

# A Quick Guide to Common Vanity Metrics

*This is an extra resource to go along with the original article:*

[What to Look for in Core Metrics](#)

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Vanity metrics are to be avoided as they don't tell you anything valuable about your business. Here are some common vanity metrics, and alternatives that might be a better choice:

1. **Total registered users** - This is a number that can definitely make you feel good, but is it meaningful? On its own, not really. Total registered users will always tend to grow, but it doesn't help with your decision-making. For example, it doesn't show if the new marketing campaign you put in place last week has had any impact.

What might be a better alternative? Consider metrics such as signups per week, or growth rate per month/week/year. These numbers make it easy to see if you're making real progress, as they allow you to make comparisons over time.

2. **Social media "likes."** It can stoke the ego to see the likes climbing for your Facebook page, but of all metrics, likes are one of the most meaningless. A "like" is easily given with the click of a finger, but it doesn't tell you if you reached an ideal customer, or if what you are saying is really getting through.

Social media engagement (though comments and shares), or referrals are more impactful metrics. These tell you that people are into your messaging, and that they're prepared to do a bit more than a simple click.

3. **Email subscribers.** This is another metric that can make you feel pretty good about your numbers, yet the number itself doesn't mean anything. The number of email subscribers you have does not tell you about your engagement or your revenue generated through email.

Metrics such as your email conversion rate are more meaningful, telling you how email affects your bottom line. Metrics like click-throughs are good to gauge engagement and interest, but again, does that interest lead to a desired action?

4. **Number of trial users.** Again, this is a metric that, while it lets you know that your initial marketing may be effective, it doesn't tell you the true impact on your business.

What is your retention rate of trial users moving to paid subscription? This is a

bottom-line metric for your business.

5. **Marketing spend.** You need to know your marketing spend to do financial reports, but this metric doesn't mean anything for your business goals overall. (Unless you're trying to get better results for less marketing spend, in which case, the true focus is the results!). Basically, as a standalone metric, marketing spend isn't useful without comparing it to another metric, such as return on marketing investment.

Return on marketing investment is always going to be a better choice because it gives you more actionable information. It doesn't matter whether you just spent \$100 or \$100k, what was the result of that spend?

6. **Revenue from individual customers.** Some companies look at their client base and assign resources based on the amount of revenue the client brings them. However, while this might look good on paper, sometimes the allocation of resources outweighs profitability.

Profitability is a much better measure because it tells you if the relationship with the customer is actually worthwhile. If your biggest client is also the most demanding and requires a lot of "extras," the profitability of the relationship can soon wane. Potentially, you also miss looking out for smaller, more profitable client relationships.

For smaller businesses (such as ecommerce), profitability per customer is less easy to calculate anyway. One strategy is to use profitability per segment, so you can see if it varies by customer type.

7. **Number of leads in your sales funnel.** Why might this be a vanity metric? Because the actual number of leads doesn't tell you whether you've reached the right people who are in your ideal customer group.

A cohort analysis, telling you the number of leads from clear segments of your target customers is probably more useful. This will let you know if you're reaching the people you intend to reach, or if perhaps your marketing tactics need to shift.