

The Top 10 Numbers That Drive SaaS Business Growth

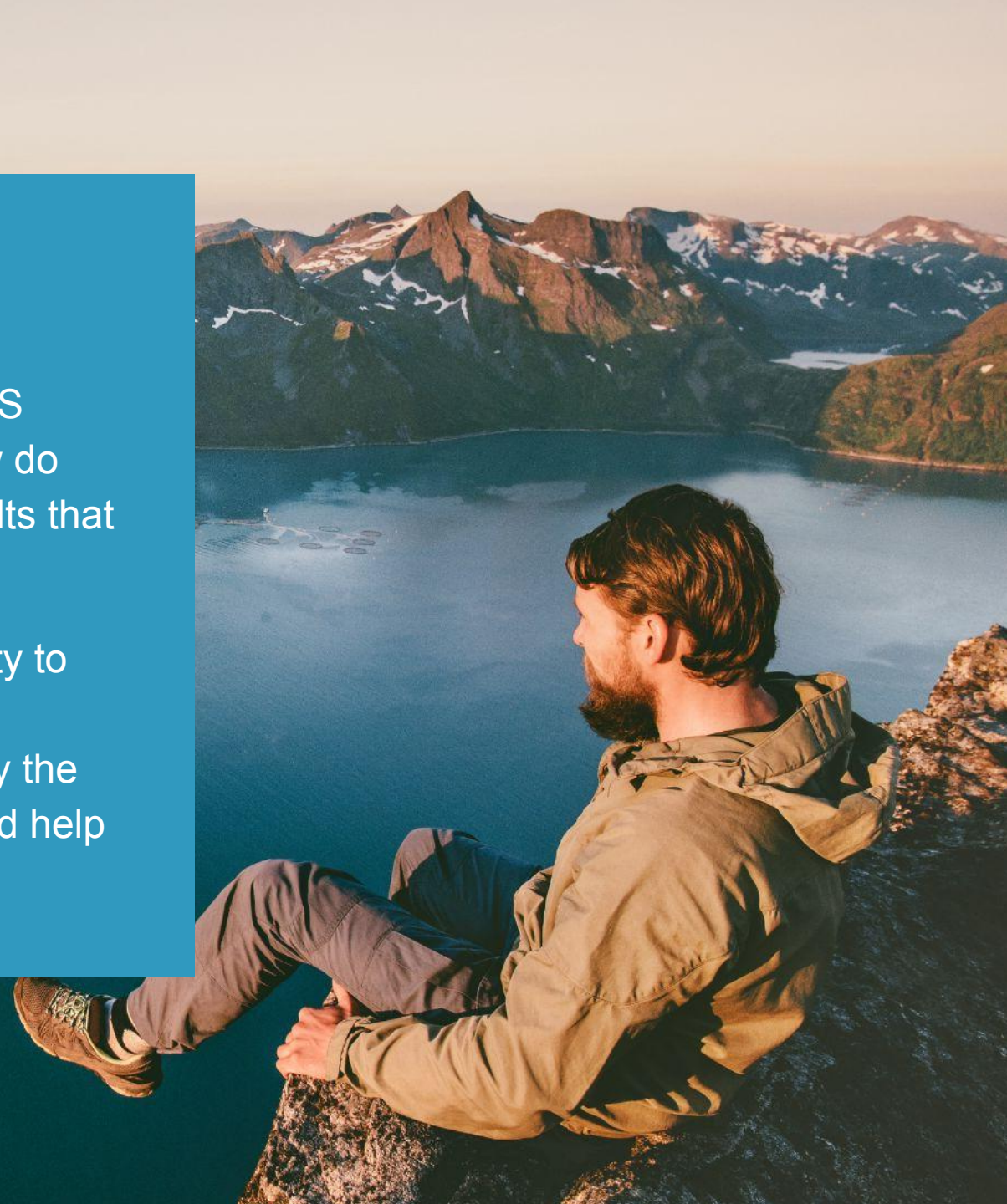
GoodGnusMarketing.com



How Do You Know if Your Marketing Is Working?

