

Growth Metrics Playbook

Cut the Fluff.

Focus on the 10% That Drives Growth.

Metrics and measurement are perceived as the greatest marketing challenges for SME business leaders.

73% aren't setting clear objectives when using specialist marketing services.



* A report by The Marketing Centre, using data from nearly 2,000 decision-makers at small and medium-sized businesses, highlighted a significant business and marketing planning gap in 2024.

Drowning in metrics!

But what's actually driving growth?



Leadership decisions

Fueled by data overwhelm



Find the 10% That Drives 90% of Your Business Growth



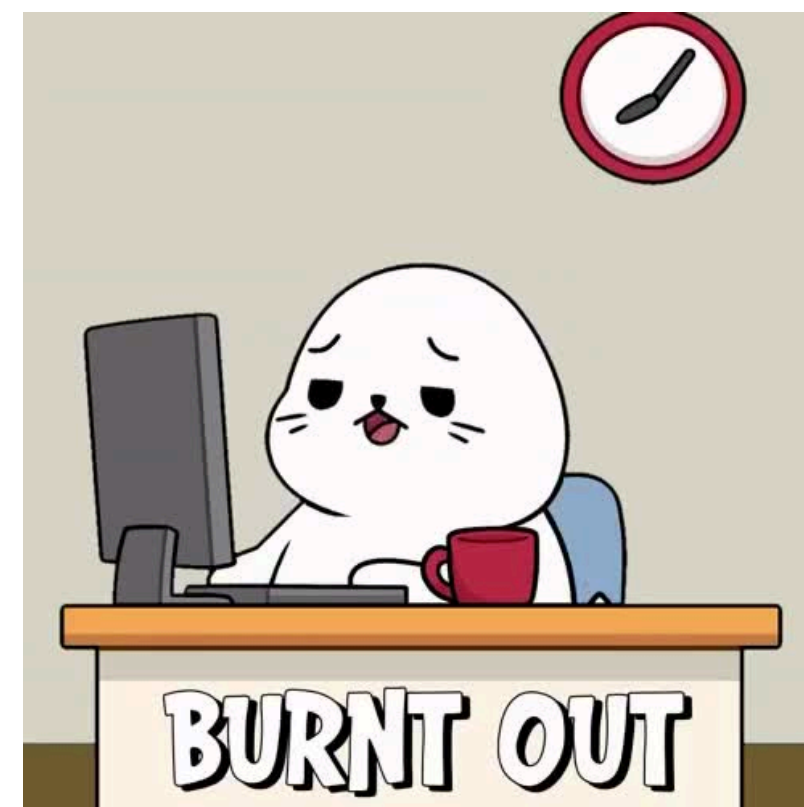
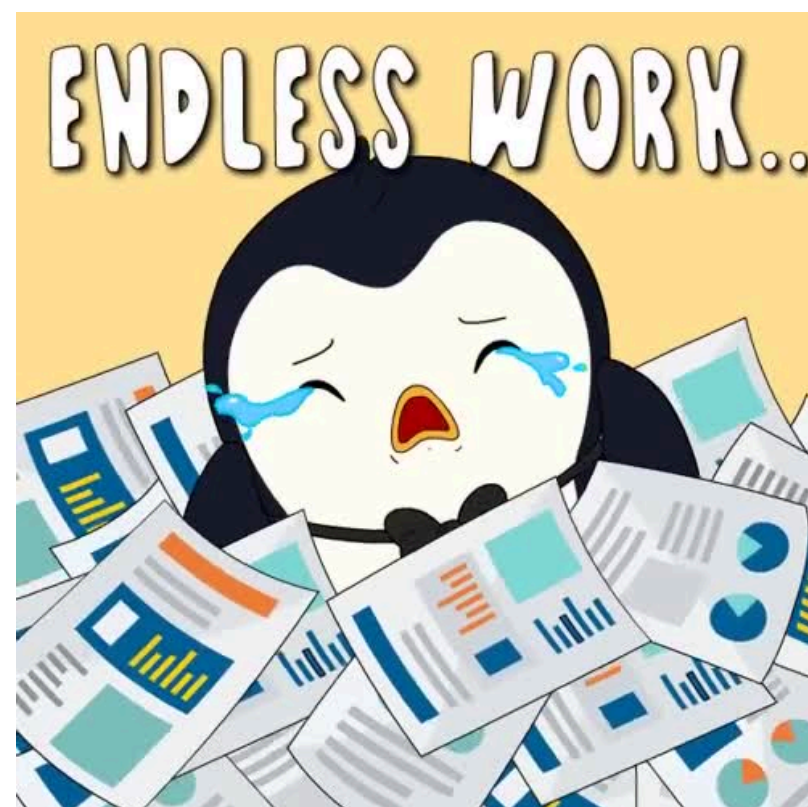
Matt Lerner

