AARRR Framework. Worksheet for SaaS Companies & Startups.

Full guide to the AARRR Framework: https://www.designwithvalue.com/aarrr-framework

	Acquisition How can we make customers find us?	**Activation** How can we turn acquired customers into active customers?	**Retention** How can we keep customers coming back to us?	**Referral** How can we get customers to recommend our service?	**Revenue** How can we turn free customers into paying customers?
Ask yourself	· What keeps our customers up at night & what motivates them to solve their problem? · What's the desired future state for our customers? · How much are the customer acquisition cost per marketing channel? · How many customers can we reach with this marketing channel? · Are we getting the right customers?	· How can we provide an exceptional customer experience? · How fast can customers find value in our service? · What do customers value most in our service? · What steps would an ideal customer take? · What behaviors correlate with customer retention? · What does activation mean for us?	· How long are customers active? · How long are customers using our service? · What does customer retention mean for our service? · What is most valuable to our customers?	· What incentives would customers need to invite friends? · What do customers like most about our service? · At which point of their journey would customers most probably invite friends?	· How many customers become paying customers? · What is the average order value? · How many repeated customers do we have and how often do they buy?
Frameworks	**Personas** Identify your target audience **Bullseye Framework** Find the best marketing channel for your business **PVP Index** Identify the most promising market segment **Journey Maps** Identify customer touch points and the customer journey	**Personas** Identify what your target audience values most **Journey Maps** Identify the onboarding process	**Kano Model** Find out which features are most valuable to customers & which to implement next **Journey Maps** Identify the complete customer flow in your service	**Kano Model** Find out which features are most valuable to customers **Journey Maps** Identify at which point of their journey customers would most probably invite friends	**Kano Model** Identify which features make free customers paying customers **PVP Index** Identify the most promising market segment
Metrics to measure ● Recommended ● Nice to have	● Customer acquisition cost (per channel) ● Conversion rate ● Traffic driven to the website (per channel) ● Click-through rate ● Cost per click ● Dwell time on website ● Bounce rate ● Quality of leads	● Time to value ● Visitors to registration ratio ● Conversion rate ● How many customers used a crucial product feature? ● How many customers experienced the AHA moment? ● Drop off rate ● Dwell time on website + viewed pages	● Retention rate vs. churn rate ● Open rate of emails ● Click trough rate of emails ● Customer churn ● Month to recover CAC ● Average customer retention length (time people stay active customers) ● Net promoter score ● Infrequent logins	● Percentage of customers who refer friends ● Referred customers ● Percentage of total purchases by referred customers ● Lifetime value of referred customers ● Viral coefficient & viral cycle time ● Social media shares ● Sent invitations & successful invitations ● Positive reviews ● Net promoter score	● Customer lifetime value ● Customer acquisition cost ● Monthly recurring revenue ● Revenue churn ● Average order value per customer ● Repeated purchases ● Expansion revenue ● How many free customers become paying customers?
Pro tip	Don't use all marketing channels Focus channels with the lowest customer acquisition cost and the highest return. Create a mechanism for free acquisition.	Get people fast to the AHA moment. Measure the key actions successful customers take. Create an exceptional onboarding experience.	Valuable emails or push notifications can have significant improvements on your retention rate. It's cheaper to retain customers than to acquire new customers.	Viral loops lead to massive growth & reduce customer acquisition cost. Use gamification and incentives to push referrals.	A good rule of thumb is a customer lifetime value to customer acquisition ratio of 3:1.

19 Marketing Channels to get traction for your SaaS Company | Startup

Full guide to every traction channel: www.designwithvalue.com/bullseye-framework

Social & Display Ads

Ads via social media or banner ads on websites.

Ask yourself

- Why should people care, why should they click?
- How can we stand out from the crowd?
- What content is most valuable for our customers?
- What platform are potential customers using?

Metrics

- Customer acquisition cost
- Conversion rate
- Cost per click
- Shares, likes, impressions

Offline Ads

Ads via TV, radio, magazines, newspaper.

Ask yourself

- What offline channels are potential customers using?
- How can we track the effectiveness of the channel?

Metrics

- CAC per channel
- Reach
- Conversion rate
- Quality of leads

Search Engine Marketing (SEM)

Purchasing ads on search engines to gain traffic.

Ask yourself

- What is most important for our customers?
- What conversation are our customers having in their mind?
- What is the overall goal of the campaign (Awareness, Traffic)?
- How much are we willing to invest to get a customer?