As your company's CEO, it's your job to make sure your SaaS business is acquiring customers and turning a profit. But how do you know if your marketing department is producing the results that you need to hit your growth goals?

If you track just ten numbers every month, you can gain clarity to confidently diagnose the effectiveness of your marketing department. These key performance indicators (KPIs) identify the strength of your strategies, reveal areas for improvement, and help you see where you stand in the industry.





If You're Not Reviewing These KPIs Monthly, You Don't Know the Health of Your Business

This report is designed for SaaS business owners who are tired of vague marketing tactics that may or may not be yielding the results they need. If you don't know where you are — and how that compares to the previous month, quarter, and year — then you don't know where your business is heading.

Each section of this report breaks down a key marketing metric, or KPI. We'll explain what the KPI is, why it matters, and how to use it. By the end of the report, you'll have a clearer picture of your company's health and actionable insights to make smarter marketing decisions for better business growth.



The Top 10 Marketing Metrics Every CEO Should Know

1. Website Visitors
2. Conversions
3. Total Leads
4. MQLs
5. Cost Per Lead/MQL
6. Demo requests
7. New Sales
8. MRR
9. Churn Rate
10. Lifetime Value



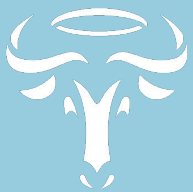
01: Website Visitors

➤ Website Visitors Last 30 Days

What it is: The total number of visitors to your website within a specific period. Think of it as your digital foot traffic.

Why it's important: Tracking website visitors helps you gauge the effectiveness of your marketing efforts in driving traffic. It's the first step in understanding user behavior and identifying trends over time. More visitors mean more opportunities to convert people into leads.

How to track it: Use tools like Google Analytics to monitor the number of visitors to your site. Pay attention to trends over time, spikes during marketing campaigns, and the sources driving the most traffic. This will help you understand what's working and where to focus your efforts.



01: Website Visitors

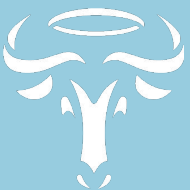
Website Visitors Last 30 Days

Challenges: This KPI can fluctuate due to various factors, including seasonality, marketing activities, and changes in search engine algorithms. Don't panic over short-term drops — it's not the end of the world, just a part of the digital rollercoaster.

Best Practices:

- Focus on attracting quality traffic by optimizing your content for relevant keywords and providing valuable information.
- Use social media and email marketing to drive traffic to your site.
- Regularly update your website with fresh content to keep visitors coming back. Weekly blog articles are great for this.

Guiding Principle: Aim for steady growth in your visitor numbers, but remember that quality traffic is more important than quantity. Focus on attracting visitors who are more likely to convert into leads and customers.



02: Conversions

➤ Conversions Per Month

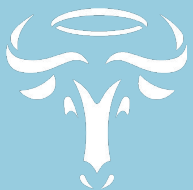
What it is: Conversions measure the number of visitors who take a desired action on your website. A conversion can be any action, such as filling out a form, signing up for a newsletter, or making a purchase.

Why it's important: Conversions are a direct indicator of how well your website and marketing campaigns are performing in turning visitors into leads or customers. Higher conversion rates often lead to increased revenue.

Calculation:

Conversion Rate = (Number of Conversions / Total Number of Visitors) × 100

Challenges: Achieving a high conversion rate can be challenging. Continually testing and optimizing different elements of your website is essential.



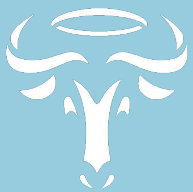
02: Conversions

Conversions

Best Practices:

- Optimize your landing pages with clear, compelling calls to action.
- Simplify forms to make it easy for visitors to convert to leads.
- Use A/B testing to experiment with different headlines, images, and buttons to see what works best.

Guiding Principle: Continuously test and optimize your website to improve conversion rates. Even small changes can significantly impact your results. Tweak just one or two things at a time, so you know what specific changes are having an impact.



