The Definitive Guide to

Customer Education Metrics

skilljar

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Customer education is an essential driver of product adoption, customer retention, and growth for companies large and small.

As organizations build and scale customer education programs, the right data can help identify patterns, make evidence-based decisions, and adapt strategies to meet business goals.

Readily available business impact data can also help raise the visibility of your program and secure additional investment. In fact, 75% of customer education professionals said they secured additional budget in 2022 compared to the previous year.

At Skilljar, we've partnered with hundreds of customers of all sizes to build and scale customer education programs. This eBook shares the basics of understanding customer education metrics, from figuring out what metrics are important to your business, to tactical tips on communicating business impact with stakeholders, including:

- Understanding what customer education metrics are
- Common business metrics and how they are used
- Determining business metrics important to your goals
- How to use metrics to make the business case for an LMS
- Tools from Skilljar that help customers tie data back to business insights for retention, satisfaction, and growth

CHAPTER

1

What are customer education metrics and why are they important?

Customer education metrics are business metrics used to measure the success of external education programs.

Common business metrics customer education teams use to prove ROI include:

- Number of learners engaging in training
- % of training customer base
- Number of course enrollments
- Certifications issued
- NPS and CSAT scores
- Time saved
- Revenue from priced training and from selling training
- Support ticket count

With the right metrics, you can measure the impact of your program's objectives:

Drive Product Adoption

Example: “We see 50% more course enrollments for *X* amount of product courses and now see people who have taken that course log into *X* product 10x more than people who have not.”

Grow Training Revenue

Example: “We recently launched more advanced training and monetized our advanced certification program to increase value for our learners and build training revenue simultaneously.”

Improve Efficiency

Example: “Our CSMs spent too much time doing 1:1 training with customers in the last quarter, so we created three new learning paths. Since then, we have seen time spent from CSMs decrease.”

Decrease Onboarding Time

Example: “We created an onboarding path for new users and have seen enrollments and course completions increase. New users are completing onboarding in 60 days instead of 90 days.”

Using this data to tell a story is critical.

When you can tie the impact of your education program to business outcomes, you are able to tell a compelling success story, and in turn, gain more buy-in and investment.

CHAPTER

2

How to determine your customer education metrics

Before you can determine and track customer education metrics, it's important to seek out and understand the larger business goals and initiatives.

It's easy for customer training teams to focus on metrics like completion rates or registrations, and it's hard to see how those impact the larger business goals and outcomes. By connecting the two, you are able to tell an impactful story.

Take a step back and identify key metrics where training can have the largest impact on the business bottom line. Work cross-functionally to understand what the business goals are company-wide and provide examples.

Customer education metrics are broadly broken down into two categories:

1. **Program metrics** reflect the current state of your customer education program and can be pulled from the analytics dashboard in your LMS.
2. **Business impact metrics** measure the impact of your program and are pulled from data integrated with your LMS, like a CRM or marketing automation platform.

Keep in mind that there is no one-size-fits-all approach to data and the more you can tailor your training data analysis to your audiences, the more successful your program will be as it grows and evolves.

Introduction to metrics

This section will walk through the difference between program metrics and business impact metrics. It can feel overwhelming to identify where and how to drive value from your training program, but categorizing metrics into these two categories can help. To start tracking program success, gather the following metrics:

- **Number of learners vs. number of customers**
  This data likely lives outside the LMS dashboard but should be readily available to find.
- **Course completions**
- **Session time**

Program metrics

Program metrics help determine the engagement and effectiveness of education programs on an ongoing basis.

These program metrics are leading indicators of your success, and include Course-, Content-, Account-, and Program-level data. Program-level data encompasses all the content and courses in your training program.

