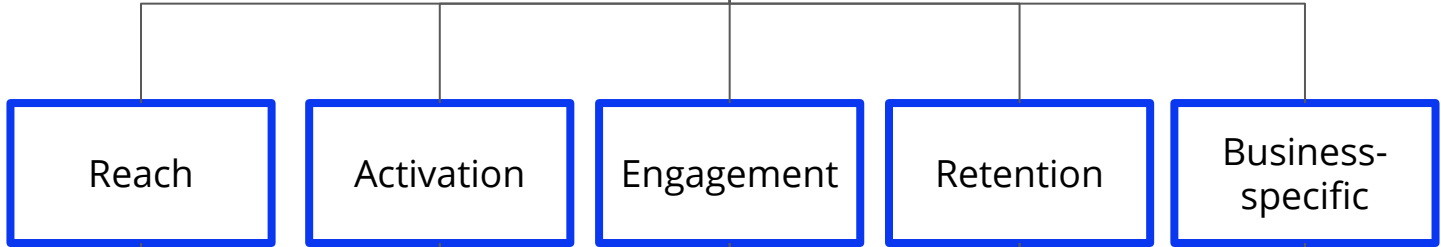
**Focus metric**

Matters most for your business



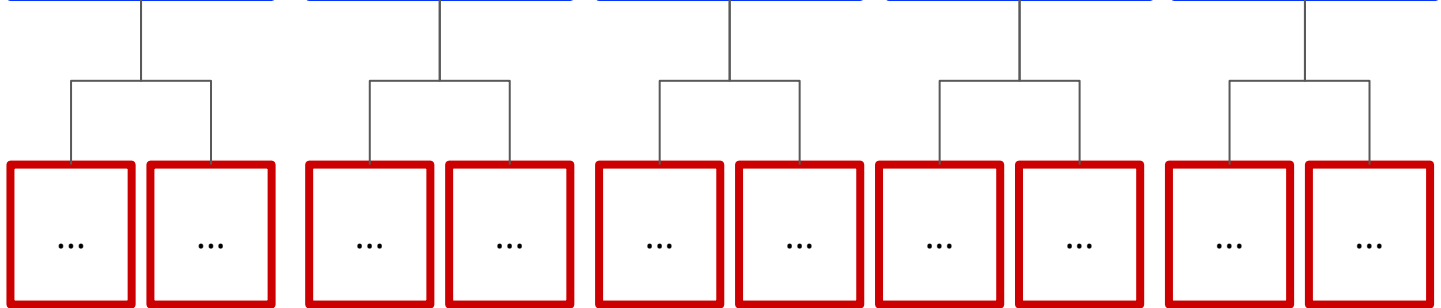
**Level 1**

Complement the focus metric



**Level 2**

Get more specific



FOCUS METRIC

PRODUCT  
Weekly active buyers

REACH

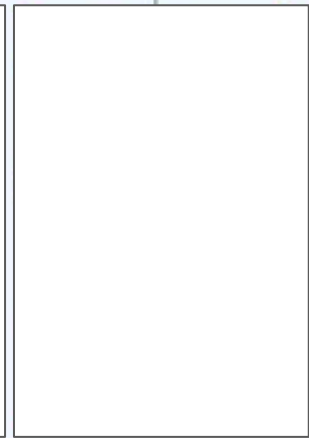
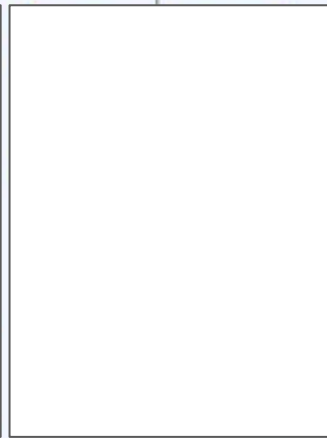
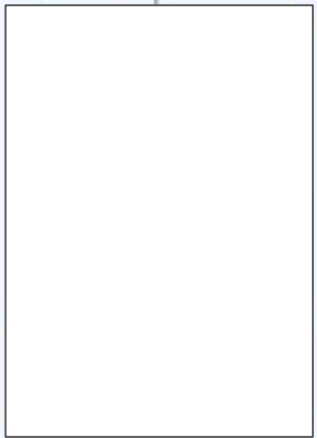
ACTIVATION

ENGAGEMENT

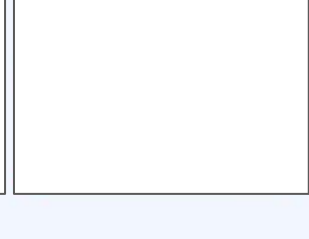
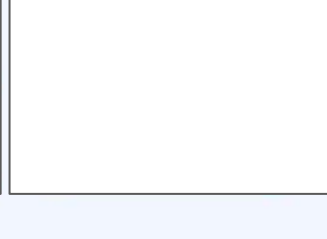
RETENTION

BUSINESS

L1 METRICS



L2 METRICS



# **Product Analytics Tooling**



# **What you need to consider when selecting a product analytics tool**

Does the tool go beyond website and marketing analytics?