Founder @ SYSTM, Ex PayPal, 500 Startups

Growth needs focus

Distractions: being busy / scattergun tactics







North star and key drivers can guide us





Sid Kathirvel

Founder + Strategic Growth Partner

UNLOCK GROWTH 



1. North Star Metric



The single metric that reflects the core value
your business delivers to customers and drives
sustainable growth.

Revenue is a bad growth metric

1. It's a lagging indicator

By the time revenue drops, the damage is already done.

2. It warps decisions

When revenue is the goal, people start gaming the system.

3. It burns out teams

You hit revenue, but break your business.





Daily Active Users (DAU)
Monthly Active Users (MAU)



Number of purchases per month.

Uber

Number of rides per week.

Finding your North Star Metric:

1. What activity proves customers are finding value?
2. If this number grows, will revenue naturally follow?
3. Will business growth and long-term success follow?
4. Can every team and person in the business influence it?

e.g. Private physio clinic in Edinburgh



NSM: Monthly Active Clients (MAC).

The clinic's core value lies in clients attending treatments regularly, rather than just one-off sessions. MAC reflects both acquisition and retention, serving as the best proxy for health progress and revenue growth. MAC growth equals more recurring income and word-of-mouth referrals.

	Week 1	Week 2	Week 3	Week 4	
North Star Metric 150 Monthly Active Clients	34	58	52	67	

Nuances:

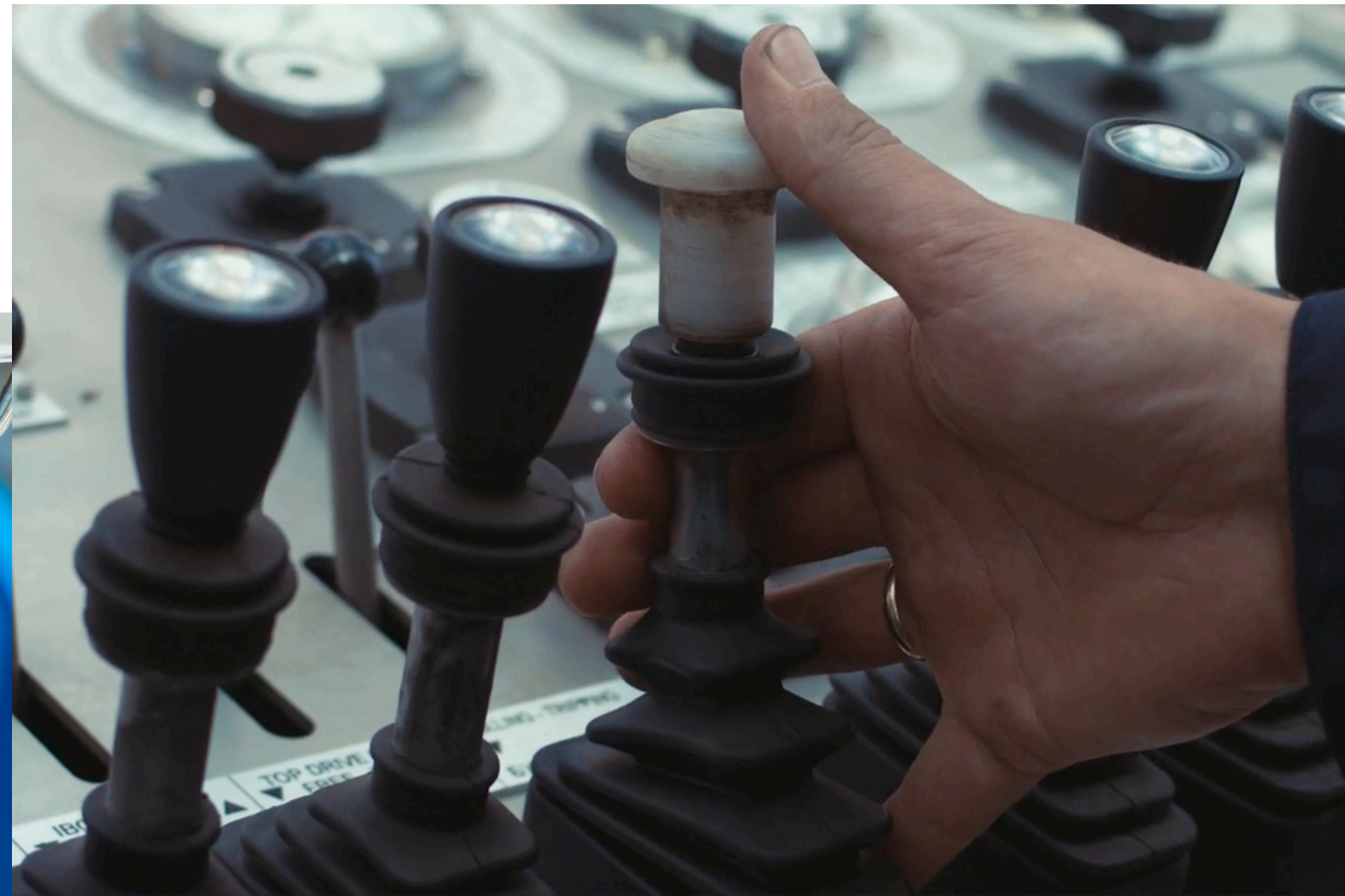
1. NSMs vary by business model (SaaS ≠ eCommerce ≠ Services)
2. Stage of business—early-stage might need a proxy metric
3. Not a vanity metric (website traffic ≠ value)
4. Simple and measurable