Metrics

- Click-through-rate
- Cost per click | Cost per mille
- Cost per acquisition
- Conversion rate

Search Engine Optimization

Optimizing your website to get organic traffic.

Ask yourself

- What are our customers searching for on Google?
- What keyword can we rank for that is relevant to customers?
- How many customers can we reach?
- What is our customers' search intent on Google?

Metrics

- Ranking position
- Click-through-rate
- Bounce rate & dwell time on website
- Conversion rate

Email Marketing

Sending emails directly to customers to drive sales or increase customer loyalty.

Ask yourself

- What email content is most valuable for our customers?
- What is the best time to reach customers via email?
- How can we differentiate from all the other email campaigns?

Metrics

- Email bounce rate
- Open rate
- Click-through rate | Click to open rate
- Conversion rate

Content Marketing

Creating content to pull your audience towards your business.

Ask yourself

- What content is most valuable to our audience?
- How can we stand out from the crowd?
- How can we make the natural leap to our products/services?

Metrics

- Shares, likes, impressions
- Dwell time & bounce rate on website
- Conversion rate

Targeting Blogs

Target blogs your customers read to get reach and traffic.

Ask yourself

- What blogs are our audience reading?
- What content would be most valuable to our audience?
- How many customers can we reach with this marketing channel?

Metrics

- Blog traffic
- Click-through rate
- Traffic & dwell time on website
- Conversion rate

Viral Marketing

Existing customers recommend your service to others.

Ask yourself

- What do customers like most about our service?
- What incentives do customers need to invite friends?
- At which point of their journey would customers most probably invite friends?

Metrics

- Net Promoter Score
- LTV of referred customers
- Sent invitations & successful invitations
- Viral coefficient & viral cycle time

Sales

Process of generating, qualifying and converting leads into customers.

Ask yourself

- To whom can we provide the most value?
- How can we shorten the sales cycle?
- What are the objections leads have before buying from us?
- How can we simplify the buying process for our leads?

Metrics

- Customer acquisition cost
- How many leads became paying customers?
- Expected lifetime value of different leads
- Quality of leads

Trade Shows

Show your product or service in person.

Ask yourself

- Who do we want to meet at the event?
- Where would potential customers expect us?
- How can we stand out from the crowd?
- How many customers can we reach at the event?

Metrics

- Quality of leads
- Click-through-rate (Marketing material)
- Conversion rate
- How many visitors became customers?

Offline Events

Running events to engage with prospective customers.

Ask yourself

- What topics does our target audience value most?
- How can we make the natural leap to our product/service?
- Who do we want to meet at the event?
- How many potential customers can we reach at the event?

Metrics

- No show rate
- Quality of leads
- Click-through-rate (Marketing material)
- How many visitors became customers?

Speaking Engagements

Giving talks or workshops to potential customers.

Ask yourself

- What is most valuable to our audience?
- What are the success criteria for our presentation?
- What do we want people to learn?
- What action do we want people to take?

Metrics

- No show rate
- Quality of leads
- Click-through rate (Marketing material)
- Conversion rate

Community Building

Creating a network of raving fans.

Ask yourself

- What is most valuable to our community?
- What benefits should people find in our community?
- How can a community complement our UX?
- How does success look like to us?

Metrics

- Total community members | New members this month
- Active vs Inactive members
- Engagements on posts (Likes, shares, comments)
- Member-posts

Affiliate Marketing

Commission based sales.

Ask yourself

- Which influencer/affiliate fits our company?
- Which affiliate has the right audience for our service?
- What conversion are we trying to achieve? (Traffic / Leads)
- How much are we willing to pay affiliates?

Metrics

- Traffic driven to the website
- Bounce rate
- Quality of leads
- Conversion rate

Business Development

Strategic partnerships with other businesses.

Ask yourself

- What critical milestones do we want to hit?
- Which partner can help us hit our milestone?
- What kind of partnership can help us hit our milestone?

Metrics

- Number of potential partners
- Quality of leads
- Lead conversion rate

Public Relations

Getting media coverage via newspaper or magazines.

Ask yourself

- What content has the best chance of getting covered?
- What kind of magazine do potential customers use?
- What success metrics are important to us?

Metrics

- How many customers can we reach?
- How many people will fit our customer profile?
- Conversion rate

Unconventional PR

Actions that bring publicity and build a strong positive brand image.

Ask yourself

- What publicity stunt would get the most media coverage?
- How can we turn customers into evangelists?