03: Total Leads

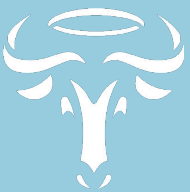
➤ Total Leads Per Month

What it is: This metric tracks the total number of leads generated through your marketing efforts. Leads are potential customers who have expressed interest in your product or service by providing their contact information.

Why it's important: The number of total leads reflects the effectiveness of your lead generation strategies. It shows if your marketing efforts are successfully attracting potential customers.

How to track it: Use a CRM system to capture and track leads from various sources such as your website, social media, and email campaigns.

Challenges: Accurately tracking leads can be as tricky as herding cats. Ensuring that all leads are captured and entered into your system is crucial.



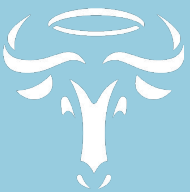
03: Total Leads

Total Leads Per Month

Best Practices:

- Use lead magnets like ebooks, webinars, or free trials to attract leads.
- Implement tracking mechanisms to capture leads from all marketing channels.
- Regularly review and clean your lead database to ensure data accuracy.

Guiding Principle: Focus on generating high-quality leads that are more likely to convert into customers. Quality over quantity should be your mantra here.



04: MQLs

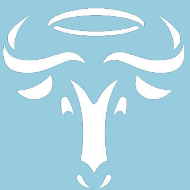
➤ Marketing Qualified Leads

What it is: MQLs are leads that have been vetted by the marketing team and deemed more likely to become customers based on predefined criteria.

Why it's important: Tracking MQLs helps you focus on leads with the highest potential for conversion. It ensures your sales team spends time on leads that are more likely to turn into paying customers.

How to track it: Define criteria for what makes a lead an MQL, such as engagement with content, company size, or specific actions taken on your website. Use your CRM to track and categorize these leads.

Challenges: Setting the right criteria for MQLs is important. Too strict, and you may miss out on potential customers — too lenient, and your sales team may waste time on unqualified leads.



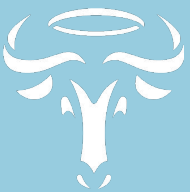
04: MQLs

Marketing Qualified Leads

Best Practices:

- Collaborate with your sales team to define the criteria for MQLs.
- Regularly review and adjust the criteria based on feedback and results.
- Use lead scoring to prioritize leads based on their likelihood to convert.

Guiding Principle: Ensure your MQL criteria align with your sales goals and continuously refine them to improve lead quality. Remember, your sales team will thank you for sending them the right kind of leads.



05: Cost Per Lead/MQL

➤ Cost Per Lead/MQL

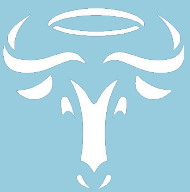
What it is: This measures the average cost incurred to acquire a lead or MQL. It includes expenses related to marketing campaigns, advertising, and other lead generation activities.

Why it's important: Understanding the cost per lead or MQL helps you assess the ROI of your marketing efforts. If you're spending too much to acquire leads, it's time to revisit your strategies.

Calculation:

- $\text{Cost Per Lead} = \frac{\text{Total Marketing Spend}}{\text{Total Number of Leads}}$
- $\text{Cost Per MQL} = \frac{\text{Total Marketing Spend}}{\text{Total Number of MQLs}}$

Challenges: Accurately attributing costs to specific leads or MQLs can be complex. Especially with multi-channel campaigns, it's essential to have a clear attribution model.



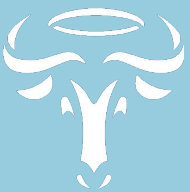
05: Cost Per Lead/MQL

Cost Per Lead/MQL

Best Practices:

- Track all marketing expenses meticulously.
- Use attribution models to understand which channels contribute the most to lead generation.
- Continuously monitor and adjust your campaigns to improve cost efficiency.

Guiding Principle: Focus on optimizing your marketing spend to reduce costs without sacrificing lead quality. Aim for the best possible ROI, and remember, a penny saved is a penny earned.



