

# Product Management and Metrics

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# A Little About Me



- 10+ years of experience in Technology and Digital Payments
- Passionate about Product Management
- Curious about Digital Payments
- Operate with Engineering Mindset
- Obsessed with Non Fiction Books
- Exploring new Apps and Gadgets



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# Key Takeaways

What shall I expect out of this session?

- PRODUCT MANAGEMENT - What and Why?
- PRODUCT METRICS - What, Why and How?
- COMMON FRAMEWORKS - AARRR & HEART
- METRICS EXAMPLES - Amazon & PayPal





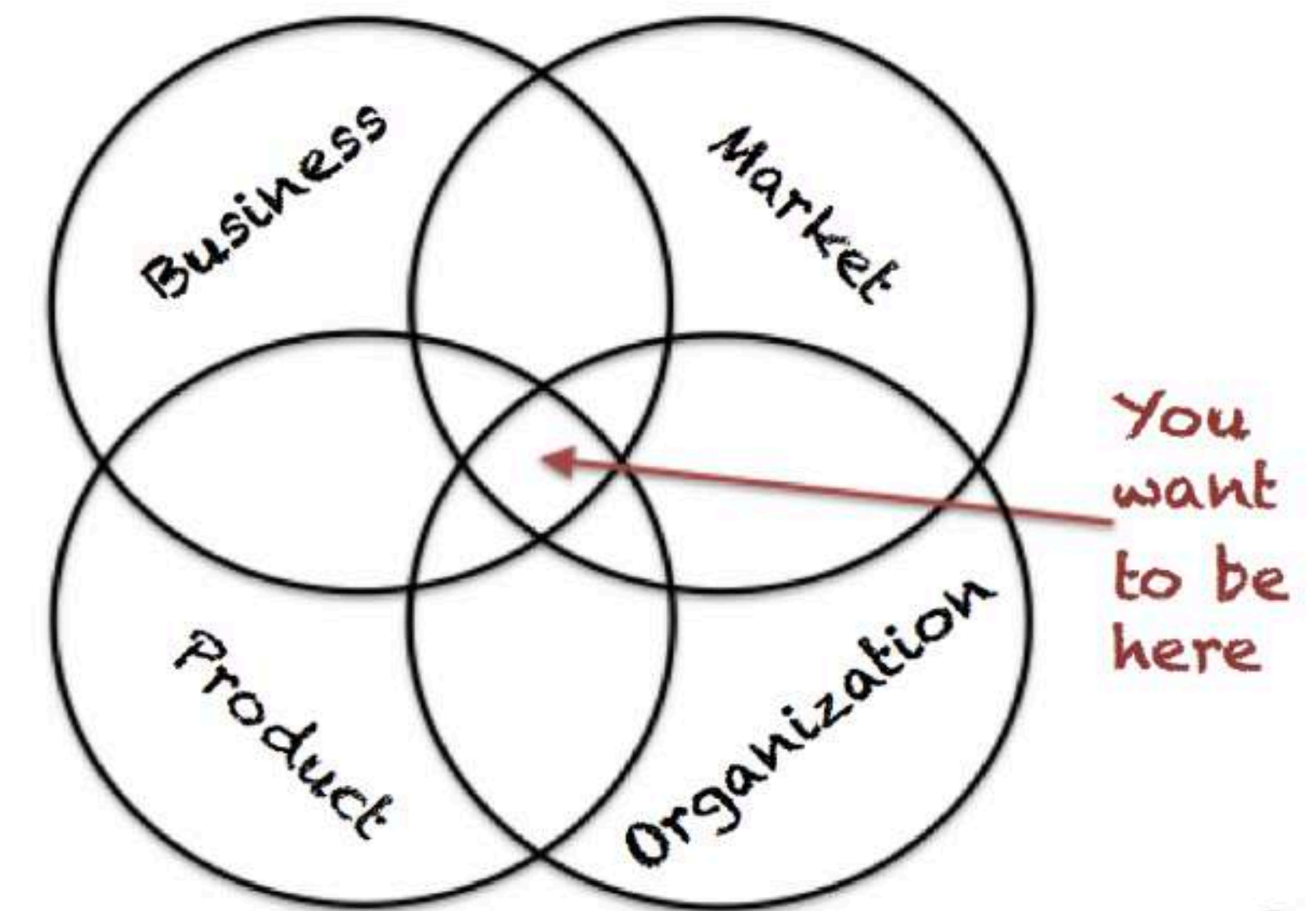
# Product Management



Can you explain the role to a 5 year old?

How many of you aspire to be a product manager or are already a product manager?