Metrics

- CAC for publicity stunt
- How many customers can we reach with this stunt?
- How many people will fit our customer profile?
- Conversion rate

Existing Platforms

Utilizing the traffic on established platforms.

Ask yourself

- What platform is our audience using?
- What app/extension is most valuable to our audience?
- Why should people download the app/install the extension?
- How can we make the natural leap to our product/service?

Metrics

- App/Browser extension downloads
- Engagement (Reviews and comments)
- Conversion rate

Engineering As Marketing

Building tools/widgets to draw customers to your brand.

Ask yourself

- What tool / widget would our customers most value?
- How many customers can we reach with this channel?
- What steps would an ideal customer take?

Metrics

- Traffic & dwell time on website
- Click-through rate
- Quality of leads
- Conversion rate

SaaS Metrics. Ultimate guide to key metrics that drive growth for your SaaS company.

Full guide to every SaaS metric: https://designwithvalue.com/saas-metrics

The Basics

Conversion Rate (CR)

The Conversion Rate is the percentage of customers that complete a desired goal

How to improve

- Design engaging call to action buttons
- Use trust signs (testimonials)
- Remove any unnecessary cluster
- Make sure you communicate your value
- Make it easy for your customers to reach their desired goal

Customer Acquisition Cost (CAC)

Customer Acquisition Cost describes the total amount you spend to acquire a customer

How to improve

- Use inbound marketing
- Use referral programs
- Improve the conversion rate for your service
- Use marketing automation
- Find marketing channels with a lower CAC

Customer Lifetime Value (CLV)

Customer Lifetime Value describes the total revenue generated by a customer over their lifetime

How to improve

- Raise your prices
- Reward people to upgrade
- Make upgrading to higher plans easy
- Create bundles that offer a discount for larger purchases
- Improve and expand your service

Month To Recover CAC

Month To Recover CAC shows you how long it will take you to recover your initial customer acquisition cost

How to improve

- Increase your prices
- Reduce CAC by finding more effective marketing channels
- Reward people to upgrade to higher plans
- Focus on expansion revenue through up-sells and cross-sells
- Reward people to use annual contracts

Customer Churn Rate

Customer Churn is when existing customers stop doing business with a company

How to improve

- Target the right audience for your service
- Provide an exceptional customer experience
- Provide value regularly
- Ask customers for feedback to improve your service
- Learn from churned customers

Gross Revenue Churn

Revenue that is lost because of subscription cancellations or failed renewals

How to improve

- Raise your prices
- Reward people to upgrade
- Make upgrading to higher plans easy
- Provide value regularly
- Improve and expand your service

Net Revenue Churn

Revenue that is lost due to subscription cancellations or failed renewals, modified by expansion revenue

How to improve

- Raise your prices
- Reward people to upgrade
- Make upgrading to higher plans easy
- Provide value regularly
- Improve and expand your service

Monthly Recurring Revenue

Monthly Recurring Revenue is the revenue a company expects to receive on a monthly basis

How to improve

- Raise your prices
- Reward people to upgrade
- Make upgrading to higher plans easy
- Provide value regularly
- Improve and expand your service

Annual Recurring Revenue

Annual Recurring Revenue is the revenue a company expects to receive on a yearly basis

How to improve

- Raise your prices
- Reward people to upgrade
- Make upgrading to higher plans easy
- Provide value regularly
- Improve and expand your service

Expansion Revenue

Expansion Revenue is the revenue that is additionally generated from a customers's initial purchase

How to improve

- Make upgrading to higher plans easy
- Reward people to upgrade
- Develop additional features based on your customer's needs
- Offer related products

Average Revenue Per User

Average Revenue Per User is the average revenue generated per user or unit

How to improve

- Incentivize people to upgrade to higher plans
- Make upgrading to higher plans easy
- Increase your prices
- Improve and expand your service
- Experiment with pricing plans

Daily Active Users (DAU)

Daily Active Users is the amount of unique visitors who interact with your service in a day

How to improve

- Provide value regularly
- Create a community around your service
- Use push notifications and regular, valuable emails

Viral metrics

Viral Coefficient

The Viral Coefficient represents the number of additional customers you get for each customer

How to improve

- Create an amazing user experience
- Design a mechanism for existing users to get more users
- Make sharing as easy as possible
- Reward people for inviting their friends
- Reward people for accepting the invitation

Viral Cycle Time

The Viral Cycle Time tells you how long it takes a customer to invite another customer

