Crush 10 common KPIs for your web application or website

BY STREAMLINING USER FEEDBACK COLLECTION AND MANAGEMENT.

userback

Hi, we're Userback and we're on a mission to help product managers, software teams and developers better understand what your users need, so you can build better products... faster!

In this short guide we highlight how you can crush 10 common KPIs for your web application or website by streamlining user feedback collection and management.

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Introduction

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Building great web applications and websites is getting tougher by the day. The pressure is on product managers to deliver better products in less time.

From figuring out what customers need to designing the features and functionality that will meet those needs; from setting realistic goals then mapping out a realistic plan to getting there (and keeping it on track)... you're days are spent trying to turn business vision into reality.

Your success and many of your key performance indicators (KPIs) depend on how users engage with your product. If you want to meet those KPIs you need to understand your users and build something that they'll actually use (and delivers value back to the organization).

And if things weren't complicated enough already, hitting those KPIs isn't just about individual performance. It's about how well your whole team can pull together to build a great product at speed.

And that means you have to have a solid feedback loop to inform your decisions, unite your squad, keep everyone focused and make sure you're actually meeting user needs.

Despite all that, a lot of companies still don't have a dedicated feedback loop or purpose-built workflow to help them hit those KPIs. They're using fragmented tools and disorganized processes to collect and prioritize user feedback.

When it's not done well, instead of adding value to the product development lifecycle, trying to collect and action user feedback can become a burden that slows everything down.

> "When user feedback gets in a knot the velocity of your product development can be impacted because you lose clarity on user preference. Much worse is that you may build the wrong things. Product teams need to become focused on driving customer outcomes. Failure to deeply understand users means that R&D investment isn't aligned with customer outcomes. This is a profound business risk."
>
> **Karl Rumelhart • Chief Product Officer and Executive Vice President of Engineering @ Gainsight**

Let's fix that, shall we? We've put this guide together to make sure you see how user feedback can help you meet your KPIs!

In our experience, when it comes to developing web applications, how well you can manage user feedback is a game-changer. Since 2016 over 20,000 product management and software development teams have been using our platform and what we love most about their feedback is that it's a two-for-one deal! Not only does user feedback help measure KPIs, it also gives you the actionable insights you need to address them.

> *"User feedback is the lifeblood of our own product development lifecycle.*
> **Jon Tobin • Founder & CEO @ Userback**

When you manage user feedback well, it can do wonders for your product. You can validate your ideas, optimize product-market fit, refine your roadmaps, prioritize features and fix bugs. You can deliver greater value with greater insight, impact, and efficiency. It's all about making the most of what you've got, and user feedback is a goldmine if you know how to use it.

The difference between users and customers
You may have heard the words 'customer' and 'user' thrown around like they're the same thing, and maybe even you use them interchangeably yourself. But, there is a difference between the two. Customers are the folks who pay for your product or service. Users are the ones who actually interact with and use it. Often the customer is also the user, especially when you're selling to individuals. But in some cases, like in business or education, the customer could be someone who's buying for a whole bunch of users who won't necessarily use the product themselves.

CRUSH KPI #1

User Acquisition Rate

How many new users are signing up and how quickly?

User Acquisition Rate

How many new users are signing up and how quickly?

HOW USER FEEDBACK CAN HELP

- Leverage user success stories to market to prospects.
- Identify and remove friction and barriers in sign-up process.

User acquisition is about more than just getting lots of people to sign up for your product. It's about doing it quickly and reducing the points in the process where they may walk away without signing up.

Now, here's where user feedback comes in handy. You can use positive feedback from your existing users (think comments, stories, reviews) in your marketing to show potential customers the value of your product. It's all about highlighting the benefits and letting people see how your product can make their life or work better.

But that's not all. User feedback can also help you identify any friction in your sign-up process that's slowing things down:

- Are people struggling with your demo?
- Is your sign-up process too complicated?
- How do people feel about providing their credit card details for a free trial?

When you use user feedback to identify and remove those barriers, you can accelerate and optimize your user acquisition rate. It's all about making things easy, fast, and frictionless for your potential customers.

CRUSH KPI #2

Average Revenue Per User (ARPU)

How much are users spending on your product?

Average Revenue Per User (ARPU)

How much are users spending on your product?

HOW USER FEEDBACK CAN HELP

- Understand what it would it take for them to spend more or spend more frequently and how much they'd be prepared to pay.
- Create features that they are prepared to pay for!
- Identify areas of your product they may not be leveraging and direct them towards it.

OK, now you've got people using your product you need to ensure that they are generating revenue for your business. Capturing and monitoring user feedback helps you to:

- Understand what it takes for your users to spend more or spend more frequently, and how much they're willing to pay — then you can tailor your product and pricing to maximize revenue by giving people what they need at a cost they are prepared to pay.