2. Key Drivers

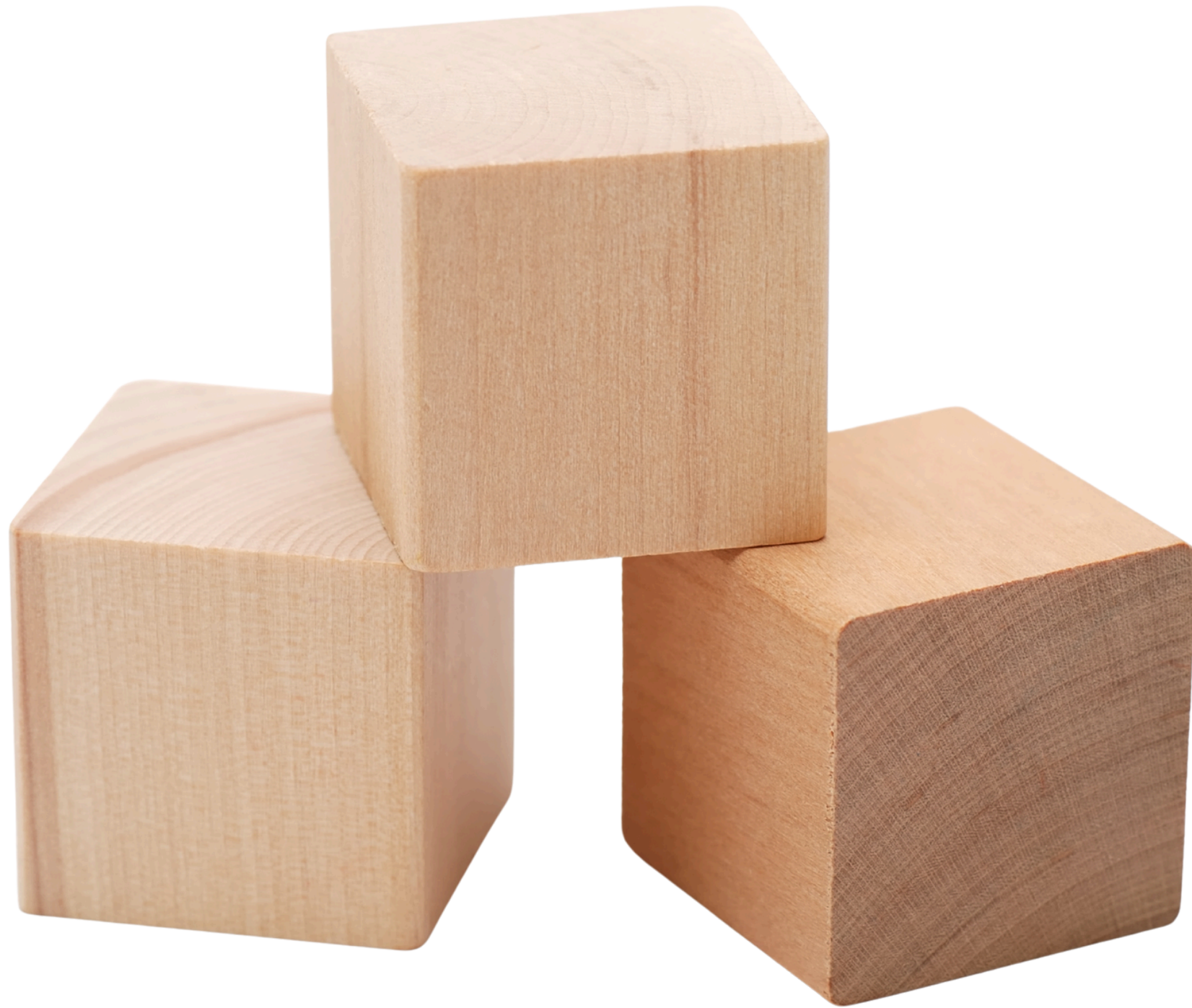


Key Drivers are the direct levers you pull daily to grow your North Star Metric.

Growth levers



They feed into your NSM



e.g. SaaS with NSM = DAUs:

1. New signups (Acquisition)
2. Activation rate (Aha moment)
3. Retention (Churn reduction)
4. Referrals (Word of mouth growth)



e.g. Tea brand (multi-channel)

NSM = Total Monthly Orders (across all channels)

1. Foot traffic to their Royal Mile store
2. eCommerce store conversion rate
3. Trade accounts' monthly order frequency
4. Average order value (AOV) across channels



e.g. Physio clinic with NSM = MAC

1. New patient consultations booked per month
2. Treatment plan conversion rate
