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2024 Enterprise Product Benchmarks

9 essential KPIs to measure product performance

Benchmarking your enterprise products: From trusting your gut to leaving peers in the dust

Competition is heating up in the age of AI. Global enterprises are transforming their products overnight. A new wave of startups are challenging your products. And as your Product Managers (PMs) navigate their shifting responsibilities, they're also trying to build and ship features, faster than ever.

Without a data-first approach to development, your product teams are acting on instinct rather than hard proof. But your enterprise is swimming in product data, and driving strategic outcomes is harder than ever.

Turn your team's focus from feature factory to strategic outcomes

The best product teams use analytics to guide their decisions. But in a sea of information, what KPIs should your team focus on? How does location impact your product's performance? Where are your peers excelling? And most importantly, what do these data points mean for your product's strategic goals?

Mind the Product's enterprise benchmarks report explores modern KPIs all product-led teams must measure. Powered by anonymized Pendo data

from 1,100+ enterprise applications, this report breaks down nine metrics to help your team understand performance, find opportunities, and validate decisions.

Here's a peek into this report's global findings:

→ The top 10% of enterprises are growing active users **23x** faster than average

→ **6%** of features are driving 80% of clicks for the average product

→ Over three months, average enterprises retain **28%** of users

→ Users spend **2x** more time on web applications than mobile applications

Want more personalized benchmarks?

Our interactive product benchmarks tool lets your team filter and compare benchmarks by industry, company size, and geography. Start assessing your product's performance with your peers and competitors at **pendo.io/product-benchmarks**.

Methodology

This report explores anonymized data* from 1,100+ applications at companies with 2,500+ employees on the Pendo One platform.

We categorize performance across four brackets:

→ **Low:** 25th percentile

→ **Average:** 50th percentile

→ **High:** 75th percentile

→ **Best-in-class:** 90th percentile

Industries

→ **Software**

→ **Business Services, Holding Company**

→ **Financial**

→ **Consumer Goods & Services, Food**

→ **Media, Entertainment, Telecommunications**

→ **Manufacturing, Construction, Utilities**

* Quantitative data for the 2024 Mind the Product Benchmarks Report is from analysis of aggregated and anonymized product data from a sample of Pendo customers from May 1, 2023 to March 30, 2024. Pendo customers that opted out of anonymous data sharing were excluded from this analysis.

Table of Benchmarks

Monthly active user growth

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Monthly active user (MAU) growth rate is the percentage change in the number of active users coming to your product.

Typically a leading indicator of revenue, MAU growth helps product teams understand if users benefit from your product. Spikes in user growth may reveal a runaway product success, while sudden drops may expose issues in your application, like bugs or outages.

You can measure active user growth over day, week, or month. In this report, we measure MAU growth over six months.

An 'active user' is anyone that interacts with your application during a period.

Best-in-class enterprises are adding MAUs 34x faster than average

Across industry and region, enterprises are growing MAUs by an average of 2%. In other words, products with 100 users will add two new ones at the end of six months.

The top 10% of enterprise products are growing MAU by 68%. While an average of 2% MAU growth may seem low, enterprises have long-established audiences and offerings. Rapid MAU growth is less likely, unless you've launched a new product in its early days—like Meta's Threads app.

How we measured MAU growth

To measure MAU growth, we subtract end-of-the-month users from beginning-of-month users. Then, we divide that number by active users from the start of the month. This report looks at six-month MAU growth.

$$MAU\ Growth = \left(\frac{MAU_{Month\ 6} - MAU_{Month\ 1}}{MAU_{Month\ 6}} \right)$$

Six-month enterprise MAU growth by percentile

0%

–8%
Low

+2%
Average

+20%
High

+68%
Best-in-class

0%
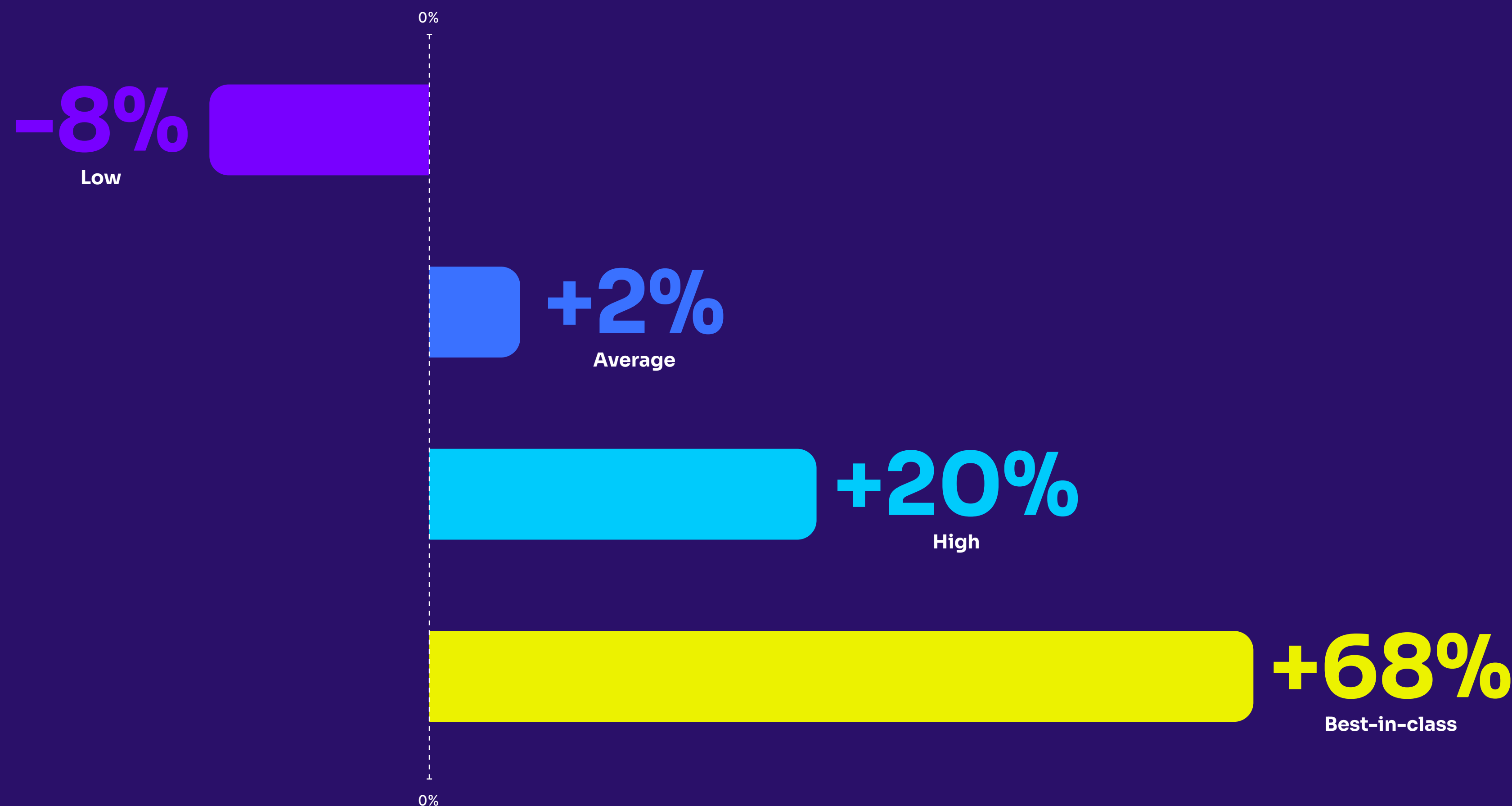
MAU growth all depends on your industry