- Know where your product isn't meeting user needs and expectations... and where you can create new features that they're willing to pay for. It's all about finding those sweet spots that make your users happy and keep the revenue flowing in.

- Identify those areas of your product that you worked so hard to create but now lie unused or underutilized. Then you can direct users towards them with guides and nurture campaigns designed to meet their specific needs, making the most of what you've already got to maximize revenue per user.

So, if you want to create or increase your revenue opportunities, you need to tune into your users to know what they want, understand how they behave and deliver what they need.

CRUSH KPI #3

Feature Adoption Rate

How quickly are users adopting new features in your product?

Feature Adoption Rate

How quickly are users adopting new features in your product?

HOW USER FEEDBACK CAN HELP

- Know features meet genuine user needs.
- Know which specific users or type of users will benefit the most.
- Remove barriers and bottlenecks to onboarding and adoption.

So you've built a killer new feature or piece of functionality (at least you think so). But now comes the hard part: getting people to use it.

And user feedback can help you identify any barriers or bottlenecks in the adoption process. For example:

- Are users having trouble finding the new feature?
- Do they understand how it adds value to their experience?

And once they start using the feature, you can leverage positive user feedback (as if there's going to be any negative feedback, right?) in your marketing and onboarding communications to encourage others to try it out. It's all about building that momentum and getting people excited about any exciting new functionality you have to offer.

By collecting and evaluating user feedback, you can quickly identify and remove any barriers or bottlenecks in the adoption process. It's all about making it easy and intuitive for users to maximize the value they get from your product as quickly as possible.

CRUSH KPI #4
Product Usage & Engagement Rate

Are users actively engaging with the product on a regular basis?

Product Usage & Engagement Rate

Are users actively engaging with the product on a regular basis?

HOW USER FEEDBACK CAN HELP

- See if users are completing desired actions or goals, such as purchase, sign up or any other action.
- Know features meet genuine user needs.
- Know which specific users or type of users will benefit the most.
- Remove barriers and bottlenecks to onboarding and adoption.

Yippee... you've got uers for your product or new feature. But that's only half the story!

Having used it once or twice you need to understand whether or not they will continue using the product or specific feature, and those insights start with questions like:

- Was it easy for them to find the feature?
- Was it intuitive?
- Did it add value?

- Will they use it again (and again, and again, and again...)?
- If not, why not?

If you want to maximize your feature adoption rate you need to know the answers to these kind of questions.

It's all about making it easy and intuitive for users to get the most out of your product.

CRUSH KPI #5
Retention, Churn & Refund Rates
Are users and customers actually sticking around?

Retention, Churn & Refund Rates

Once they are signed up, are users and customers sticking around?

HOW USER FEEDBACK CAN HELP

- If users are leaving, understand why they are leaving.
- Understand if users are getting value and, if not, why not.

You may have managed to acquire a gazillion new users, but if they're leaving just as quickly, well that spells trouble. Retaining those users and reducing churn is critical to your success. And guess what? Your new best friend, user feedback, can help you identify why people are leaving your product and how you can hold on to them!

By capturing their feedback as they leave, you can understand where you're falling short and what you need to do to improve the user experience and increase loyalty (and hopefully revenue too).

Maybe another product delivers greater value, or maybe you're failing to meet their needs. Whatever the case, user feedback can shed some light on the situation.

But here's the thing: you need to act on that feedback quickly if you want to minimize the damage. This is especially important if you offer refunds to customers who leave before their subscription cycle is up. You don't want to hemorrhage money because of a high churn rate.

So, listen to your users to understand why they're leaving and to do what it takes to increase retention and reduce refunds. It's all about using that insight to make your product better and keep your users happy.

Reactivation Rate

How often are dormant
users coming back?

Reactivation Rate

How often are dormant users coming back?

HOW USER FEEDBACK CAN HELP

- Understand what it is that motivates them to return.
- Know what you can be doing to increase this rate?

Sometimes users sign up for your product and then...

...nothing.

They're not using it, they're not engaging with it, they're just there. It might be that they've forgotten about you or perhaps the person in a business who signed up has left and the subscription keeps ticking over.

And that's not good because they are called 'users' for a reason, after all!

Sure, you might be getting some revenue from those inactive accounts, but that revenue is based on someone else's inaction rather than your brilliant ideas or action. And that's not sustainable (or particularly rewarding) in the long run.

So, what do you do? You need to identify those dormant users and get their feedback as to why they're inactive. Maybe they've forgotten about you, or maybe the person who signed up for your product has left the company. Whatever the reason, you need to find out so you can reactivate their engagement.