06: Demo Requests

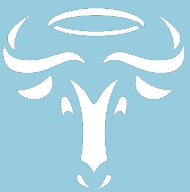
➤ Demo Requests

What it is: This KPI tracks the number of requests for product demonstrations. Demo requests are often a strong indicator of interest from potential customers.

Why it's important: A high number of demo requests typically signals strong interest in your product and can be a precursor to sales. It helps you identify hot leads.

How to track it: Use your CRM to track demo requests, ensuring each request is logged and followed up on promptly.

Challenges: Ensuring prompt follow-up on demo requests is crucial. Delays can result in lost opportunities, and nobody likes waiting around — not even your hottest leads.



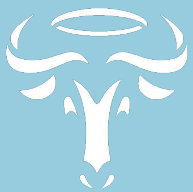
06: Demo Requests

Demo Requests

Best Practices:

- Make it easy for prospects to request demos on your website.
- Set up automated notifications for your sales team to follow up on demo requests quickly.
- Track the conversion rate from demo requests to sales to refine your approach.

Guiding Principle: Prioritize demo requests as high-potential leads and ensure your sales team is equipped to handle them efficiently. Demo requests are gold nuggets in the river of prospects.



07: Sales

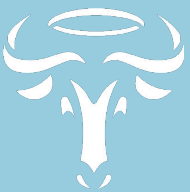
➤ New Sales

What it is: This measures the number of new customers acquired within a specific period. It's a direct indicator of business growth and sales team performance.

Why it's important: Tracking new sales helps you understand the success of your sales efforts and overall business growth. Each new sale not only boosts revenue but also validates your marketing and sales strategies.

How to track it: Use your CRM to track new customer acquisitions, ensuring all sales are recorded accurately.

Challenges: Accurately attributing new sales to specific marketing efforts can be tricky. Make sure your systems are robust enough to track the journey.



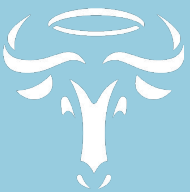
07: Sales

New Sales

Best Practices:

- Implement a robust sales tracking system within your CRM.
- Align your sales and marketing teams to ensure clear attribution of sales to marketing efforts.
- Regularly review new sales data to identify trends and areas for improvement.

Guiding Principle: Focus on consistent new customer acquisition while continually refining your sales and marketing strategies. Each new customer is a step toward business growth.



08: MRR

➤ Monthly Recurring Revenue

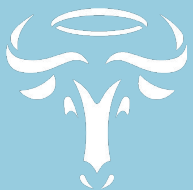
What it is: MRR measures the predictable revenue your business can expect to receive every month from subscriptions or recurring billing.

Why it's important: MRR is a critical metric for understanding the financial health of a SaaS business. It helps you predict future revenue and assess the stability of your income stream.

Calculation:

MRR = Sum of all recurring revenue generated in a month

Challenges: Variations in subscription plans and billing cycles can complicate MRR calculations, making it feel like you're trying to nail jelly to a wall.



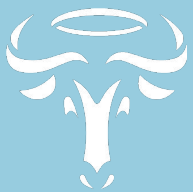
08: MRR

Monthly Recurring Revenue

Best Practices:

- Use automated billing systems to ensure accurate and timely revenue tracking.
- Segment your MRR by customer type, subscription plan, or other relevant categories for deeper insights.
- Monitor churn rates (see below) to ensure your MRR remains stable or grows over time.

Guiding Principle: Focus on growing your MRR through customer retention and upselling strategies, ensuring a steady and predictable revenue stream. Stability in MRR is like having a safety net for your business. Marketing that stops at the sale isn't doing its full job.



09: Churn Rate

➤ Monthly Churn Rate

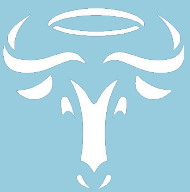
What it is: Churn rate measures the percentage of customers who cancel their subscriptions or stop doing business with you within a given period.

Why it's important: A high churn rate can indicate issues with customer satisfaction, product performance, or service quality. Reducing churn is essential for maintaining a stable revenue base.