3. Retention rate (clients completing full treatment plans)
4. Referral rate (friends/family/colleagues)



	Week 1	Week 2	Week 3	Week 4	
North Star Metric 150 Monthly Active Clients	34	58	52	67	
Key Driver 1 25 new consultations/month	12	19	18	20	
Key Driver 2 70% multi-session treatment plans	31%	35%	32%	41%	
Key Driver 3 85% complete 6–10 session plans	53%	53%	59%	74%	

Nuances:

1. Max 2 to 4 Key Drivers
2. Key Drivers are specific to your business and stage
 - Early stage → Acquisition-heavy
 - Scale stage → Retention and LTV
3. Team members should own the Key Drivers

Growth narrative

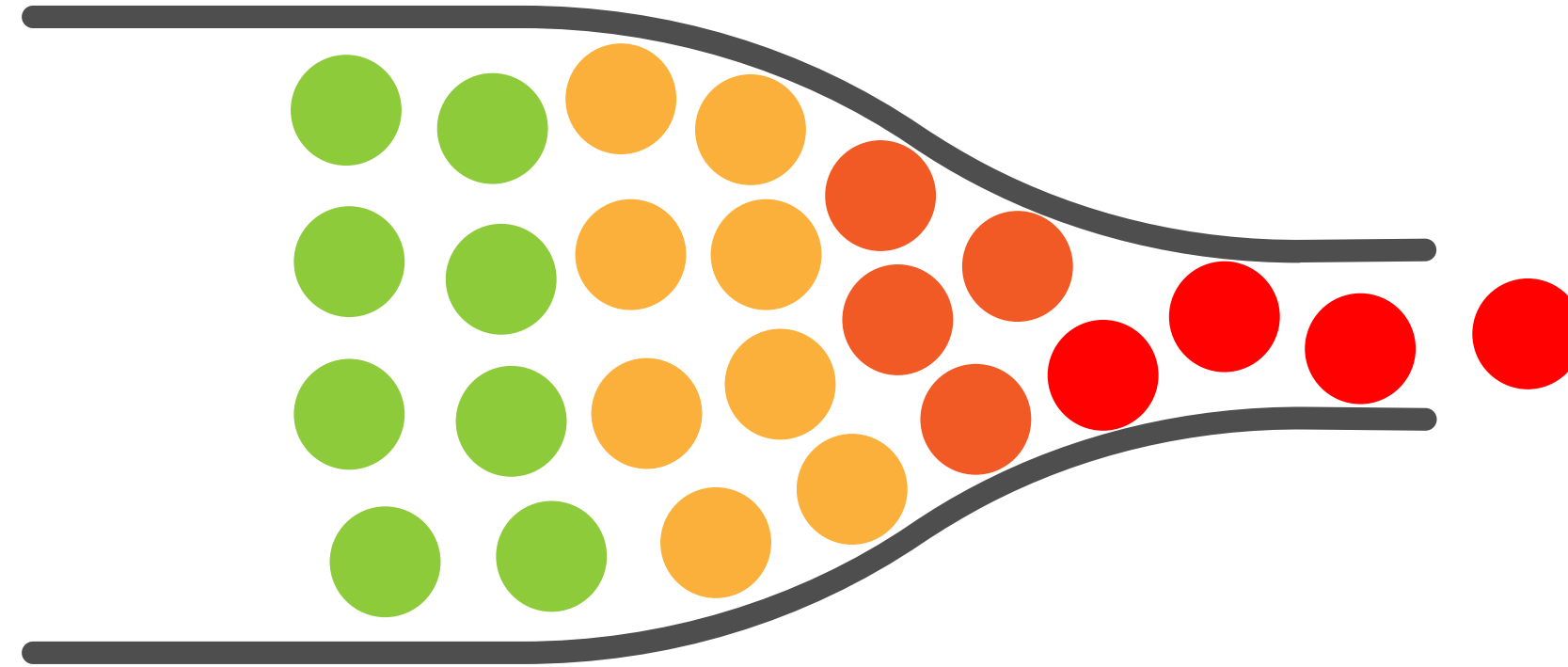
Businesses often struggle to explain their growth model in a single sentence.