And here's the kicker: the insights you gain from reactivating those dormant users can be used to reactivate others. Maybe it's as simple as reconnecting with them, or maybe you need to communicate new features or offer some kind of incentive to get them going again. Whatever it takes to reactivate that engagement, do it.

Resolution of Bugs & Defects

How often do issues pop up and how quickly are they fixed?

Bug & Defect Resolution

How often do issues pop up and how quickly are they fixed?

HOW USER FEEDBACK CAN HELP

- Understand exactly what was happening and provide developers with the background information they need to fix it.

Bugs happen. It's a fact of life for every digital product out there. But here's the thing: how you handle those bugs says a lot about the reliability and quality of your product.

So, what do you do? You need to identify those issues, get them fixed fast, and minimize any impact on your users and your business. User Acceptance Testing (UAT) and bug reports are your two main sources of feedback for identifying those pesky bugs.

And here's the kicker: when users can provide visual and contextual feedback, your developers get all the background

information they need to understand exactly what's happening and fix it fast.

When you include your users in the loop and acknowledge their feedback you develop a closer relationship with them. This can help to boost other performance measures like retention rates and average revenue per user.

So don't let those bugs fester! Find them, fix them and keep your users happy. And if you want to streamline your User Acceptance Testing and bug fixing, check out Userback.

Product-Market Fit Score

How well does your product
match the needs of your users?

Product-Market Fit Score

How well does your product match the needs of your target market? Is it increasing or decreasing over time?

HOW USER FEEDBACK CAN HELP

- Figure out where the differences are and what needs to change to fix them.

Product-Market Fit is the holy grail of creating something that people really want and are willing to pay for. But what many people don't appreciate is that Product-Market Fit is not a static end point. It's a constantly moving target that requires regular engagement with your users.

That's where effective user feedback management comes in. By managing the user feedback lifecycle, you can identify any barriers or friction that may be preventing you from reaching that optimal product-market fit. And in case you're wondering, there will be barriers and friction. It's just part of product development (and part of life)!

To keep up, you need to regularly engage with your users and learn what they like or dislike about your product. And when you do, you need to be able to act quickly to make the necessary updates to stay ahead of the competition and keep your users and stakeholders happy.

If you don't want to just sit there and hope for the best, then engage with your users, use [Userback](#) to streamline that feedback lifecycle and keep punching for that ever-elusive Product-Market Fit. It's worth the effort!

CRUSH KPI #9

Customer & User Satisfaction

Are users satisfied and what is it they'd recommend to others?

Customer & User Satisfaction

Are users satisfied with your product and what is it specifically that they would recommend to others?

HOW USER FEEDBACK CAN HELP

- Know what makes users happy to increase user loyalty.
- Understand areas where users are not getting what they need.

This is arguably the most important metric when it comes to user engagement: customer satisfaction.

It's the measure of whether your users are happy with your product and would recommend it to others. It's not just some fluffy, feel-good metric — it's the real deal and can make or break a product. Typically, customer satisfaction is measured by your Net Promoter Score® (NPS) or your Customer Satisfaction (CSAT) score.

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When it comes to measuring and improving your customer satisfaction score, user feedback is critical as your CSAT and NPS highlight what makes your users happy and enables you to target areas where their needs are not being met and to update your product, address users' pain points and ultimately make them happier.

Like Product-Market Fit, Customer Satisfaction is not a static end point. You can't just call it a day once you get a great score. You need to keep moving and improving — and your users will thank you for it.

Product Roadmapping

Is your roadmap effective and can you keep it on track?

Product Roadmapping

Does your product roadmap address user needs and how well are you able to complete roadmap items?

HOW USER FEEDBACK CAN HELP

- Ensure roadmap meets genuine user needs and prioritize them so you focus on items that add most value.
- Fix issues and introduce functionality faster with detailed bug reports and feature requests.

As a Product Manager, the product roadmap is your baby! It outlines your vision for the product and how it will meet your users' needs.

Like any good plan it needs to be flexible and should be a living, breathing document that is informed by user feedback.

The more able you are to effectively collect and manage user feedback, the more effectively you can keep your product

roadmap on track, meet genuine user needs and prioritize the features, fixes and functionality that add the most value.

If you're able to make that roadmap publicly available to your users, you can deepen your relationship with them. And when you allow your users to have their say in what features and functionality you should prioritize, you're essentially bringing them in as partners in the development of the product. This gives them a sense of shared ownership and can significantly assist you in meeting many of the KPIs listed above.