Calculation:

Churn Rate = (Number of Customers Lost/Total Number of Customers at the Start of the Period)×100

Challenges: Identifying the reasons for churn can be a complex task. You'll need to take a multifaceted approach.



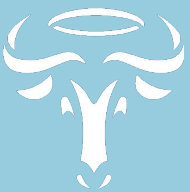
09: Churn Rate

Monthly Churn Rate

Best Practices:

- Regularly survey customers to understand their satisfaction and reasons for leaving.
- Implement retention strategies such as loyalty programs, regular check-ins, and proactive customer support.
- Analyze churn data to identify patterns and address common issues.

Guiding Principle: Aim to reduce churn by focusing on customer satisfaction and proactively addressing issues that lead to cancellations. Keeping your customers happy should be a top priority.



10: LTV

➤ Lifetime Value of a Customer

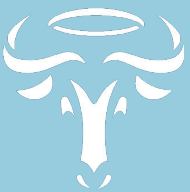
What it is: LTV estimates the total revenue a business can expect from a customer over the duration of their relationship with the company.

Why it's important: Understanding LTV helps you determine how much you can reasonably spend on acquiring new customers and retaining existing ones. It provides insight into the long-term value of your customer base.

Calculation:

$LTV = \text{Average Revenue Per Customer} \times \text{Average Customer Lifespan}$

Challenges: Measuring LTV can be like trying to predict the weather a year in advance — many variables, but essential for planning.



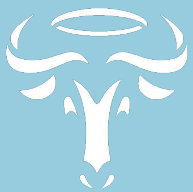
10: LTV

Lifetime Value of a Customer

Best Practices:

- Regularly update your LTV calculations to reflect changes in customer behavior and revenue.
- Use LTV to guide your marketing budget, ensuring you spend efficiently to acquire high-value customers.
- Focus on strategies that increase customer retention and satisfaction to boost LTV.

Guiding Principle: Understand the long-term value of your customers and invest in strategies that enhance their loyalty and lifetime revenue. Think of LTV as the North Star guiding your marketing efforts.



How Do I Get These KPIs for My SaaS Business?

If you have the tech resources to pull these reports together and review them monthly, start there. Any insight is better than none, even if you're using clunky spreadsheets and graphs.

As you read through this report, you probably thought of other metrics that are specific to your business. Jot them down. Identify what data will be most actionable for you, then ask your team to start delivering those numbers.

Need help defining the specific KPIs you need? No problem! For businesses with revenue of \$3M+, we're offering a no-cost Marketing Clarity Call with Good Gnus owner, Bill Kerschbaum. By the end of the call, you'll have clarity on the metrics your business needs to track to stay competitive and grow.

[Book Your Clarity Call](#)



About Good Gnus

Good Gnus is a fractional CMO agency that helps B2B SaaS companies increase profitability and customer acquisition by boosting brand visibility in a crowded space, without competing on price.

Leveraging a robust strategy-first approach, we help businesses achieve their growth goals and attract higher-quality customers.

We understand the tech industry's nuances and we get your unique company. As your fractional CMO, we'll develop a tailored marketing strategy that resonates with your target audience. We'll help you be heard above the herd as the ideal solution for your ideal customers.



About Bill Kerschbaum

Bill Kerschbaum is the Owner of Good Gnus. He brings more than a decade of marketing expertise and nearly 20 years of organizational leadership to the table. After beginning his marketing career at a local marketing agency and HubSpot partner, he launched his own marketing business in 2017.

Bill is certified in the Duct Tape Marketing System and follows the CMOx methodology, using an outcomes-based approach that focuses on business results rather than just campaigns or tactics.

Bill lives in Ann Arbor, MI, with his wife, two sons, and a dog (yes, there's also a cat, but don't blame him for that). He's an avid bread baker, chess enthusiast, and lover of the great outdoors. Most warm weekends, you'll find him kayaking, playing disc sports, hammocking, or camping in Michigan's Upper Peninsula – where Paradise is found. Literally. Check a map.



BILL KERSCHBAUM

OWNER OF GOOD GNUS





GoodGnusMarketing.com