- Why we need Product Managers?
- What does a Product Manager do?
- What makes the role so exciting?
- What's not so much fun about the role?



# Product Builder

How can I build my Product Management muscles?





# Product Metrics

What makes a good metric?

“If you can’t measure it, you can’t improve it” - Peter Ducker

- COMPARATIVE
- UNDERSTANDABLE
- RATIO OR A RATE
- INFLUENCES BEHAVIOUR



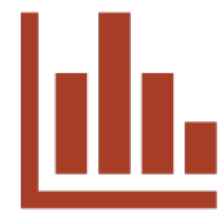
Image Source - [https://unsplash.com/photos/otBvf\\_HJ34c](https://unsplash.com/photos/otBvf_HJ34c)

# Pick a Metric

How to choose right Product Metrics?



QUALITATIVE vs QUANTITATIVE



VANITY vs ACTIONABLE



EXPLORATORY vs REPORTING



LEADING vs LAGGING



CORRELATED vs CAUSAL





# Metrics Framework

What are some of the commonly used frameworks for Product Metrics?

## AARRR FRAMEWORK

- **A**CQUISITION
- **A**CTIVATION
- **R**ETENTION
- **R**EVENUE
- **R**EFERRAL

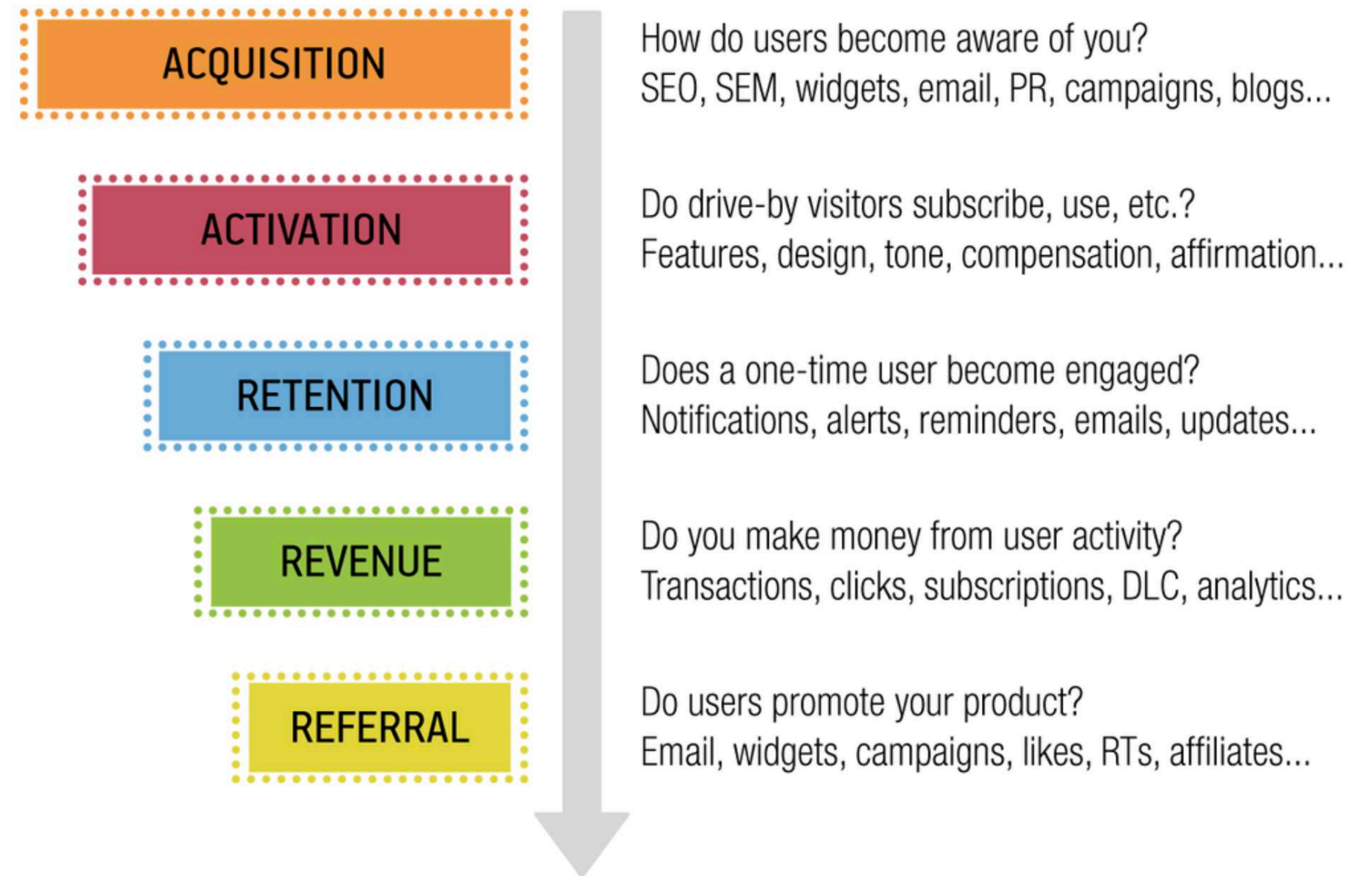


Figure 5-1. Even pirates need metrics, says Dave McClure



# Metrics Framework cont...

What are some of the commonly used frameworks for Product Metrics?