“We grow by [doing X], which increases [Key Driver], leading to more [North Star Metric].”

This forces clarity and aligns everyone.

e.g. Recipe Boxes: We grow by increasing post-box satisfaction, which drives repeat orders, leading to more weekly active subscribers.

3. Rate Limiting Step



Among your key drivers, there's often one critical bottleneck throttling growth. That weakest link is your Rate Limiting Step.

Finding your Rate Limiting Step (RLS):

1. How much would doubling it affect our NSM?
2. What keeps us stuck, no matter what else we do?

e.g. B2B Coach/Mentor

NSM = Active High-Value Relationships

1. LinkedIn personal brand reach and engagement (RLS).

2. Face-to-face networking activity

3. Discovery or chemistry calls per month

4. Referral partnerships activated



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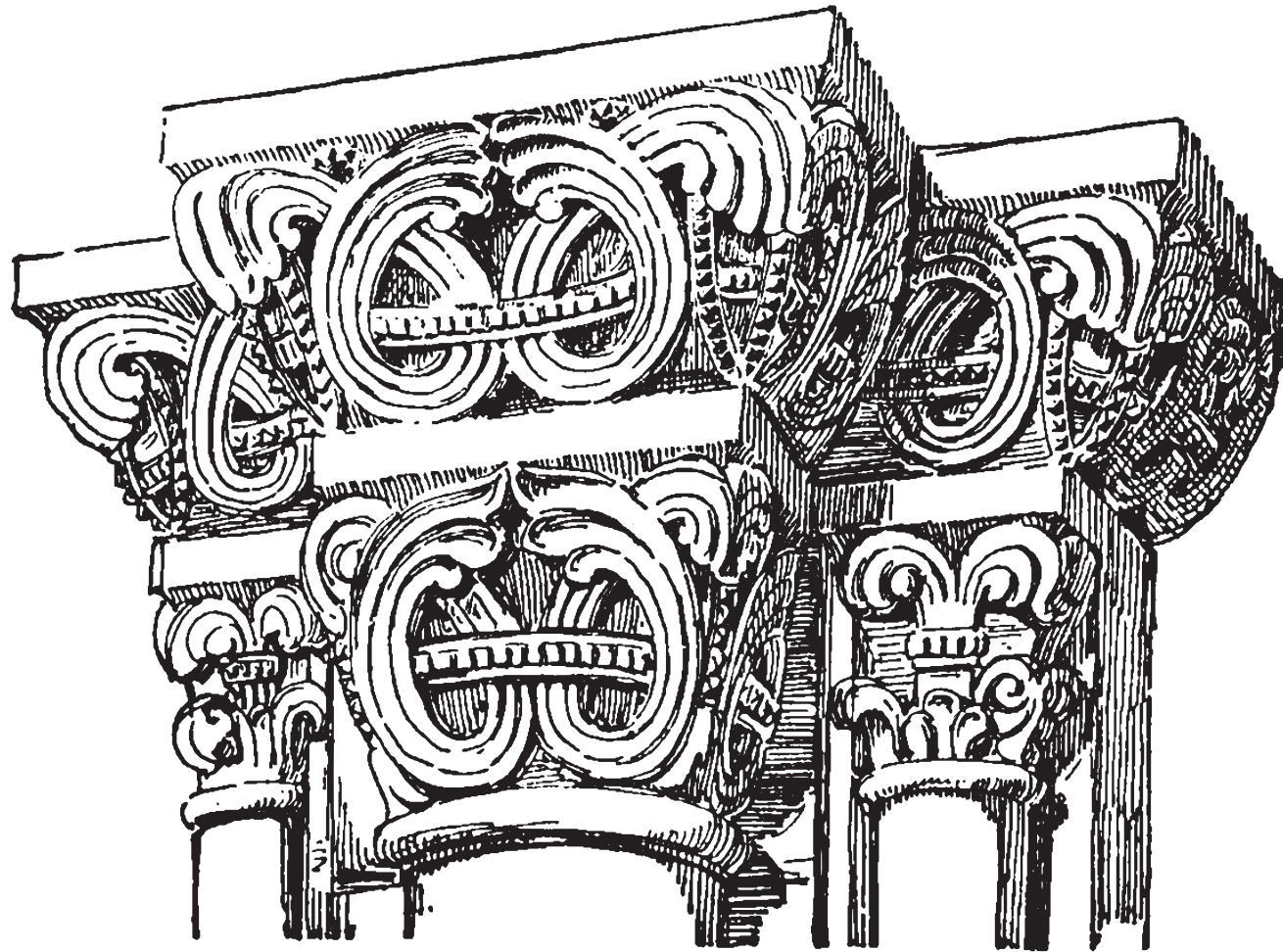




