Hi everyone 👋

Product Analytics

This course is designed for product leaders who want to grow their understanding of product analytics and bring data-driven practices to their own work, their team's operating model, and their company's culture.

pendo × mind the PRODUCT

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Product analytics

The act of capturing and analyzing how users interact with a digital product.

Why it is important?

Product team’s goals:

Product teams are usually tasked with two important objective

01. Understanding users and their problems

02. Recognizing the business goals

Question to ask

01 Are we building the right products and features that users want?

02 What is blocking users from getting value from our products?

03 How can we make sure our users are successful with our producs?

04 How can we add value to the product that users are willing to pay?

“Improving your product start with understanding how users are engaging with it”

Engineering team

Engineers can use product data to **identify** quality issues or product bugs, and then to **prioritize** which issues to address.

Sales team

Sales teams can use product data to **identify users prime for upgrades**, based on how they're currently engaging with the product.

Marketing team

Marketing teams can use product usage data to identify power users who they can reach out to for **testimonials**, case study and speaking opportunities.

Customer success team

customer success teams can use product analytics to identify where users are **getting stuck** and **proactively address issues** and stay ahead of them

Glossary

Event

An action a user takes within a software product.

Segment

A subset of software users that share a common characteristic, or multiple common characteristics.

Product Adoption

Measures when Users understand your product's value and perform certain actions, like engaging with key features.

Engagement

Tracks how users interact with an application ath the most granular level

Cohort

Another way to describe a subset of your user base, usually with a time component.

Path Analysis

Allows you to visualize what users are doing before or after using a specific page or feature in you application.

Retention

Measures the percentage of users or customer accounts still using your product after they initially install or start using it

Acquisition

In the world of software, refers to the process of gaining new users of your product.

Funnel Analysis

Allows you to measure how customers move through a defined series of steps in you application,

Questions you can ask of Product Analytics

01 How many active users do I have today, and in the last week and month?

02 How do users explore my product?

03 Which feature do users engage with the most?

04 Are users finding important parts of the product quickly and easily?

05 Is usage of key features increasing or decreasing over time?

06 Which features and pages are users having trouble with?

07 Which features and pages do users ignore?

08 How frequently are active users coming back into the product?

09 How many users continue using the product in the first few month of usage?

10 How many users who interact with a key feature come back?

Metrics
and It’s frameworks

Metrics

A standard of measurement by which efficiency, performance, progress, or quality of a product can be assessed.

Types of Product Metrics

Business Outcomes

Net Revenue

Average Order Value

Product Usage

Feature adoption

Engagement

Product Quality

response time

bug per feature

KPI (Key Performance Indicators)

Are we ok?

A longer term view of performance, and typically a set of numbers that you can consistently watch over time.

OKRs (Objectives and Key Results)

What are we focused on right now?

Consist of an objective and three to five supporting key results.

North Star Metric

Does what we are working on contribute to our primary metric?

A single metric that is an indicator of achieving user value over a period of time

Check Metrics (Balance Metrics)

Will focusing too much on this one metric have drawbacks?

Metrics you track to ensure you are not over-indexing on any one metrics and causing unintended negative consequences.

Product Analytics in practice

01 Find and choose aha moments

02 Inform prioritization decisions

03 Track adoption of new features

04 Identify friction

05 Sunset features and products

Aha moments

When a users recognize the distinct value of your product and become committed for the long haul.

Facebook

When a user connect with 7 friends in the first 10 days

Slack

When teams send 2,000 message

Dropbox

When users save one file in one folder on one device

01 Find and choose aha moments

02 Inform prioritization decisions

03 Track adoption of new features

04 Identify friction

05 Sunset features and products

Prioritization

Product analytics allows you to prioritize base on what users actually use and value the most.

Tactic #1

Prioritize feature requests based on product usage

Tactic #2

Cross-reference feedback and requests with usage

01 Find and choose aha moments

02 Inform prioritization decisions

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04 Identify friction

05 Sunset features and products

Adoption

The best product teams know that what they deliver is only as valuable as what's actually used by their customers.

Tactic #1

Improve adoption for users who have already engaged with a feature.

Tactic #2

Improve adoption for users who have not engaged with a feature.

01 Find and choose aha moments

02 Inform prioritization decisions

03 Track adoption of new features

04 Identify friction

05 Sunset features and products

Frictions

Anything that gets in the way of a user's ability to achieve their objective or job to be done.

Interface copy that doesn't make sense

Pages where the next action isn't obvious

01 Find and choose aha moments

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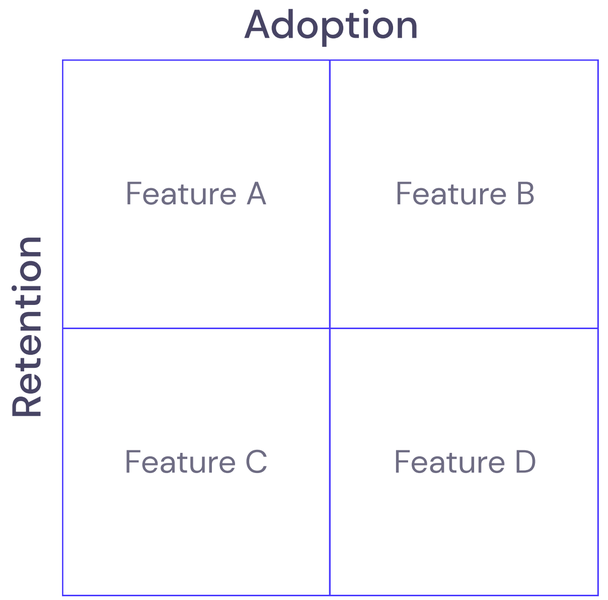
03 Track adoption of new features

04 Identify friction

05 Sunset features and products

Feature sunset

Sometimes the most strategic move your team can make is to remove a feature from the user interface or retire a product entirely.



Feature B

Potential for Aha moment

Feature C

Potential for feature sunset

Thank you!

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