Consumer Goods & Services products are adding the most active users. With a median MAU growth of 7% and a best-in-class MAU growth of 103%, products in this category are seeing high consumer demand. On the other hand, average products in Media and Government are losing active users. Market competition and shifting consumer preferences may be to blame.

Enterprise MAU growth by industry

Industry	Low	Average	High	Best-in-class
Business Services, Holding Company	–7%	4%	23%	74%
Consumer Goods & Services, Food	–7%	7%	20%	103%
Financial	–5%	2%	19%	79%
Manufacturing, Construction, Utilities	–5%	5%	17%	44%
Media, Entertainment, Telecommunications	–20%	–5%	7%	39%
Software	–8%	2%	20%	55%

Four ways to increase active users

01 Capture and apply user feedback

Your product team should listen to users and add their ideas to your product roadmap. This is the easiest way to create products that delight and engage users.

02 Educate users in-app

From day one and beyond, emphasize the value of your product via in-app guides, walkthroughs, resource centers, and other tools.

03 Segment communications

Gather information about your users, and create segments by role and share relevant resources.

04 Offer freemium and free trial offerings

Product-led organizations rely on their product, rather than marketing methods, to drive user growth. A low-friction, low-commitment offering is an easy way to add and convert users.

"**Taking a phased and thoughtful approach [with Pendo] has helped us really understand what our customers are needing and wanting, and where we can make a big impact.**"
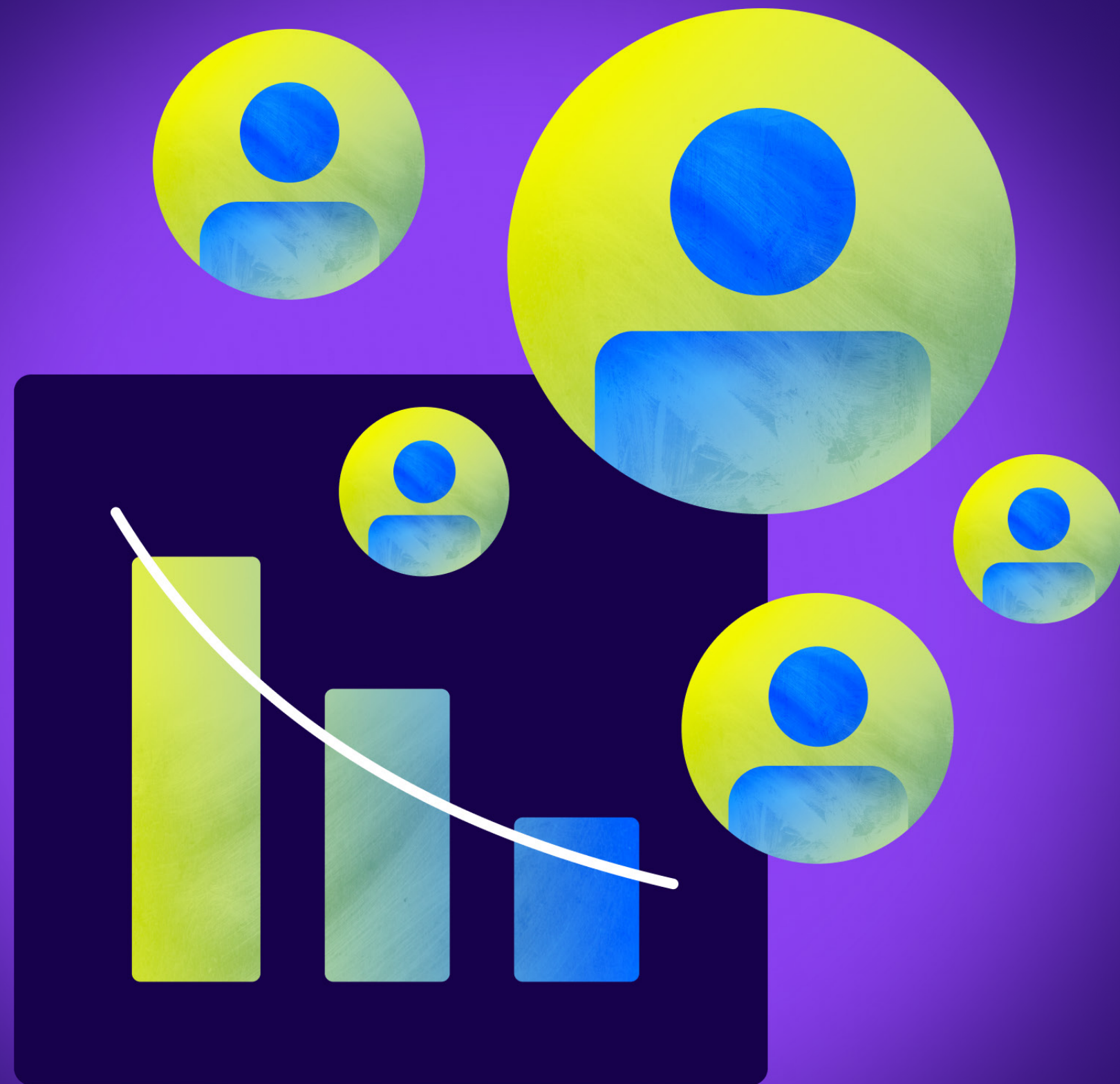
Katie Pedroza
Senior manager, customer adoption and retention