And if you're continuously monitoring qualitative and quantitative user feedback you'll gain a better understanding of your product's performance and how users are interacting with it. With this knowledge, you can make more informed decisions about roadmap items and user experience optimization with confidence.
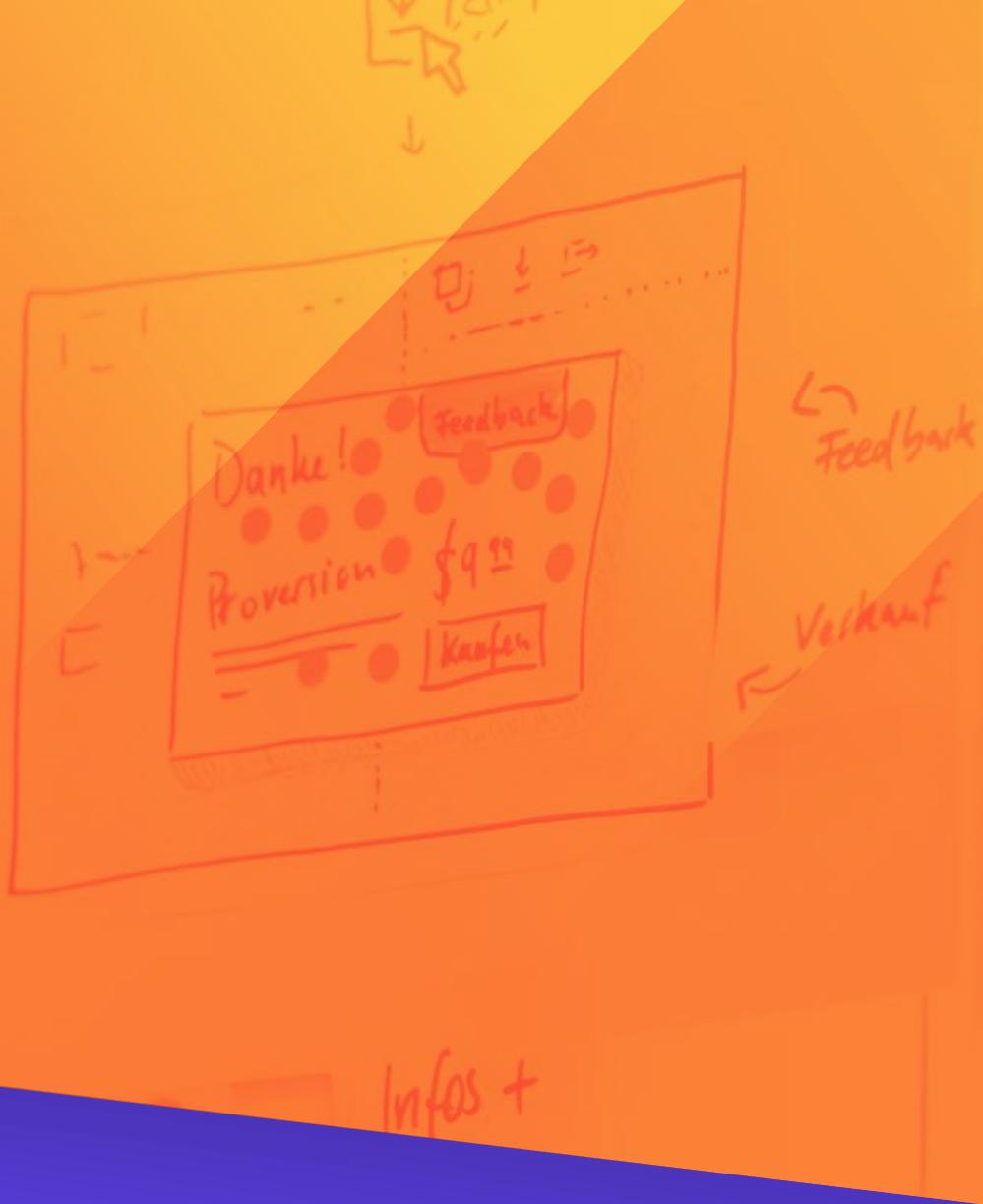
Summary

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KPIs and user feedback are increasingly becoming entwined. As a product manager there are many performance metrics that you need to meet. A lot of your ability to effectively measure or improve these KPIs is connected to your ability to manage user feedback effectively.

About Userback

Userback is a market-leading user feedback platform helping 20,000+ software teams to understand what customers need so they can build better web applications, faster.

Userback streamlines and automates the realtime in-app collection, evaluation and management of visual feedback and contextual surveys. Userback can be used standalone or seamlessly integrated into existing business workflows to allow product managers and developers to validate ideas, optimize product-market fit, refine roadmaps, prioritize features, fix bugs and deliver value with greater insight, impact and efficiency. Founded in Australia in 2016, Userback is backed by Craft Ventures.

Start with a free 14 day trial at userback.io/sign

Thanks for reading

We hope you enjoyed
this Userversity Guide.

To learn more about how user feedback
can help your business visit userback.io

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