## HEART FRAMEWORK

- **H**APPINESS
- **E**NGAGEMENT
- **A**DOPTION
- **R**ETENTION
- **T**ASK SUCCESS

Source – Clevertrap

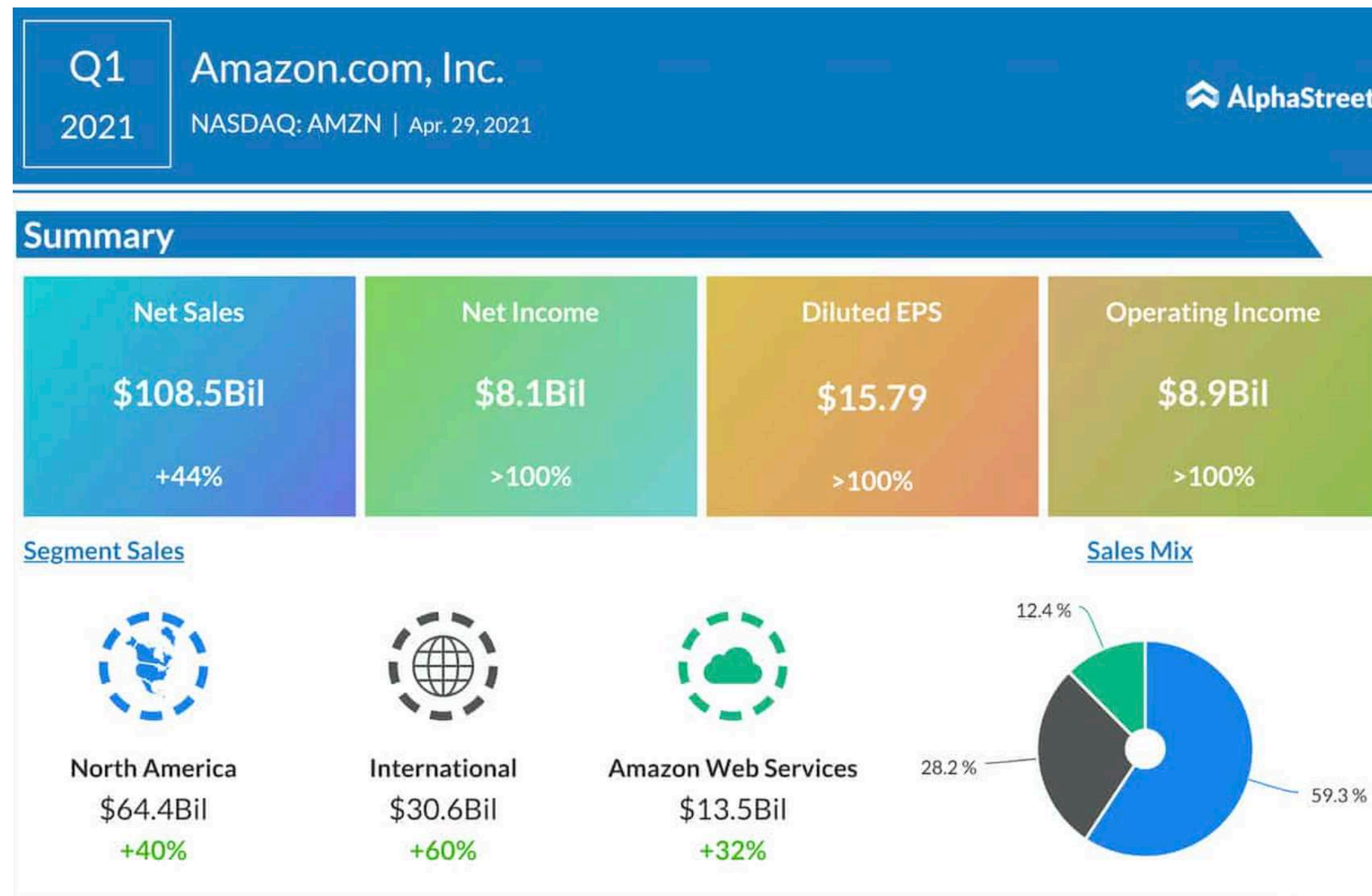
Google HEART Framework Example

CleverTap

	GOALS	SIGNALS	METRICS
<b>Happiness</b>	Users find the app helpful, fun, and easy to use	<ul style="list-style-type: none"><li>• Responding to surveys</li><li>• Leaving 5-star ratings</li><li>• Leaving user feedback</li></ul>	<ul style="list-style-type: none"><li>• Net Promoter Score</li><li>• Customer satisfaction rating</li><li>• Number of 5-star reviews</li></ul>
<b>Engagement</b>	Users enjoy app content and keep engaging with it	<ul style="list-style-type: none"><li>• Spending more time in the app</li></ul>	<ul style="list-style-type: none"><li>• Average session length</li><li>• Average session frequency</li><li>• Number of conversions (consuming content, uploading files, purchases, etc.)</li></ul>
<b>Adoption</b>	New users see the value in the product or new feature	<ul style="list-style-type: none"><li>• Downloading, launching app</li><li>• Signing up for an account</li><li>• Using a new feature</li></ul>	<ul style="list-style-type: none"><li>• Download rate</li><li>• Registration rate</li><li>• Feature adoption rate</li></ul>
<b>Retention</b>	Users keep coming back to the app to complete a key action	<ul style="list-style-type: none"><li>• Staying active in the app</li><li>• Renewing a subscription</li><li>• Making repeat purchases</li></ul>	<ul style="list-style-type: none"><li>• Churn rate</li><li>• Subscription renewal rate</li></ul>
<b>Task Success</b>	Users complete their goal quickly and easily	<ul style="list-style-type: none"><li>• Finding and viewing content quickly</li><li>• Completing tasks efficiently</li></ul>	<ul style="list-style-type: none"><li>• Search exit rate</li><li>• Crash rate</li></ul>