Adobe

User retention

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User retention measures how many first-time visitors or accounts return to your product during a window of time.

We've all interacted with a product that didn't live up to its promises. From mis-set expectations to poorly placed paywalls, users may leave products for many reasons.

If your product can't keep customers, it's hurting your revenue and growth. It's that much more important to deliver a digital experience that keeps your users engaged with your product for the long haul. On the flip side, happier customers are more likely to stick around and become advocates. From expanding within satisfied accounts to word-of-mouth referrals, keeping customers is simply good for business.

There are two types of retention: User retention and customer retention.

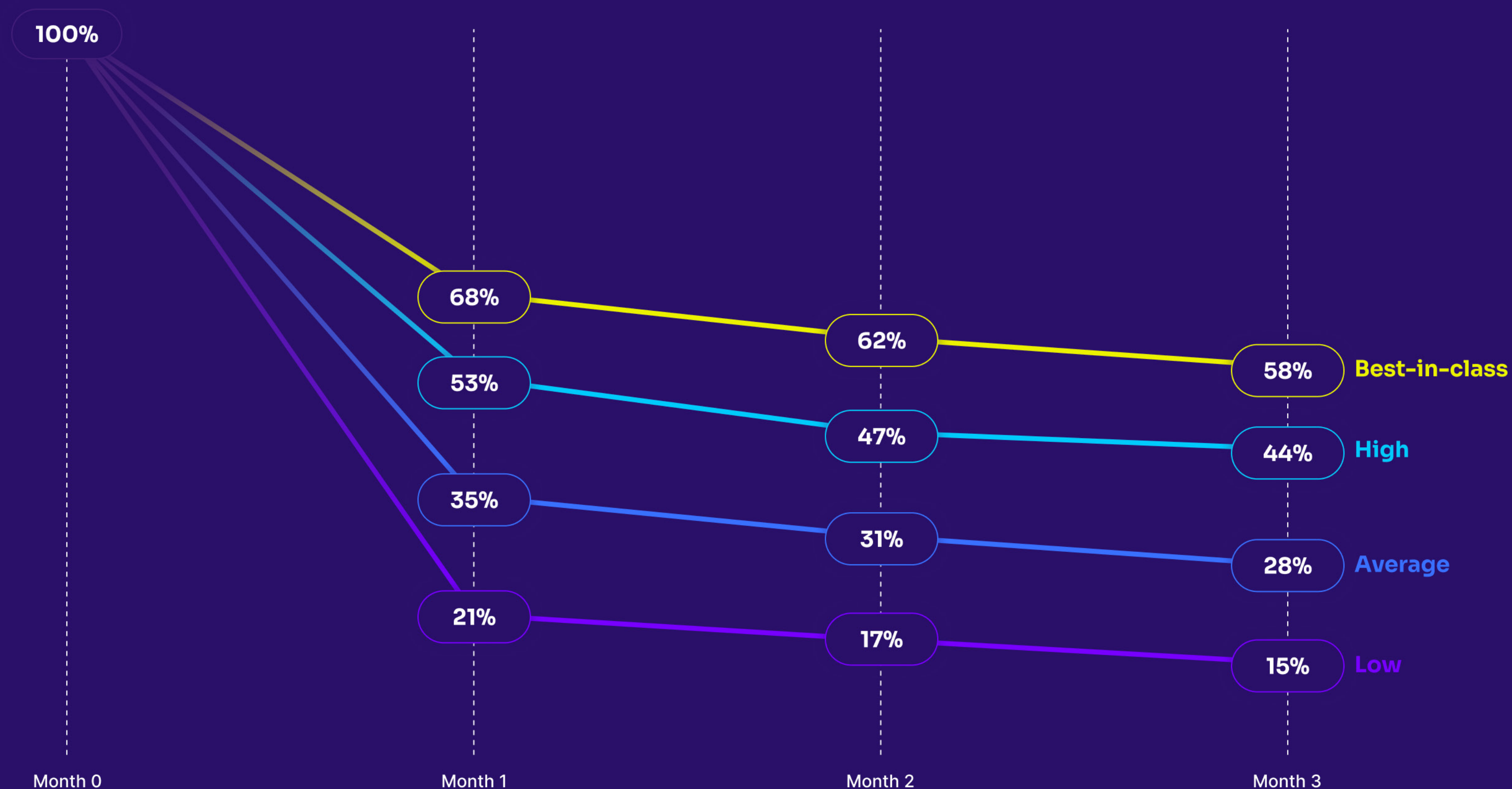# Over three months, enterprise products keep 28% of users

Enterprise products keep 35% of users after one month, on average. After three months, about 28% of users are still returning to your product. For every 100 active users your product adds, 72 users will leave. Best-in-class products retain 1.9x as many customers in month three, than average.

For a new product, a one-month retention rate of 35% indicates that your product adds value to users. For an established product, this might reveal underlying functionality issues.

