

COLUMNS

Top 3 metrics that ecommerce companies cannot live without

March 12, 2015



Hope Neiman is chief marketing officer of Tillster

By [Hope Neiman](#)

In today's ever-evolving world of data trends, every ecommerce company must determine the right analytics and other measurement strategies that optimize data to drive business outcomes.

But, at the most basic level, here are three key performance indicators (KPIs) that will prove useful for any ecommerce or digital-based business to help stay ahead of competition:

1. Engagement. If companies create a reason for their consumers to listen let alone, measure how, when and why they are listening nothing else matters.

Forget revenue per store, number of orders and average check amount. Companies need to be certain that the highest percentage of people connect with the brand through technology and find ways to maintain their interest.

It is not about moving to the next bright, shiny concept we hear kale is a trend but delivering what the clientele wants and is clamoring for.

Measuring this engagement is no easy feat, but looking at guests who take a desired action or come back with a given frequency will show a lot of value.

Regardless, it is prudent for any company to define optimal engagement metrics and gather as much data around them as possible to improve the customer experience.

2. User frequency by bucket. The average amount of times where customers frequent a brand is generally irrelevant. How often do your light guests come? What about heavy visitors? What brings them in the door?

Calculating the simple average does not tell us anything. Measuring user frequency by bucket or, by category of user allows your company to track behavior by their degree of loyalty.

More importantly, it enables companies to understand how to increase customer frequency among the target groups, moving each up the food chain.

3. Use of convenience features. The more immersed that users can be in your brand, the more likely they are to come back.

If, for example, they have invested a small amount of time on personalizing elements of your application, they are more likely to increase loyalty. Why?

Because they feel the settings they have created make the space truly their own.

Using data to serve up reasons to use these specialized features bodes well for longevity.

THESE THREE focus areas can help ecommerce companies structure customized KPIs and respond to data findings with nimble solutions that will lead to improved customer service and, ultimately, increased retention and loyalty.

Hope Neiman is chief marketing officer of [Tillster Inc.](#), Los Angeles. Reach her at hneiman@tillster.com.

© 2020 Napean LLC. All rights reserved.

American Marketer is published each business day. Thank you for reading us. Your [feedback](#) is welcome.