Does the tool provide real product analytics?

Can Product Managers and other stakeholders work with it?

Does the tool allow easy access for everyone in your organisation?

# Welcome to Google Analytics

Google Analytics gives you the free tools you need to analyze data for your business in one place, so you can make smarter decisions.

Start measuring

## Complete information

Understand  
check the  
content, p

**Great for Marketing Analytics but hard to use for Product Analytics**

## Get insights only Google can give

Access Google's unique insights and machine learning capabilities to make the most of your data.

## Connect your insights to results

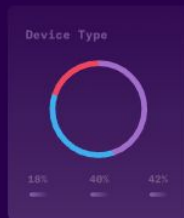
Analytics works with Google's advertising and publisher products, so you can use your insights to deliver business results.



# A Smarter Approach to Product

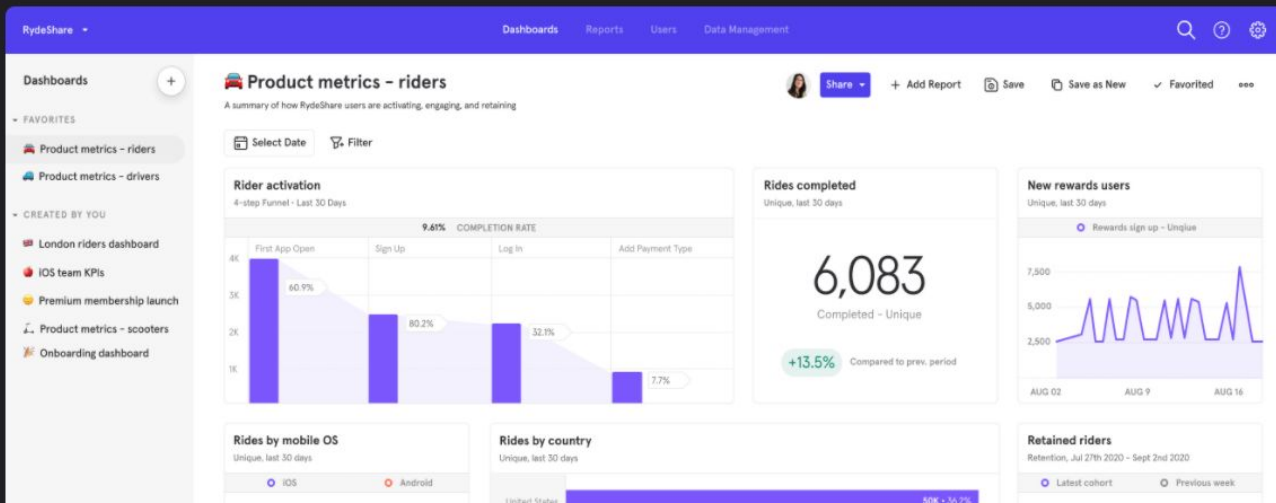
Heap is an analytics platform that helps product, marketing, and customer success teams craft exceptional digital experiences that convert and retain users.

We give you all of your customer data — automatically — and the tools to turn that data into action.

[Free Trial](#)[Get Demo](#)

# Build Better Products

Powerful, self-serve product analytics to help you convert, engage, and retain more users.

[Watch Demo](#)
[Sign Up](#)