How we calculated user retention rate

We measure user retention by counting new visitors between May, June, July, and August 2023, and if they returned in month one, two, and three after the month of their first visit. If a user first visits your product in May, we see if they return within 30 days (month one), 30 to 60 days (month two), or 60 to 90 days (month three).

Three-month enterprise user retention rate by percentile

100%

Month 0 | Month 1 | Month 2 | Month 3

68% | 62% | 58% **Best-in-class**
53% | 47% | 44% **High**
35% | 31% | 28% **Average**
21% | 17% | 15% **Low**

Consumer Goods & Services have the highest user retention

Industry has a major impact on your product's user retention. Enterprise products in Consumer Goods & Services—like food delivery and ecommerce apps—have the highest three-month retention rate of 33%.

Three-month enterprise user retention

Industry	Low	Average	High	Best-in-class
Business Services, Holding Company	15%	28%	44%	59%
Consumer Goods & Services, Food	19%	33%	50%	63%
Financial	17%	32%	50%	64%
Manufacturing, Construction, Utilities	19%	32%	47%	56%
Media, Entertainment, Telecommunications	19%	32%	47%	57%
Software	12%	25%	39%	54%

Improving retention revolves around guidance

01 Simplify user onboarding

When a new user logs into your product, highlight your core features, offer product walkthroughs, and link out to your resource center. **See how five product teams are improving onboarding**.

02 Continue to add value

Nurture customer relationships even after they've gotten the hang of your application. Use in-app messaging and widgets to create a product environment where users are always learning and uncovering features, at their own pace.

03 Put your product analytics to work

You can't improve retention without defining the problems. Look at your product's qualitative, quantitative, and visual data across different user segments. Session replay, product analytics, and feedback capture tell you what your top users are doing so you can guide at-risk customers to value.

Feature adoption

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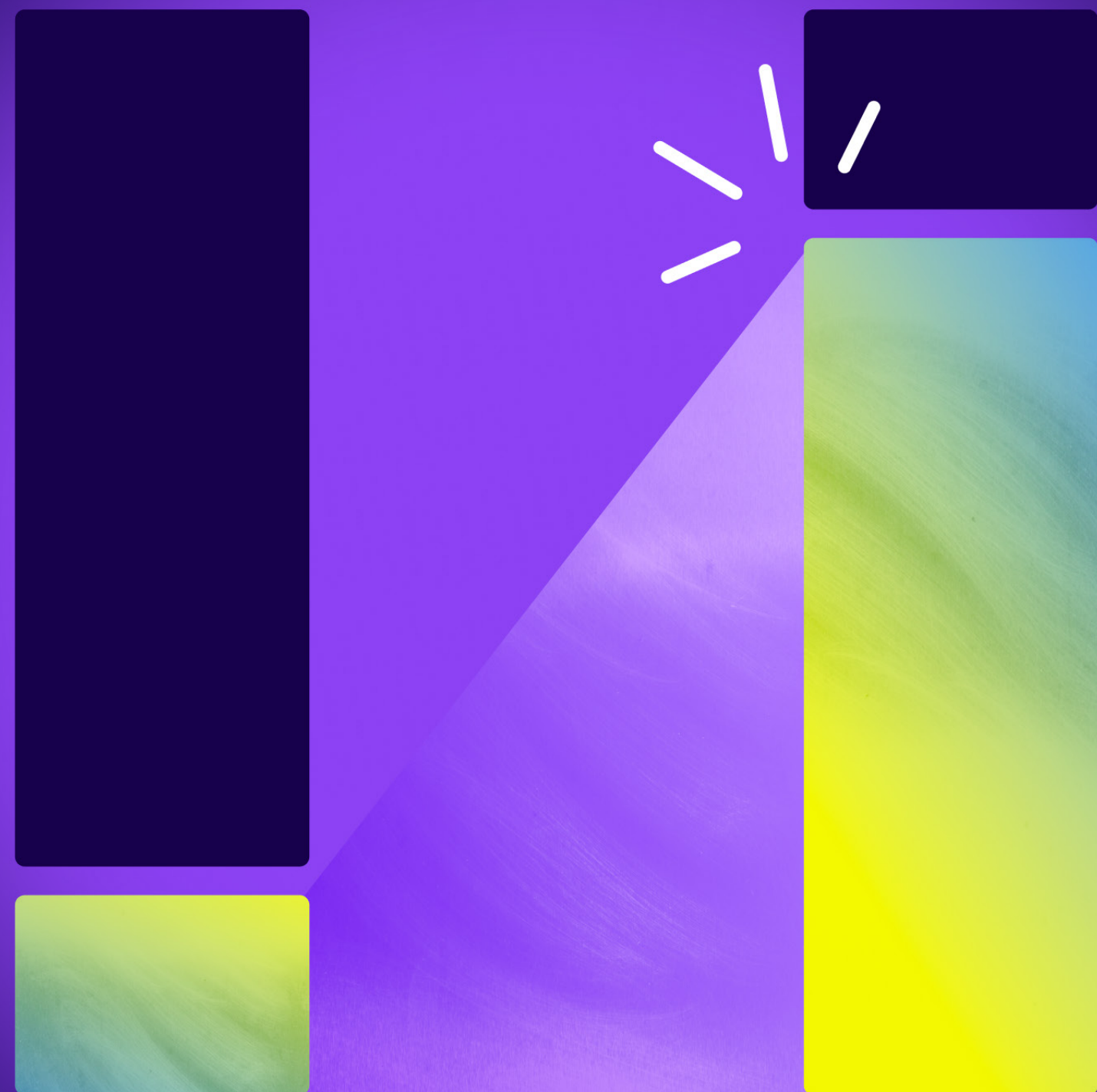
Feature adoption measures the percentage of features that generate 80% of events within your product.

The shift to subscription-based pricing models puts added pressure on teams to deliver product experiences that keep users engaged for the long haul. Otherwise, come renewal time, there's not much stopping customers from abandoning your application and finding an alternative.