How to improve

- Show the value of your service as fast as possible
- Make sharing as easy as possible
- Reward users immediately when they share your service
- Learn when and how users want to share your service

Time To Value (TTV)

Time To Value shows you how long it takes customers to find value in your service

How to improve

- Reduce any unnecessary steps to the AHA moment
- Use meaningful onboarding
- Use emails / SMS to guide customers to the AHA moment
- Personalize the customer's experience

Email metrics

Email Bounce Rate

Email Bounce Rate is the percentage of emails that could not been delivered to your email subscribers

How to improve

- Use a double opt-in
- Be clear about the content you are sending your subscribers
- Engage consistently with your subscribers
- Give subscribers the chance to opt-out
- Don't use words that indicate spam

Email Open Rate

Email Open Rate is the percentage of subscribers who open your email

How to improve

- Use a personalized subject line
- Communicate benefits, not features
- Time emails based on customer behavior
- Consider the character-count

Click-Through Rate of emails

Email CTR is the percentage of people who clicked a button, a link or an image in your email

How to improve

- Write engaging copy text & use engaging images
- Use an engaging Call to Action Button
- Make it personal
- Communicate benefits, not features
- Time emails based on customer behavior

Click To Open Rate (CTOR)

Click To Open Rate shows how many subscribers who opened your email took action

How to improve

- Use an engaging Call to Action Button
- Put the most important content first
- Write engaging copy text & use engaging images
- Communicate benefits, not features
- Make your emails mobile friendly

Social Marketing & Website metrics

Cost Per Mille (CPM)

Cost Per Mille shows you the cost per thousand impressions

How to improve

- Target the right audience
- Test your design and wording and remove the losers
- Add engaging features to your post
- A/B test your ads
- Improve your ad's relevance score

Cost Per Click (CPC)

CPC shows how much it costs to buy a click on your advertisement

How to improve

- Test your design and wording and remove the losers
- Chose a niche topic
- Use negative keywords
- Test different ad positions
- Adjust bids by devices or locations

Dwell Time

Dwell Time is the time a visitor spends on a web page before returning to the SERP (Search Engine Results Page)

How to improve

- Improve your page speed
- Make your page mobile friendly
- Use videos to make people engage longer with your content
- Show the value of your service immediately
- Use internal links to guide visitors through your page

Website Bounce Rate

Website Bounce Rate describes a one-page visit where people visit your site and leave, without taking action

How to improve

- Improve your page speed
- Make your page mobile friendly
- Show the value of your service immediately
- Use internal links to guide visitors through your page
- Use clear call to action buttons

Website Exit Rate

Exit Rate represents the amount of people who left a specific page, even if they didn't originally land on it

How to improve

- Improve your page speed
- Make your page mobile friendly
- Show the value of your service immediately
- Use internal links to guide visitors through your page
- Use clear call to action buttons

Retention & Referral metrics

Quality Of Leads

Quality Of Leads shows you how likely your prospects are to become paying customers

How to improve

- Tailor your design and messaging to your target audience
- Make form fields required
- Ask for business-email on your website
- Listen to your prospects' needs and provide quality content to answer their questions

Marketing Qualified Leads (MQL)

Marketing Qualified Leads describe all customers who have shown interested in your brand

How to improve

- Create an exceptional user experience
- Nurture and follow up
- Leverage your successful customers
- Use clear call to action buttons

Sales Qualified Leads (SQL)

Sales Qualified Leads describe all leads that the sales team has qualified as a potential customer

How to improve

- Create an exceptional user experience
- Nurture and follow up
- Use clear call to action buttons

Customer Health Score

Customer Health Score predicts how your relationship with a customer is going to change in the future

How to improve

- Provide value regularly
- Proactively solve problems
- Ask for customer feedback
- Reduce any friction points your customers are having with your service

Customer Retention Rate (CRR)

Customer Retention Rate shows you the amount of customers your company has kept in a given time period

How to improve

- Provide an exceptional customer experience
- Learn from churned customers
- Make upgrading to higher plans easy
- Reward people to upgrade
- Provide value regularly

Net Promoter Score (NPS)

The NPS measures customer loyalty and likelihood of churn

How to improve

- Provide an exceptional customer experience
- Provide value regularly
- Have a great customer support
- Ask customers for feedback to improve your service
- Learn from churned customers

DesignWith**Value**

Resources To Bring Your Business on Track

https://www.designwithvalue.com/courses-resources