**Vanity Metrics**

In Lean Analytics, writers Alistair Croll and Ben Yoskovitz, list 6 different types of vanity metrics: numbers of hits, numbers of page views, numbers of page visits, numbers of unique visitors, numbers of anything such as followers, friends or likes, and amount of time spent on a site or the number of pages viewed. If what they say is correct, what is most demoralizing about this list is pretty much the list of metrics that most companies are actually watching.

What exactly is wrong with increasing the number of visitors to the site, and the number of likes on the Facebook page? It’s not that increasing these numbers is going in the wrong direction, it’s just that the increase by itself doesn’t actually provide the information necessary for the company to actually succeed where it counts: the bottom line. Although this may sound obvious, in actual fact, in 2012 51% of companies were measuring the success of their marketing programs on the basis of the volume of traffic to their websites, and 10% and had no idea how to measure effectiveness at all!

According to the writers, the most important aspects of the metrics need to be that they are comparative: comparing one number to another. So that could be comparing amongst periods of time, or groups of users, or [usage of features](http://www.nalpeiron.com). If you can compare one number with another, the comparison shows which direction things are going.

Another useful aspect of the metric is that it is a ratio. Ratios are always comparative. So one ratio might be to link quarterly sales to deals closed. Ratios will link a pair of numbers that are significant to the specific business’s cash flow.

And the final, and most significant part of real metrics is that these are the numbers that cause the business to take action. Vanity metrics are nice but they don’t have us do anything. Real metrics drive the business to make changes in directions that lead to more success. Data driven businesses are successful because they use the knowledge gained from data to **drive** business decisions to take action.

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