# Metrics @ Amazon

Metrics presented in the financial statements



## Other Business Metrics



+44%

Online Store Sales



-16%

Physical Store Sales



+64%

Third Party Seller Services



+36%

Subscription Services



# Metrics @ PayPal

## Metrics presented in the financial statements

### First Quarter 2021 Summary

Strong performance across key performance metrics

Active Accounts	Customer Engagement	Total Payment Volume
<b>392M</b> Includes <b>31M</b> active merchant accounts <b>↑ 21%</b> increase y/y  <b>14.5M</b> Net new active accounts (NNAs) <b>↓ 28%</b> decrease y/y* <small>*Adjusting for the one-time addition of 10.2 million NNAs from the acquisition of Honey in Q1-20, NNAs grew 45% y/y</small>	<b>42.2</b> Payment transactions per active account (TPA) <b>↑ 7%</b> increase y/y  <b>↑ 33%</b> increase y/y in daily active accounts using PayPal core experiences	<b>\$285B</b> <b>&gt;\$1T</b> on a trailing 12-month basis <b>↑ 50%</b> spot and <b>46%</b> FX-neutral y/y growth
Revenue	Non-GAAP EPS <sup>(1)</sup>	Free Cash Flow <sup>(1)</sup>
<b>\$6.03B</b> <b>↑ 31%</b> spot and <b>29%</b> FX-neutral y/y growth	<b>\$1.22</b> <b>↑ 84%</b> increase y/y	<b>\$1.5B</b> <b>↑ 27%</b> increase y/y 25% as % of revenue

(1) Non-GAAP earnings per share and free cash flow are non-GAAP financial measures. Please see the Supplemental Information for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures.

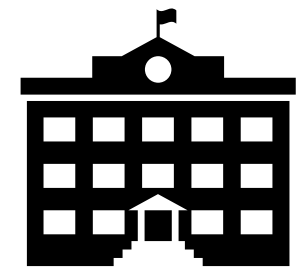


# What's Next?

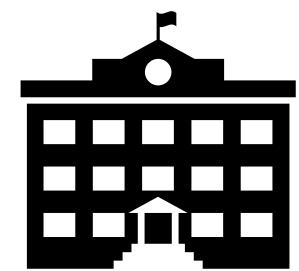
Continue learning about Product Metrics



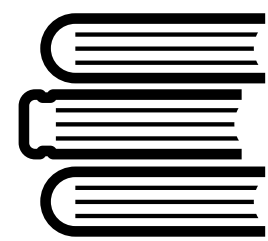
Lean Analytics: Use Data to Build a Better Startup Faster



Metrics for Product Managers



Product Analytics Certificate (PAC)



The Guide to Product Metrics

KEEP EXPLORING!