## Dashboards



## FAVORITES

Product metrics - riders

Product metrics - drivers

## CREATED BY YOU

London riders dashboard

iOS team KPIs

Premium membership launch

Product metrics - scooters

Onboarding dashboard

Popular Dashboards

Recently Modified

All Dashboards

Collapse

## Product metrics - riders

A summary of how RydeShare users are activating, engaging, and retaining



Share

+ Add Report

Save

Save as New

Favorited



Select Date

Filter

## Rider activation

4-step Funnel - Last 30 Days

9.61% COMPLETION RATE



## Rides completed

Unique, last 30 days

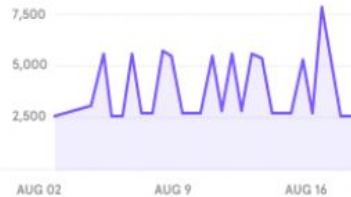
6,083

Completed - Unique

+13.5% Compared to prev. period

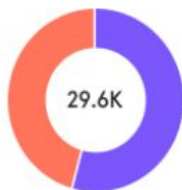
## New rewards users

Unique, last 30 days

 Rewards sign up - Unqlue


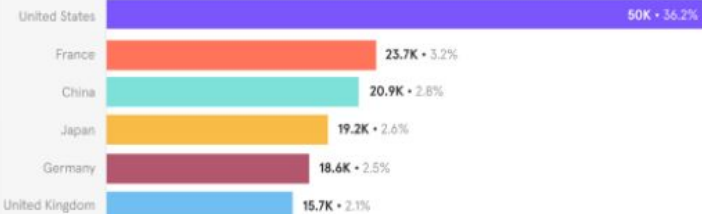
## Rides by mobile OS

Unique, last 30 days

 iOS
  Android


## Rides by country

Unique, last 30 days

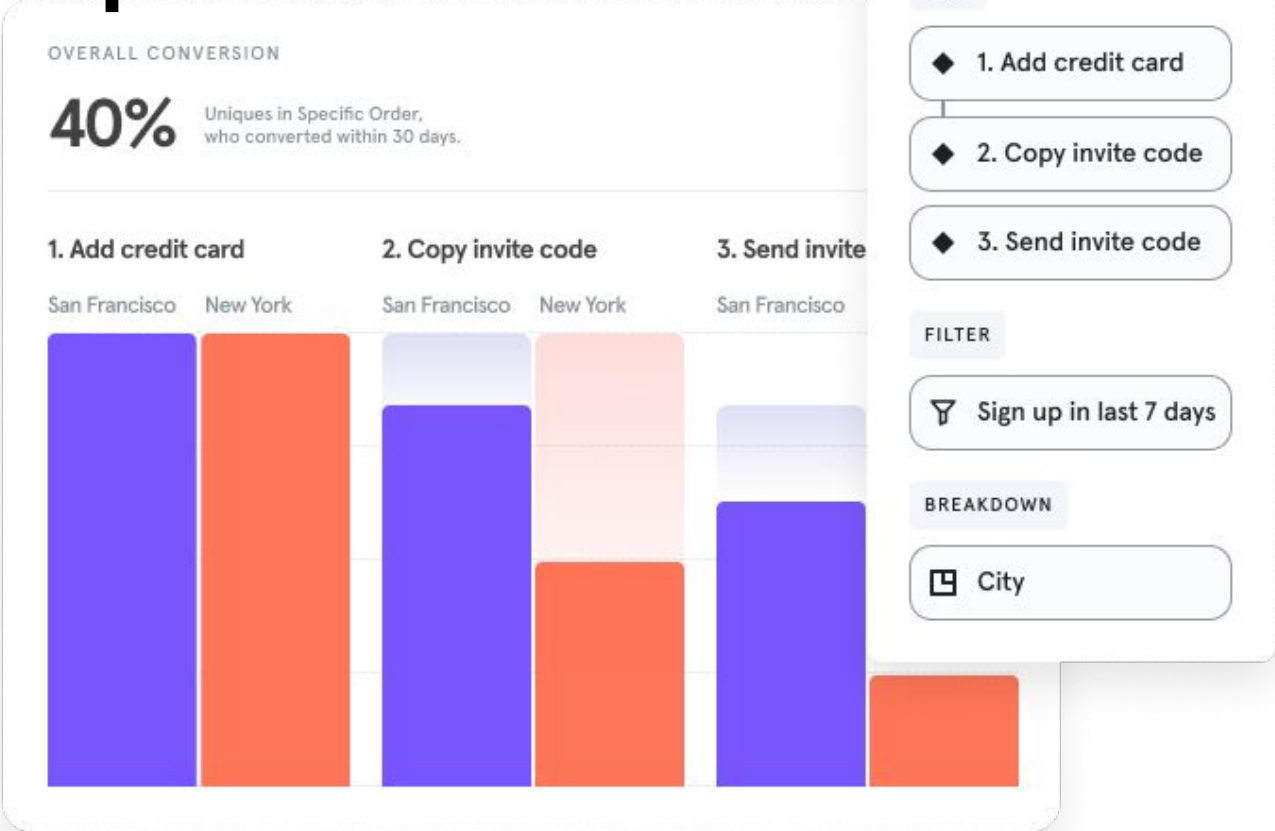


## Retained riders

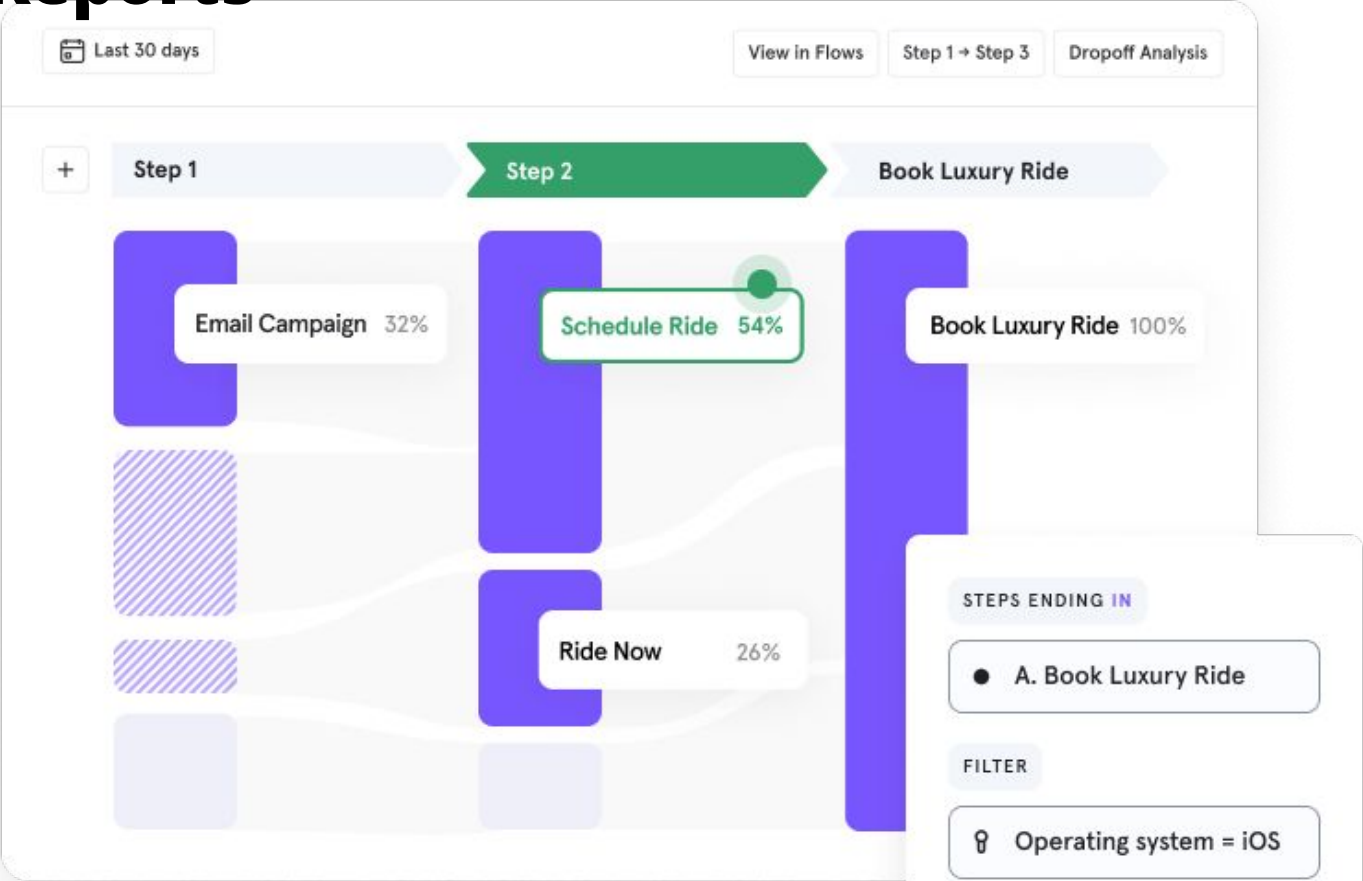
Retention, Jul 27th 2020 - Sept 2nd 2020

 Latest cohort
  Previous week


# Funnel Reports



# Flow Reports





# Retention Reports



# Launch impact

Launch impact on Complete ride

Premium membership has a **statistically significant** effect on **Complete ride**.

On average, adopters of **Premium membership** did **1.1 (33.88%)** more **Complete ride** events per day than non-adopters.