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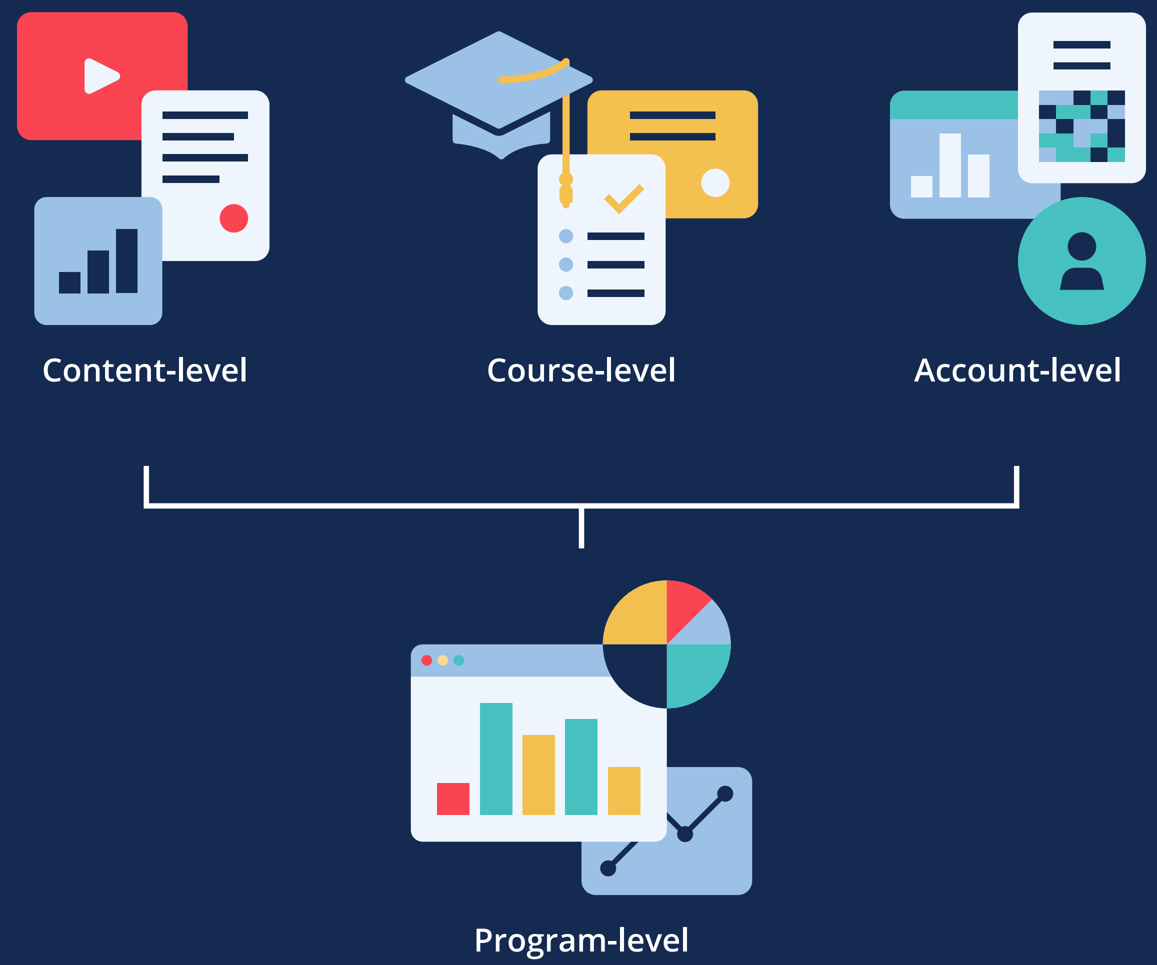


Course- and content-level metrics

Course- and content-level metrics can be invaluable to help adapt your education program. By analyzing how learners interact with your content (i.e. how long and how often courses are accessed, the length of time videos are watched, and performance on assessments), you can identify trends to create more effective lessons.

These metrics can also help assess if your program is reaching the right people and if the content is engaging. You can then adapt your marketing tactics and the creation of new content and courses accordingly.

Instructional Designers and Training Managers typically find Course- and Content-level metrics most valuable.

The Customer Success team at Skilljar recommends tracking the following course- and content-level metrics:

Course-level metrics

- New course enrollments
- Course completions and completion rate
- New courses created or updated in a given time period
- End-of-course survey feedback that helps identify strengths and weaknesses of the training
- Backlog (course development progress based on quarterly or monthly needs)

Content-level metrics

- Most popular content based on views and completions
- Views, completions, and drop-off rates by content type
- Most common topics for user-supported tickets
- Performance-based evaluation scores
- Quiz pass and fail rates
- % of learners that have come to your domain, but have not completed any content

Account-level metrics

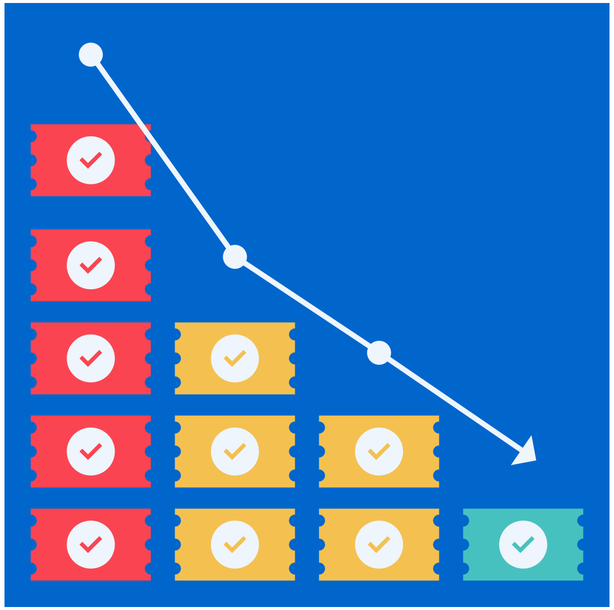
Account and program-level metrics can help identify the overall health of, and engagement with, your program. By understanding the impact of your education program you are able to tell a positive ROI story and improve the chance of more buy-in and investment across your organization.