By understanding how (or if) customers use specific features, your PMs will get a clear view of if those features are achieving their goals.

Many products suffer from feature sprawl. Depending on your industry's average feature adoption, your team may decide to focus on improving adoption around your most important tools.
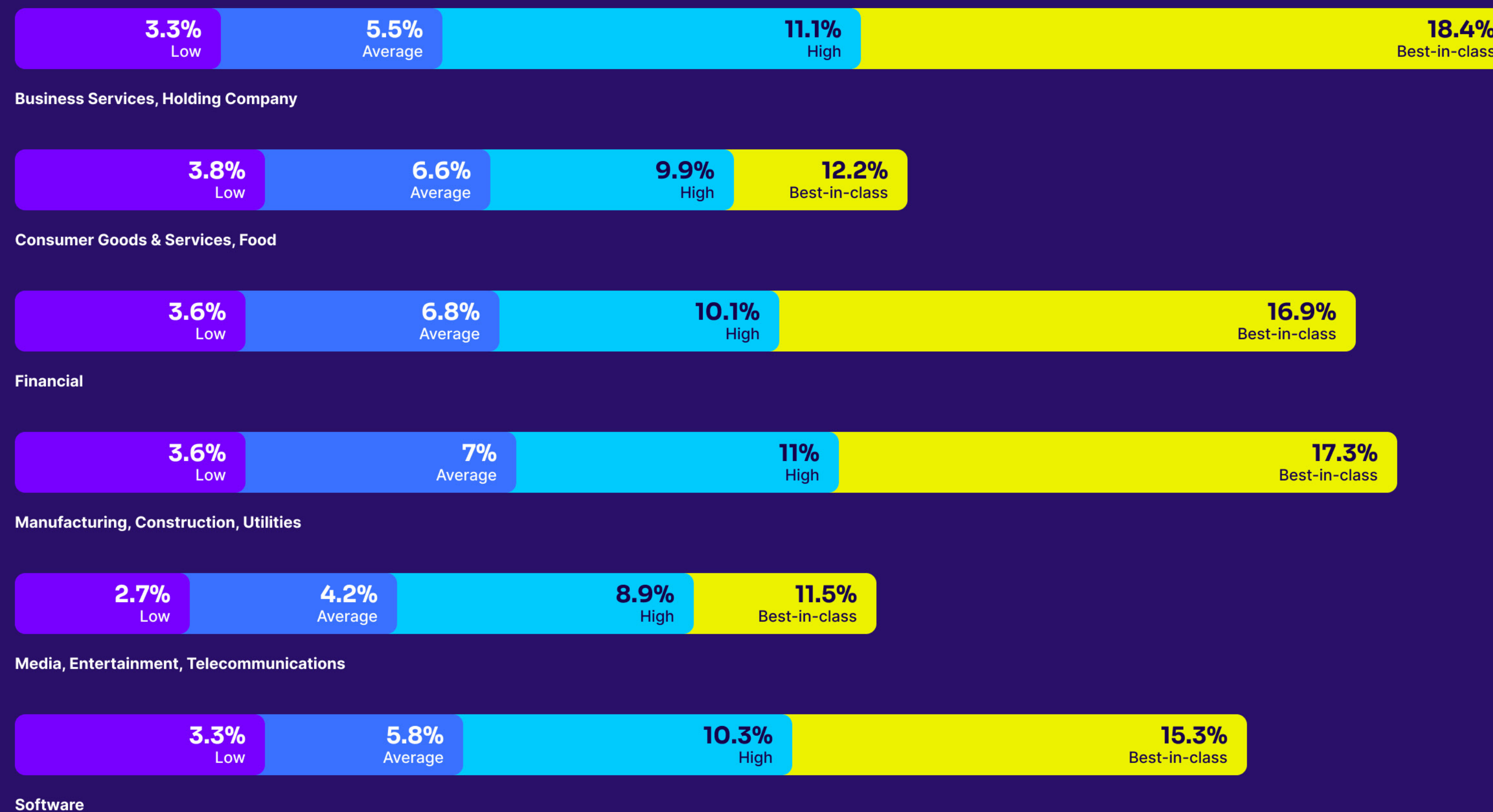
Only 6% of features drive 80% of clicks

Average enterprise feature adoption for digital products is 6%. For best-in-class enterprises, this jumps to 16%. Across industries, products in the Manufacturing industry have the highest feature adoption at 7%. Products in Media are lagging behind, at 4%.

As your enterprise grows, so does your product. If your Business Services product has a 6% adoption rate, that might be a success. However, a 6% feature adoption rate for your social media app's newest messaging feature might ring some alarm bells.

How we measured feature adoption

We measure feature adoption by tracking how many features generate 80% of a user's click volume.

Enterprise feature adoption by industry

3.3% Low — **5.5%** Average — **11.1%** High — **18.4%** Best-in-class

Business Services, Holding Company

3.8% Low — **6.6%** Average — **9.9%** High — **12.2%** Best-in-class

Consumer Goods & Services, Food

3.6% Low — **6.8%** Average — **10.1%** High — **16.9%** Best-in-class

Financial

3.6% Low — **7%** Average — **11%** High — **17.3%** Best-in-class

Manufacturing, Construction, Utilities

2.7% Low — **4.2%** Average — **8.9%** High — **11.5%** Best-in-class

Media, Entertainment, Telecommunications

3.3% Low — **5.8%** Average — **10.3%** High — **15.3%** Best-in-class

Software

Four ways to exceed feature adoption benchmarks

01 **Make adoption easy and continuous**

It should be as easy as possible for customers to find and use features. Once you've announced a new feature, create in-app walkthroughs to guide users through the desired steps—especially for features that require multiple steps in the workflow.

02 **Announce new features in-app**

One of the best tools to promote features is your product itself. When your team announces features in-app via guides or **tooltips**, you reach users when and where the message is most relevant.

03 **Make the value and desired action clear**

As your team create **in-app messages** or other content about features, use straightforward language that clearly communicates its value. Then, point users to the next action you want them to take (like watching a guided demo).