Focus your resources here first.
Everything else is secondary.

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4. Nuance Metrics



A few supporting metrics for context, to add depth to your decisions.

1. MQLs, SQLs, Revenue, CAC, LTV, Churn rate, etc.

2. Every nuance metric must:

- Directly inform decisions
- Be tied to a key driver
- Help prioritise what to do next

3. Don't let nuance metrics distract from NSM + Key Drivers

	Week 1	Week 2	Week 3	Week 4	
Key Drivers	53%	53%	59%	74%	
85% complete 6-10 session plans					
Marketing qualified leads (MQLs)	1,257	1,980	1,635	2,255	
Weekly Revenue	£10,980	£15,210	£13,650	£19,490	
Customer Acquisition Cost (CAC)	£190	£165	£185	£130	
Lifetime Value (LTV)	£570	£405	£555	£500	

4. Marketing Metrics

To measure the effectiveness of your growth experiments.

The “Does It Move the Needle?” Litmus Test

Before committing to any growth marketing initiative, ask one question:

“Will this directly impact our Rate Limiting Step or one of the Key Drivers?”



Attribution is dead!

- #1 Apple's **cookie** changes
- #2 Anti-tracking & privacy **laws**
- #3 **Ad-Blocker** adoption
- #4 **Multi-device** journeys
- #5 The domination of **apps**
- #6 **Zero-click** consumption
- #7 **Dark Traffic** (aka missing referral Data)

<https://sparktoro.com/blog/attribution-is-dying-clicks-are-dying-marketing-is-going-back-to-the-20th-century/>



SparkToro

The illusion of precision

Almost all the marketing metrics you trust and rely on daily are only an estimate, not true facts.

They're **modelled**, extrapolated, inferred, or subject to distortion.