Once you've established the impact of education on customer health, these three types of program-level metrics can help you identify when a customer isn't exhibiting the right education behaviors that are predictive of long-term success. You can then address these issues in partnership with your Customer Success team.

The Customer Success team at Skilljar recommends tracking the following account-level metrics:

Account-level metrics

- Active users: number of users currently taking courses in a given account
- Average number of courses per user (per month, quarter, year)
- Average and distribution of performance-based evaluation scores
- Money invested per account on training
- Training revenue generated
- Training/Education NPS: look for a correlation between training consumption and NPS scores
- Average number of users and completion rates by account



Tracking the number of decreasing support tickets per customer or support tickets per topic over time can help demonstrate the impact of a training program.

Business impact metrics

The approach to demonstrating ROI depends on what is important to a given company and how leadership thinks of training as a lever in the customer journey.

For some organizations, training is primarily a lever to improve customer retention, renewals, and upsells. Other companies care more about reducing costs, or increasing product usage. All of these outcomes have financial benefits.

While many companies create an ROI story around training revenue, there is also a compelling case to be made around reduced costs.

For example, a strong proactive training program will often aid in supporting ticket deflection. Tracking the number of decreasing support tickets per customer or support tickets per topic over time can help demonstrate the impact of a training program that addresses these areas.

Another key area, especially for software companies, is product usage. Increased product usage can lead to increased value for the customer, so it’s important to assess if training helps drive usage.

Customer lifecycle

Long-term customer success and retention are often a direct reflection of a customer's onboarding experience.

Pay close attention to the tasks you have outlined for users to derive value from your product in the first 90 days. If you're not seeing users complete these tasks, that's a red flag.

The following customer lifecycle metrics will help you track if users are successfully onboarding on your product:

- Time-to-first-value / cycle between key implementation milestones (kickoff, readiness, launch, etc.)
- Product adoption / usage
- Customer Satisfaction (CSAT Score)
- Net Promoter Score (NPS)

By tracking these metrics over several weeks, months, and even years, you will gain valuable insight into the features of your onboarding program that are working and those that are less successful.

TIP

If a user is not completing onboarding tasks, it's a sign they might need additional training. Program managers can use this knowledge to pinpoint exact drop offs during onboarding to build content specific to that milestone, like requiring learners to create a certain number of dashboards in the platform in order to complete onboarding.

TIP

Eliminate wasted time conducting 1:1 training, and save money and increase efficiency by doing on-demand or 1: many training instead.

Program success

After a customer has achieved initial value through onboarding, there are numerous opportunities to strengthen the customer relationship via ongoing customer training and education.

This may be in the form of providing product updates (particularly around major new features or releases), training new team members or offering refreshers, sharing best practices for using your product, or delivering resources for advanced topics, certifications, and other related products.

Not only is training an excellent way to deliver continuous value to your customers but engaged customers are also more likely to succeed with your product (and renew in the future).

To measure the ROI of ongoing education, consider the following metrics. They can be particularly helpful when addressing stakeholders from the Customer Success and Sales teams.

- % of customer base enrolled in training
- Number of course completions/ certifications
- Company revenue: renewals or expansion dollars that can be directly tied to companies who participate in training
- Support ticket reduction
- Increased productivity by the CSM team
- Reduced onboarding time

Lead generation

If your company is using training as a marketing channel, consider these impact metrics. On-demand courses can help you engage with prospective customers and increase brand awareness. Certifications or accredited professional development hours can be particularly effective in facilitating this engagement.

Collect data about your learners and identify whether or not they are current customers. This data, for example, can be passed to your CRM and the sales team can reach out to those learners that have taken training but aren't yet customers.

The following metrics are of particular interest to the Marketing, Sales, and Customer Success teams:

1. **Number of leads generated**
2. **Cost-per-lead or cost-per-marketing-qualified-lead (cost per MQL)**
3. **Hours spent in training**
4. **Number of certifications issued**
5. **Cost-per-converted customer**

CHAPTER

3

Build a case for your education program

Once you have gathered the relevant data points for each stakeholder and developed your narrative, it's time to share your insights.

Some of the ways Skilljar customers present their metrics to stakeholders include:

- Monthly Business Reports (MBRs) or Quarterly Business Reports (QBRs)
- Circulate weekly emails to leadership that summarizes key points
- Create dashboards in Skilljar, Salesforce, or other platforms
- Share a spreadsheet and accompanying newsletter in a monthly email
- Partner with your LMS Customer Success Manager and Account Manager during Executive Business Reviews with stakeholders to showcase your success

Providing opportunities for executive visibility in a Customer Education Program regularly is a critical step to ensure that your program is both given the buy-in and funding it deserves and is viewed as an important, beneficial component of the business.

