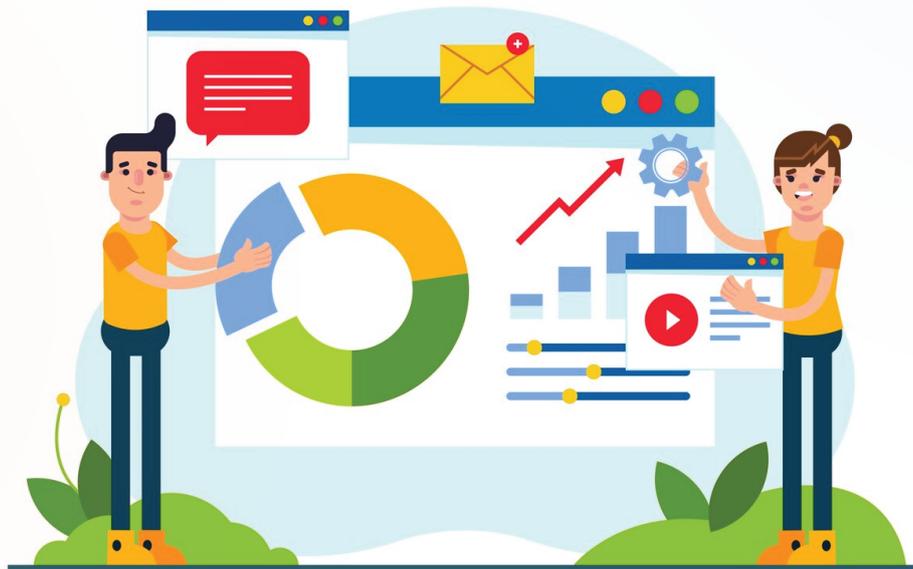# The Saas Metrics
Cheat Sheet

Welcome back to the Saffron Edge Metrics Master Cheat Sheet for Effective Online Advertising. As a top supplier of digital marketing services, we understand how critical it is to monitor key performance indicators (KPIs) in order to spur growth and accomplish corporate goals. To stay ahead of the competition and make wise decisions, organizations need to use data to gain actionable insights in today's dynamic digital environment.

Your go-to resource for learning about and utilizing key performance indicators (KPIs) in all areas of digital marketing, such as customer acquisition, engagement, retention, and growth, is this thorough book.This resource provides you with the information and resources you need to properly assess, evaluate, and optimize your efforts, regardless of your level of experience in marketing. Whether you're a novice navigating the intricacies of online advertising campaigns or an experienced marketer trying to improve your tactics.

Together with our knowledge and your dedication to becoming an expert in these measurements, you will be well-positioned to advance your business, produce noteworthy outcomes, and eventually find lasting success in the digital sphere. Let's work together to make the most out of your digital marketing campaigns!

Customer Acquisition Metrics

- ## Customer Acquisition Cost (CAC)

Total Sales and Marketing Costs / Number of New Customers Acquired

Importance : Measures efficiency and cost-effectiveness of acquiring new customers

- ## Annual Contract Value (ACV) vs. CAC

Total Annual Contract Value of All Customers / Number of Customers

Importance : Compares revenue generated per customer to cost of acquiring them

- ## Months to Recover CAC

CAC / (MRR from a New Customer)

Importance : Calculates time to recoup acquisition cost through monthly recurring revenue

- ## Lead-to-Customer Rate

Number of Paying Customers / Number of Leads Generated

Importance : Measures effectiveness of converting leads into paying customers

Engagement Metrics

- ## Daily Active Users (DAU) and Monthly Active Users (MAU)

Importance : Measures user engagement and identifies usage patterns

- ## Customer Engagement Score (CES)

Importance : Provides holistic view of customer engagement and satisfaction

Retention Metrics

- Customer Churn Rate

(Number of Customers Lost / Total Number of Customers) x 100

Importance : Measures percentage of customers lost over a period

- Revenue Churn Rate

(Revenue Lost from Churned Customers / Total Recurring Revenue) x 100

Importance : Measures revenue lost from churned customers

- Net Revenue Retention (NRR)

(Recurring Revenue at End / Recurring Revenue at Start) x 100

Importance : Measures retained revenue from existing customers

Growth Metrics

- Annual Recurring Revenue (ARR)

Number of Paying Customers x Average Revenue per Customer per Year

Importance : Predicts annual recurring revenue from existing customers

- Monthly Recurring Revenue (MRR)

Number of Paying Customers x Average Revenue per Customer per Month

Importance : Tracks recurring revenue generated monthly

- Customer Concentration

(Revenue from Top X% of Customers / Total Revenue) x 100

Importance : Evaluates revenue dependency on top customers

- Customer Monthly Growth Rate (CMGR)

(New Customers / Total Customers at Start of Month) x 100

Importance : Measures rate of acquiring new customers

- Net Promoter Score (NPS)

Percentage of Promoters - Percentage of Detractors

Importance : Measures customer loyalty and satisfaction

Economic Metrics

- **Gross Margin**

((Revenue - COGS) / Revenue) x 100

Importance : Measures profitability of the business

- **Customer Lifetime Value (CLV or LTV)**

Average Revenue per Customer x Average Customer Lifespan

Importance : Predicts total value generated by a customer

- **CAC-to-LTV Ratio**

CAC / LTV

Importance : Measures cost of acquiring a customer compared to their lifetime value

- **Burn Multiple**

Cash Balance / Burn Rate

Importance : Evaluates financial health and runway of the business

- **Hype Ratio**

(Media Coverage + Social Media Mentions + Search Volume) / Revenue

Importance : Measures public interest versus financial performance