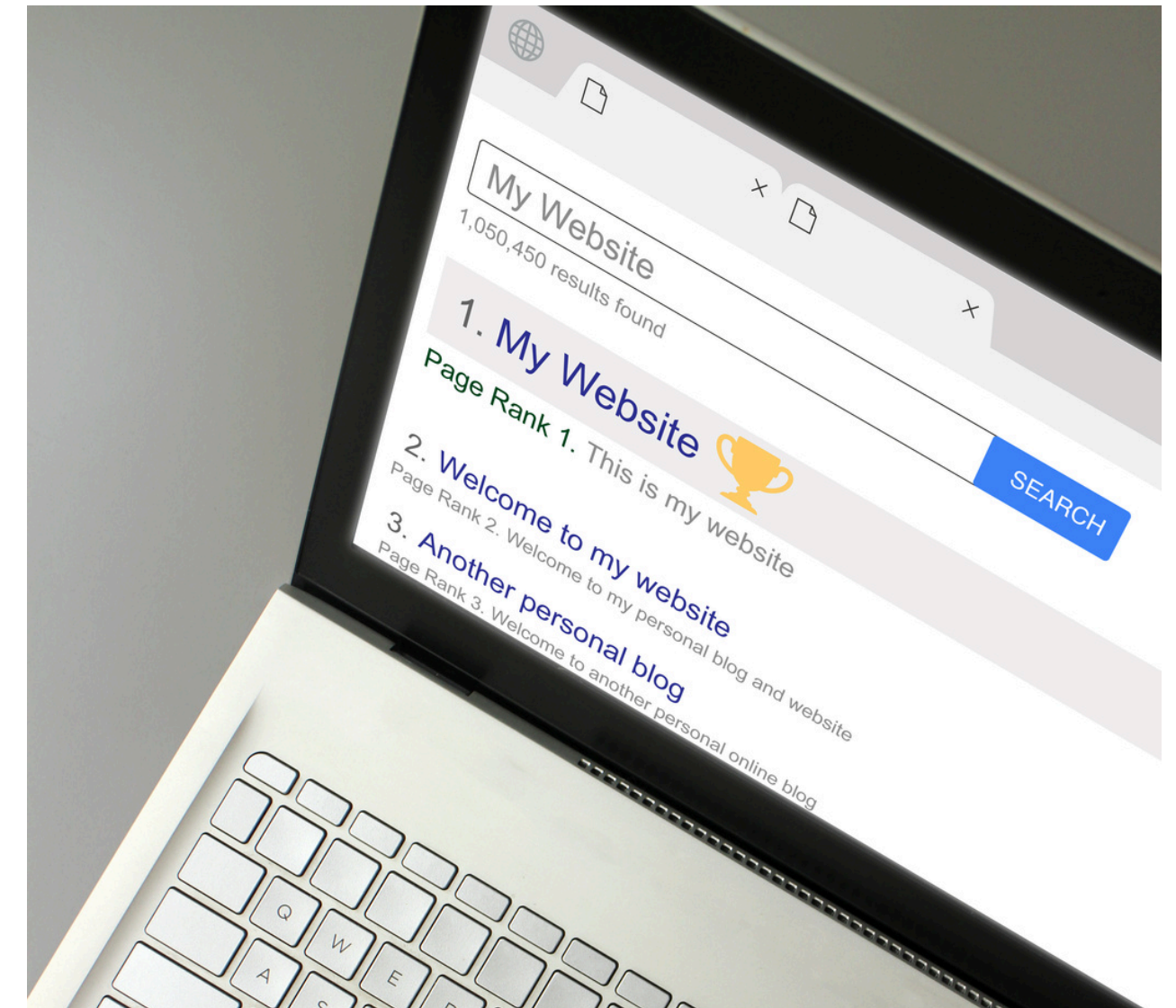
- SEO: Search volumes, rank tracking, impressions, clicks
- Paid: Reach, frequency, clicks, conversions, ROAS
- Email: Opens and clicks



Are marketers deliberately deceptive?

The data isn't lying. But the interpretation can be deeply misleading, especially when marketers don't realise the data is modelled to begin with.

- Marketer was optimising for a desirable keyword.
- They got the client's website to position three on Google, after a year and £15,000 in fees.
- Success? No!
- The search results page was rammed with Google properties – Ads, Directories Pack, Local Maps Pack, People Also Ask.
- No one was scrolling down to click on the organic search result. No traffic. No leads. £15K burnt.



Marketing metrics are like weather forecasts

Not perfect. Sometimes wildly wrong.

But useful if you know what you're looking at.

A good marketer interprets the forecast.

A great one knows when to step outside and check the sky.



- ✓ Pick a North Star Metric—your growth compass.
- ✓ Identify the Key Drivers to push it forward.
- ✓ Find the Rate Limiting Step. Fix the bottleneck first.
- ✓ Track a few Nuance Metrics for context.
- ✓ For marketing metrics, look for trends and signals.
- ✓ Fall in love with decision-driving data, not dashboards.



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Sid Kathirvel

Founder + Strategic Growth Partner

<https://www.linkedin.com/in/kathirvel/>

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