

# Module 211: Product Metrics for Digital Companies – Course Description

## Description

This module will help you work with your prospective investments and portfolio companies to design, discuss, and analyze the core product metrics to help drive company success.

## Overview

With websites, people are somewhat familiar with old concepts like hits, and modern metrics like monthly visitors. For web apps, where success is customers adopting the product and using it over time, how do you set up a framework for tracking the metrics that matter?

In the context of being an angel investor in digital companies building web apps and other digital products, how do you work with founders to design metrics to help guide them to business success? For potential investments, how do you ask for and review product metrics as part of the due diligence process?

Explore frameworks such as Pirate Metrics — Acquisition, Activation, Retention, Revenue, Referral — and discuss the role of sales pipeline tracking for larger business SaaS sales.

Google Analytics are fine for content-based websites, what are the best tools for SaaS product instrumentation? Discuss usage of Intercom, Mix Panel, or Heap Analytics to get the business and product focused metrics you need to make decisions.

Finally, since revenue is a trailing indicator of success, go beyond MRR and design a set of product metrics to be discussed and reviewed with your investee companies on a regular basis.

## Learning objectives

By the end of this module the student will be able to:

- Understand product metrics beyond web analytics, and how they differ
- Use Pirate Metrics and other frameworks to discover and design product metrics for digital businesses
- Have an overview of tools available for implementing product metric tracking
- Understand how sales pipeline tracking intersects with product metrics
- Work with investee companies to agree on metrics to be tracked and reviewed on a regular basis

## Prerequisites

No specific prior knowledge around metrics for products. General understanding of business flows and web applications.

## Pedagogy

A mix of panel discussions, exercises, and instructor-led group discussions will predominate the methods used in this module.

## Detailed topics

This module will cover:

- What is the product, how do the customers flow through it?
- How do you verify the customers?
- Web analytics, vanity metrics, product metrics
- Usage of Product metrics
- Pirate metrics
- Sales Pipeline Tracking
- Setting Goals from Metrics
- Identifying the metrics that matter
- Identifying balance

## Assignments

Online self-assessment exercises will confirm the ability of independent studies students to (1) connect with local ecosystem partners, (2) quickly screen an investment opportunity, (3) understand the primary elements of a term sheet, and (4) identify potential investment exit paths.

## Schedule

Two 1.75 hour blocks, corresponding to the topics above. Includes 3-4 panelist presentations from NACO partners and investors and is moderated by an Angel investor lead developer. Offered regionally once each year as a single session.

## Student Prep Work

None required.

## Delivery Infrastructure Required

A seminar room with capacity for 36 students, at six circular tables of six. Standard PC projection equipment, plus whiteboard. Instructor notes. Workbook with slides, glossary of investment terms, quick-screening rubric form, example term sheet with explanatory annotations, readings, exercises. Online discussion board for session cohorts to keep in touch after the session to share challenges, learning experiences.