04 **Target your communications**

Not every feature is relevant to every user. Your PMs should create segments within your product experience platform by role, permissions, and technical proficiency.

> "[In-app guides] have been really effective not only in communicating, but also in reducing support calls about how a screen changed, and the user can't find things. Now, they can take a tour anytime they want to refresh their memory."

Liz Feller
Manager, design systems & analytics

nelnet

Stickiness

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Stickiness measures how many users return to your product daily, weekly, and monthly.

Popularized by social media, communication, and gaming software, stickiness ratios have become widely valuable to every market. While companies may buy B2B products, you're still building for people.

Product stickiness is a leading indicator of retention and reveals how engaged your users are. Save for the rare product that's only meant to be used one or two times a year (like TurboTax), every PM wants users to continue engaging with and finding value in their product.

> **In this benchmark, we measure stickiness by week and month.**

The top 10% of products are 1.5x stickier each month

On average, 51% of users will engage with products at least one week out of a month, and 15% engage with products at least once per 24 hours. That means over half of users find enterprise products valuable and have created enduring habits.

For best-in-class enterprises, weekly stickiness jumps to 76% and daily stickiness is 37%. That means more than ¾ of users will log in on any given week, and 37 out of 100 users will log in on any given day.

How we measured stickiness

In this report, we calculate stickiness by week and month:

Weekly stickiness

Look at weekly stickiness if your active users perform infrequent tasks or maintenance, and don't need to engage with your product daily. Think: Expense management tools.

$$\left(\frac{\text{Weekly Active Users (WAU)}}{\text{Monthly Active Users (WAU)}} \right) \times 100\%$$

Daily stickiness

Look at daily stickiness if your active users need your product daily, like a productivity or messaging application.

$$\left(\frac{\text{Daily Active Users (DAU)}}{\text{Monthly Active Users (WAU)}} \right) \times 100\%$$

Within Pendo, an "active" visitor or account includes any event recorded during a defined period.

Enterprise daily and weekly stickiness by percentile

Low
- WAU/MAU 38%
- DAU/MAU 9%

Average
- WAU/MAU 51%
- DAU/MAU 15%

High
- WAU/MAU 65%
- DAU/MAU 24%

Best-in-class
- WAU/MAU 76%
- DAU/MAU 37%

Stickiness 🤝 feature adoption

The industry with the "stickiest" product, regardless of percentile, is Consumer Goods & Services. For best-in-class enterprises, the Media and Financial industries are close followers.

Consumer Goods also has the highest average feature adoption rate. As users get to know your product's tools, they're more likely to build enduring habits with it.

WAU/MAU

Industry	Low	Average	High	Best-in-class
Business Services, Holding Company	40%	52%	65%	76%
Consumer Goods & Services, Food	39%	56%	70%	83%
Financial	37%	52%	68%	79%
Manufacturing, Construction, Utilities	44%	53%	65%	73%
Media, Entertainment, Telecommunications	42%	56%	67%	80%
Software	35%	49%	61%	74%

DAU/MAU

Industry	Low	Average	High	Best-in-class
Business Services, Holding Company	9%	16%	26%	37%
Consumer Goods & Services, Food	10%	18%	29%	43%
Financial	8%	14%	25%	38%
Manufacturing, Construction, Utilities	11%	17%	27%	33%
Media, Entertainment, Telecommunications	11%	18%	27%	39%
Software	7%	14%	22%	34%

How to make your product stickier

01 Encourage engagement

Your teams should add features and communications that encourage regular product interactions, like notifications, emails, and other triggers.

02 Promote the behaviors of engaged users

PMs should ask your most engaged users what they value most and what could be better. Then, they can encourage other users to adopt the same features and workflows.

03 Understand what's hurting stickiness

Watch visual data of your least and most sticky users to understand their behaviors. From there, PMs can use in-app guides and walkthroughs to help build habits and uncover value.

04 Use in-app guides to speed up "aha!" moments

The faster your teams can add value to your users, the more likely they are to return.

"[Oftentimes, these users] might just follow what others have told them, and that's it. So we've been working hard to improve their adoption and stickiness in our products. We're using guides in different places … and trying to increase our users' knowledge of every feature and module."

Bala Rajesh
Associate product director

darwinbox

Time to value

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Time to value (TTV) measures how many days a customer takes to get value from your product.

First impressions are everything. Now, your team has the data to prove it. A core tenant of product-led growth, think of TTV as the first "aha" moment in your product experience.

No matter how many shiny new features are on your roadmap, users won't stick around if they don't immediately see the benefits of your product. There's not much stopping them from abandoning your product if they don't understand how it helps them meet their goals.

Users reach their "aha!" moments 12x faster with best–in–class products

It takes users 1.2 days to see and experience the value of an enterprise digital product, on average. The top 10% of companies have perfected the art of first impressions with a TTV of .1 days— that's only 2.4 hours!