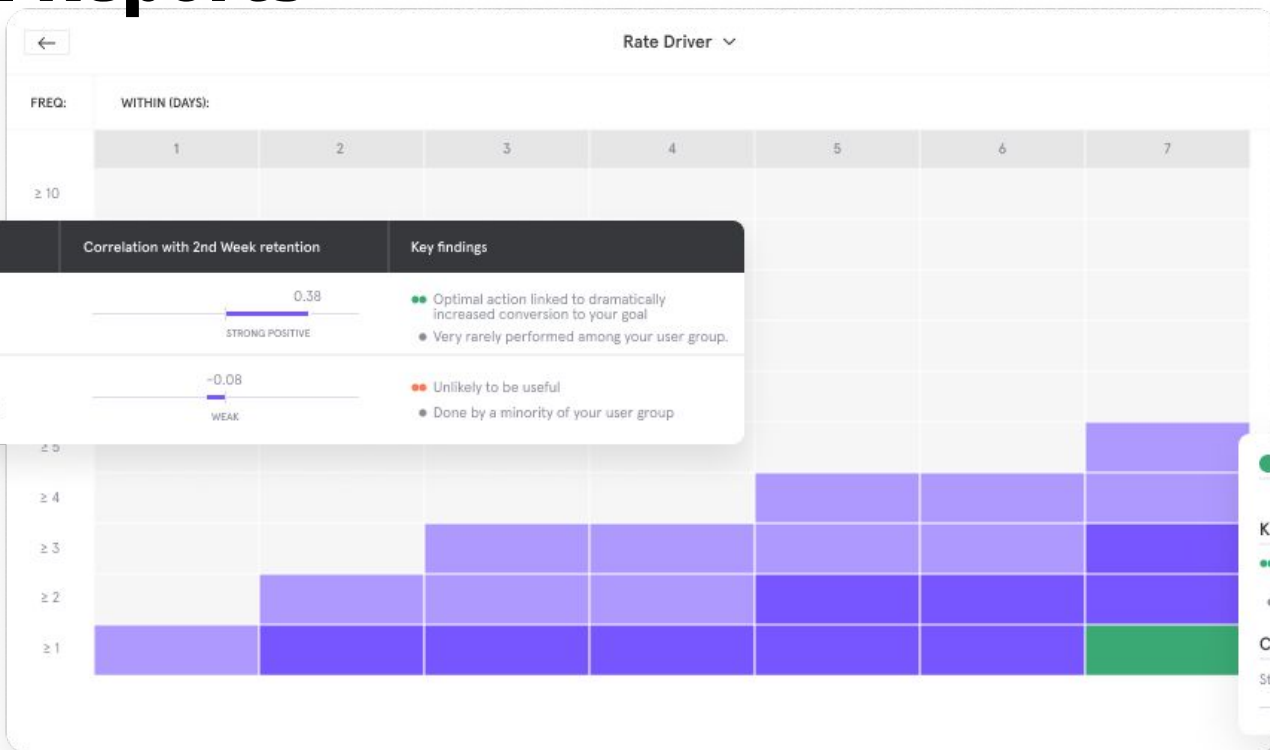
31 days before and after

Causal Impact



Goal Event	ATE	95% CI	ATT	95% CI	Adopters	Adopter Avg	No		
Complete Ride	1.1	0.85, 1.3	1.1	1.07, 1.12	22,391	N/A	342,574	N/A	N/A

# Signal Reports



Correlation event	Correlation with 2nd Week retention	Key findings
<b>Rate driver</b> Just once within 7 days.	0.38 STRONG POSITIVE	<ul style="list-style-type: none"><li>Optimal action linked to dramatically increased conversion to your goal</li><li>Very rarely performed among your user group.</li></ul>
<b>Share invite code</b> No strong correlations found	-0.08 WEAK	<ul style="list-style-type: none"><li>Unlikely to be useful</li><li>Done by a minority of your user group</li></ul>

**OPTIMAL ACTION**

Just once within 7 days.

**KEY FINDINGS**

- Optimal action linked to dramatically increased conversion to your goal.
- Very rarely performed among your user group.

**CORRELATION**

Strong positive 0.38

**Let's summarize**

**PRODUCT**  
**COLLECTIVE**

“Every product person wants to make data-driven decisions. But to do so, you must have the **right data**, ask the **right questions**, and use the **right tools**. That’s having true product analytics maturity”

Mike Belsito  
Co-Founder, Product Collective

# **Make it a habit**

Make data-driven decision making part of your product culture.

# **Start now**

The later you start with collecting data the harder it will get.

Start simple with a few data points but start now.

# **Fina call to action**

Please give feedback.

Get in touch if you want to learn more and  
get Key Experience indicators into place for your product.



**Thank you for  
attending!**