

Data Haystack Audit

Every company has hidden gems within their data and this audit checklist is meant to help you uncover them. Below, you will find 10 growth areas that I take companies through to discover levers that could be used for more user growth, higher revenue or decreased costs.

HOW TO PREPARE AN INTERNAL AUDIT

I typically like to run through all the 10 growth areas in one day but that requires the right prep to get everything organized. Here are the general steps you should take to get the most out of this internal audit:

1. Get access to all relevant data, tools, and reports
2. Make a list of everyone who uses the data
3. Confirm the accuracy of the data by taking multiple sources of the same KPIs
4. Schedule interviews with the people from your list

GROWTH AREAS

1. User Acquisition

In this area, you will dive deeper to understand how your company currently acquires users. Here are a few questions to explore:

- How much does it cost to acquire a user?
- What is the marketing channel breakdown?
- What is the trend of costs and marketing channels i.e. are costs rising?
- Are there any gaps in the data?
- Is there an 80/20 split in the channels that drive acquisitions?

2. User Onboarding

In this area, you will explore the first few moments (minutes, hours, days, weeks) of the user experience Here are a few questions to explore:

- What is the conversion rate of the user onboarding funnel?
- Are there any segments that convert higher than the average e.g. Facebook users vs Google users?
- Is there any communication (emails, SMS, push) being used throughout this process?
- How does the experience differ on web vs mobile?

3. User Retention

In this area, you will explore user retention beyond the initial onboarding. Here are a few questions to explore:

- What is your retention rate by day/week/month?
- How does retention differ by relevant customer segments?
- What does qualitative data say about retention?
- How are you engaging users on a regular basis?
- Are you using cohorts of key user behaviors?

4. LTV

In this area, you will dive deeper into what users or customers are worth and what could be done to improve that. Here are a few questions to explore:

- What is the LTV and how has this number change over the last 12 months?
- How does LTV differ based on different customer segments?
- What is the relationship between high LTV and low LTV users?
- Are you taking advantage of upgrades (annual, upsells, etc)?

5. Referrals

In this area, you will explore how your company currently handles referrals. Here are a few questions to explore:

- What is your company's referral strategy?
- What is the trend of referrals received?
- Are there any virality elements that could be built into your product?

6. KPIs

In this area, you will double-check how your company thinks about KPIs. Here are a few questions to explore:

- How does your company share KPIs with the rest of your team?
- What are the incentives behind your KPIs?
- Is every team clear on what KPIs matter to them?

7. Data Quality

In this area, you will explore the quality of your data. Here are a few questions to explore:

- How accurate is your data?
- Does your team trust your data?
- How has accuracy changed over the last 12 months?
- How could data quality be improved?

8. Company Strategy

In this area, you will connect your data with your overall company strategy. Here are a few questions to explore:

- How is data being used to support your overall company strategy?
- Do changes in your strategy feedback into your data?

9. Team

In this area, you will evaluate the skills of your team. Here are a few questions to explore:

- What are the main strengths and weaknesses of your team?
- What is the technical ability of your team?
- What training or coaching could be used to close any gaps?

10. Tools/Stack

In this area, you will look at your tool stack and look for any improvements. Here are a few questions to explore:

- What is your tool stack and well is it performing?
- Can your team use the tools within your stack?
- Are you investing the right amount in your tools?