Building a case for education takes time and it is important to take the proper steps to gain support. Regardless of the size of your company, share the education program metrics you plan to track and monitor with stakeholders. Key performance metrics around reducing churn, increasing profitability, and improving time-to-value for your trained customers will be important to highlight during these discussions.

TIP

Approaching key stakeholders

When considering how to approach key stakeholders, keep these four core principles in mind:

1. Use a mixture of quantitative and qualitative data, as well as data related to both leading and lagging customers, to correlate customer education activities with business impact.
2. Ensure metrics tie to specific points in the customer lifecycle.
3. Aim to tie metrics to specific business initiatives and larger metrics being tracked at the corporate level.
4. When reporting, focus on the metrics that have the most variability or the ones showing the most interesting trends.

CHAPTER

4

Investing in a Learning Management System (LMS)

Some companies choose to write off training costs over a period of time, while others treat upfront costs as fixed investments.

For on-demand training, in particular, costs may even be considered relative savings when compared to the need for increasing instructor headcount.

In situations like this, investing in a Learning Management System (LMS) for external training may further reduce the overall costs of an education program while enabling more seamless scalability. As your customer base grows, investing in software like Skilljar for customer training also enables your organization to scale and keep up with your customers, both new and existing.

An LMS can provide the insights and data you need to tie the customer education metrics outlined in this guide to business outcomes throughout the organization.

Regardless of where Customer Education resides, it's critical to socialize the benefits of education to key stakeholders within your organization and cross-collaborate on the best content possible for your audience(s).

Here are a few examples of how an LMS can support broader company goals:

1. **Customer Success teams** can shift from addressing numerous time-consuming "how-to" support questions and instead, dive into more complex customer questions and support needs.
2. **Sales teams** can utilize built-in integrations with CRMs and marketing platforms to create multi-phase, data-driven nurture streams for more customized prospect outreach.
3. **Finance teams** can directly correlate the costs associated with training and the resulting revenue, and ensure that the relationship is a positive one. An LMS can be particularly helpful when it comes to revenue recognition and data consolidation.
4. **Legal teams** can feel confident that the dissemination of information to customers is standardized and compliant.
5. **Executives** can be assured that customers are receiving a high standard of product training and education, which forms the foundation for high renewal, retention, and expansion rates.

Tracking and sharing the right customer education metrics will help you run and optimize your program and communicate business impact to key stakeholders.

Use this eBook to help jumpstart or improve the measures that you have in place today.

Want to learn more about how Skilljar can help accelerate product adoption and increase customer retention?

Watch Our Online Demo

About Skilljar

Skilljar is the best LMS for external training that powers smart growth through learning. We believe that the most successful companies are those that have the most users who know how to use their products. Skilljar's powerful cloud software was built to provide an intuitive user experience to every audience, and integrates with the rest of the go-to-market tech stack, such as CRM, marketing automation, analytics, and customer success tools.

Founded in 2013, Skilljar is based in Seattle and backed by top-tier venture capital firms Insight Partners, Mayfield, Trilogy Equity Partners, and Shasta Ventures. For more information, visit **www.skilljar.com**.

Customer Education Metrics Tools & Resources from Skilljar

Skilljar is committed to providing our customers with best-in-class tools and resources to help them demonstrate the success of their Customer Education programs to stakeholders or identify areas that need improvement.

Strategic Insights*

- **Benchmark learning program metrics to gauge global, best-in-class training performance**
- **Access data visualizations and regularly updated comparisons to other learning programs built into your Skilljar Analytics dashboard**
- **Compare your organization's training to other Skilljar customers based on a global comparison to all programs, learner audience size, and program age**

Learn more about Strategic Insights

"I have often wondered where do I stack up? Strategic Insights is a great, helpful innovation that I can access on my own which is very exciting."

-Randon Ruggles, Director of Customer Education, Jamf

Customer Education Business Impact Template

- Show the value of your program on business metrics like NPS, CSAT, and GRR/NRR.
- Define and compare trained customers to untrained customers to illustrate program impact
- Share data charts with internal stakeholders for additional buy-in and benchmarking

Download Business Impact Template

"These capabilities prove that Skilljar is thinking more holistically about how to help me with my program, which allows me to manage up better."

-Stephanie Pellegrino, Director of Customer Education, Gong

Group Analytics*

- Tailor your training content to specific audiences and track progress on metrics
- Create benchmarks to compare different groups and identify which are frontrunners, and which need attention to improve program impact
- Feed Group Analytics data into our Customer Education Business Impact Template to filter data by group, including by account

Learn more about Group Analytics

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**This resource is available for Skilljar customers only. Not a Skilljar customer? View our online demo!*