Tool #39: CRM Key Performance Indicators Builder

The COE Forum has compiled this list of Key Performance Indicators (KPIs) from interviews with dozens of university CRM implementers as well as literature produced by CRM experts like Salesforce and Forrester. The list is meant to serve as an introduction to assessing CRM impact, which many CRM implementers struggle with or fail to formally accomplish altogether. Please note that the KPI Builder is not intended to be exhaustive. Rather, the KPI Builder presents the most commonly tracked CRM metrics given likely goals for the technology.

> **Implementation Note**: Although organized around types of goals for ease of use, the KPI Builder will be most useful for institutions that articulate concrete business objectives they would like to achieve with CRM before identifying the appropriate mechanisms for pursuing those objectives. Selecting Key Performance Indicators should always be done with business goals in mind for CRM efforts—and the time staff spend tracking them—to be maximally effective.

Revenue Enhancements

- Average revenue/student
- Number of accounts/student
- Average revenue/employee
- Average revenue/enrollments growth by region
- Cost of sales & marketing as % of revenue
- Cost per lead
- Customer Acquisition Cost (CAC)
- Customer Lifetime Value (CLV)
- Conversion forecast accuracy
- Churn/Attrition

Marketing

- Marketing campaign response rates
- Email open rates
- Email click through rates
- Email unsubscribe rates
- Website visits
- Landing page activity
- Number of campaigns
- Number of leads by campaign
- Number of purchases by campaign
- Revenue generated by campaign
- Cost per interaction by campaign
- Number of new customers acquired by campaign

Recruiting

- Volume of inquiries
- Number of new customers
- Number of retained customers
- Volume of applications
- Volume of enrollments
- Funnel drop-off rate
- Relationship freshness
- Conversion rate
- Response time
- Time to conversion
- Time in each funnel stage
- Percent of prospects that receive a phone call
- Percent of prospects that engage in instant chat
- Percent of prospects that attend an event
- Percent of prospects that reply to an email
- Cost per prospect contact
- Volume of enrollment functions completed online (self-managed by prospect or student)
- Number of phone conversations (across all opportunities)
- Number of instant chat conversations (across all opportunities)
- Number of events held
- Average event registrations
- Average event attendees
- Average event registration fall-off

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Customer Satisfaction and Retention

- Actions per engagement
- Volume of prospect/student complaints
- Share of key students ' purchases
- Customer Lifetime Value (CLV)
- % Revenue to new versus existing customers

- Number of repeat students
- Number of referrals to other customers
- Percent of prospects who went elsewhere

Tips for Selecting the Right KPIs

Of course, tracking all of the KPIs listed above would be overwhelming and not particularly helpful. The process of defining a value-based CRM plan starts with linking the highest-level corporate business goals to a clear set of specific CRM strategies and tactics. Metrics should be selected to support those goals.

Forrester[1] suggests the following four-step guide:

1. **Define and quantify business goals.** Quantify how your CRM initiative will either increase revenues from customers or decrease the costs of acquiring and serving them. For each targeted business outcome, define a method for estimating the size of the expected benefit.
2. **Formulate CRM strategies and tactics.** Define your strategies and tactics to achieve the goals you've defined and quantified, and identify appropriate tactics for each important customer-facing function, i.e. marketing, sales and service.
3. **Establish appropriate CRM measures.** For instance, customer service metrics might include number of calls handled per agent, or first call resolution. Voice of the customer feedback metrics might include Net Promoter Score. Establish the current baseline of performance before you start your CRM initiative and define the increment of improvement that you want to achieve at a specified time in the future. Monitor these metrics on a regular basis and take remedial action if you find yourself falling short.
4. **Link CRM goals, strategies and metrics.** For instance, if your business goal is to improve revenue from new sources by 10%, your strategy might be to increase average deal size by selling more solutions instead of individual products. The metrics associated with this approach could be average deal size and average revenue per sales rep.

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[1] Source: http://www.forrester.com/Define+The+Right+CRM+Metrics/fulltext/-/E-RES59408?objectid=RES59408