Onboarding, continuous education, and customer listening are non-negotiables when improving TTV.
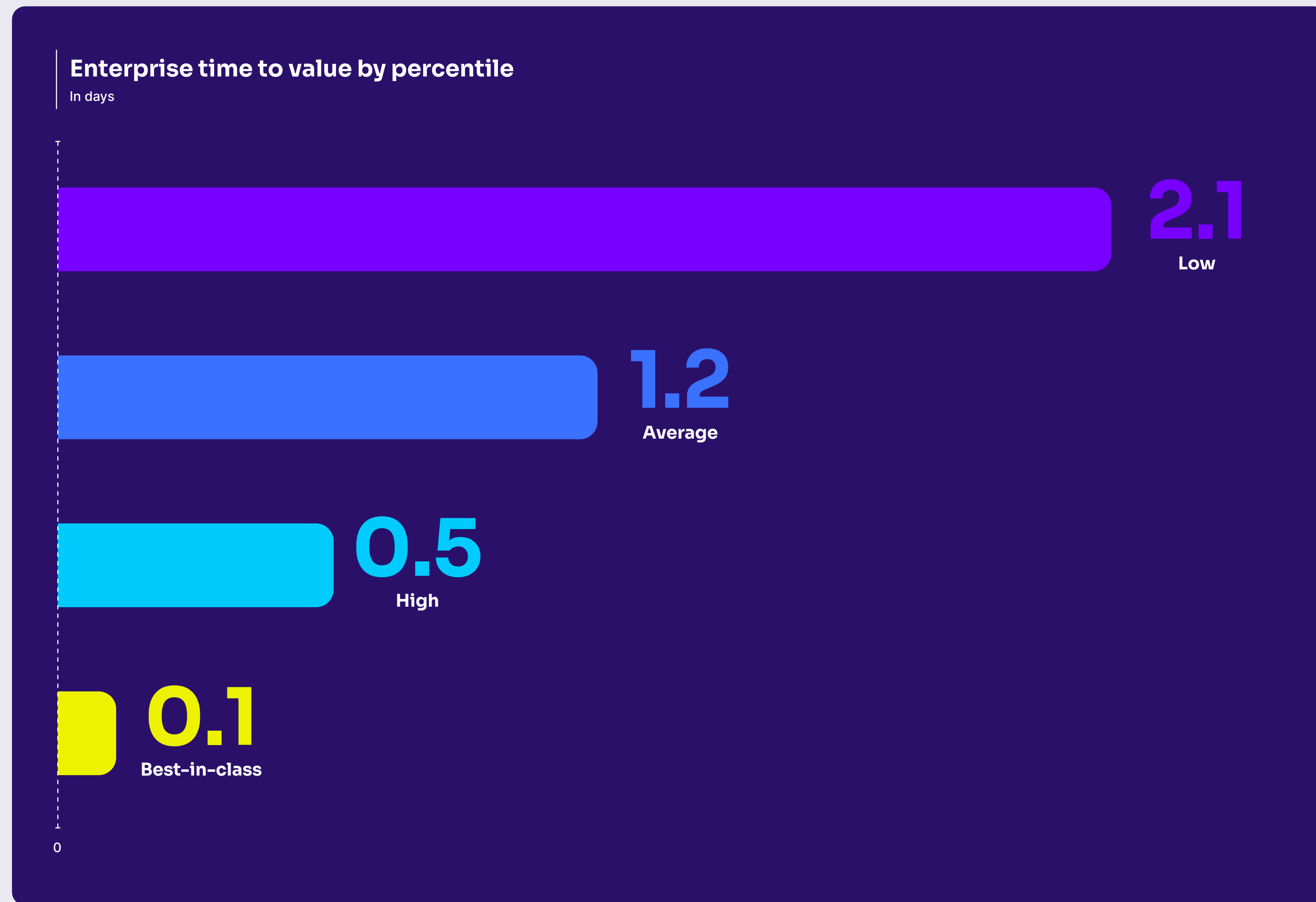
As products and user counts grow, organizations usually have more resources to devote to user research, analytics, and user experience (UX) improvements. Organizations also put more focus on guiding users to what they need as products grow and retaining customers.

How we measured TTV

We anchor TTV around Core Events, which are the ten (or fewer) key features in a product. In this report (and in Pendo), we measure TTV in days. This timer begins when a user first logs in, and keeps running until they log back in and accomplish their top core event. If your TTV is 2.1, users are taking 50.4 hours to achieve a Core Event.

Ideally, your product analytics tool tells you the average, minimum, and maximum time it takes visitors to first interact with a Core Event.

Unlike other product benchmarks in this report, a lower TTV is better.

Enterprise time to value by percentile
In days

2.1
Low

1.2
Average

0.5
High

0.1
Best–in–class

0

Tips to speed up "lightbulb" moments

01 **Automate and optimize onboarding**

PMs should lead users directly to their "aha!" moments with timely, relevant, and contextual guides. Using in-app communication to steer users to Core Events for a faster TTV (and also speeds up onboarding).

02 **Dig into your qualitative, quantitative, and visual data**

Users who don't find value in your product fast enough are at risk. Explore your product analytics, session replays, and feedback to pinpoint where at-risk users are getting stuck.

03 **Promote the behaviors of users with a short TTV**

When your teams notice a short TTV in product data, encourage them to learn as much as they can about these users. What patterns do you see? Do these users share a common job title or admin level? Then, your team can replicate positive in-app behaviors with the rest of your users and update onboarding.

04 **Lower friction with in-app guidance**

Once your PMs have identified issues, they might need to flag issues for a fix via your roadmaps or deploy in-app guides to help new users get through important workflows.

05 **Get product-led certified**

TTV is a core tenant of **product-led growth**. Learn how to improve this benchmark in Pendo's product-led growth certification course.

"We [used in-app guides] explore multiple customer journeys to truly understand where they were getting stuck. We made sure that the styling, and the way we deploy that information, would be familiar to users and also fit to the domain it was presented in."

Tommy Rahardjo
Senior digital CX and capabilities manager

ELSEVIER

Time on app

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Time on app shows how many minutes, on average, a visitor spends on any page within a specific app.

Time on app is a constant push-and-pull between users and your PMs. While a higher time on app doesn't always mean more growth, it's crucial to understand engagement, product performance, and user satisfaction. The more time users spend with your product (and the faster they get value from it), the more likely they are to continue using your product, and the less likely they are to leave.

There are multiple ways to examine time on app:

1. **If your time on app is higher,** your product may have a longer time to value or stronger user engagement.

2. **If your time on app is lower,** you may have a faster time to value or users aren't finding the app engaging.

Encourage your teams to lean into visual, qualitative, quantitative data when interpreting this benchmark.

Users spend **2x** more time on web apps than mobile ones, on average

This may be due to the nature of work performed on web apps throughout a work day—we all know (and may be) someone that bounces between endless browser tabs each day. With mobile apps, users are more likely to open your product, perform a task, and then exit.

How we measured time on app

To calculate how much time visitors spend in your app, we track user activity in one-minute increments. Each new minute where users interact with your app, whether it's a click, focus, or any other **browser event**, adds another minute to their total time. This way, we only count the time when they are actively engaged with your product.

$$\text{Time on app} = \left(\frac{\text{All active minutes on app}}{\text{Unique users}} \right)$$

Enterprise time on app: Web vs. Mobile

Low

Web — **6.2 min**

Mobile — **3.5 min**

Average

Web — **11.1 min**

Mobile — **5.4 min**

High

Web — **20.1 min**

Mobile — **9.5 min**

Best-in-class

Web — **34.9 min**

Mobile — **14.4 min**

Three ways to improve time on app

01 Consider your product's use

If your product is built for productivity, PMs should focus more on your web-based offering. If your product is built for entertainment, users might prefer a mobile application. Time on app will vary if users are consuming content or achieving specific goals.

**02 Build what your customers are asking for**

Your teams should gather user input through user interviews, feedback widgets, and in-app surveys to keep doing what your users like—and skip what they don't need.

03 Give lower-engaging users a push in the right direction

Heatmaps, funnels, and session replay recordings can show your PMs where users are dropping off. Then, PMs can create segments with less engaged users and guide their behaviors to replicate that of your more engaged users.

Ready to deepen your benchmarking expertise?

Get certified in Product Analytics →
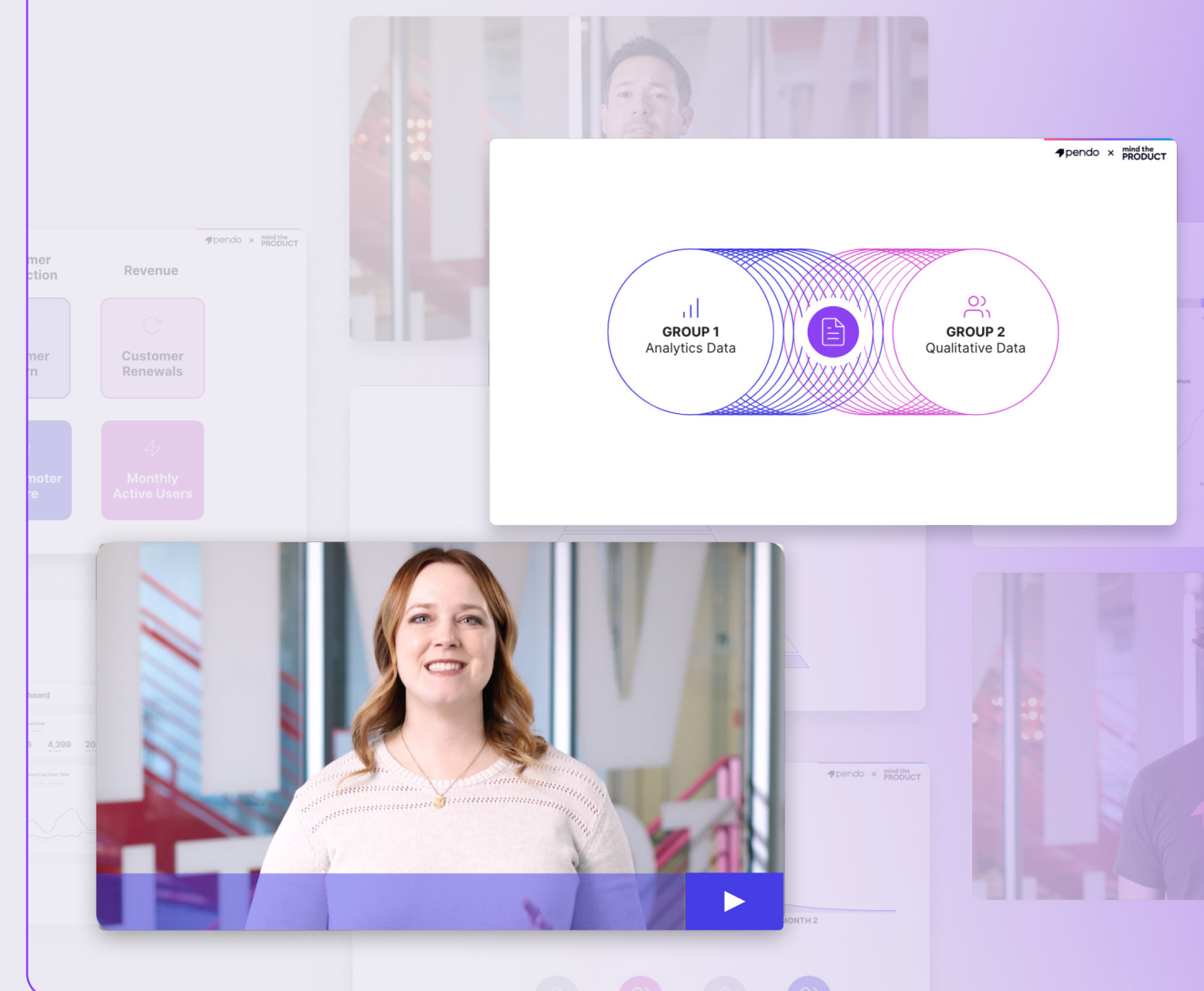
Guide engagement

Guide engagement measures how users interact with the in-app guides within your product.

Every team at your enterprise can (and should) use in-app guides, and launching them is easy. So easy, in fact, that it's hard to wrangle the volume of requests coming from different teams. As a Product leader, how does your team know if your guides are effective or overwhelming?

With an average enterprise engagement rate of 33%, in-app communication is the best way to engage with your users.

Best-in-class product companies have **2.3x** higher guide engagement than average

For every 100 users that log in to best-in-class enterprise products, 76 of them will engage with in-app guides.

How we measured guide engagement

We measure the percentage of users who engaged with the guide (i.e. by clicking on the link or button, excluding "dismiss" actions), by the total number of visitors who saw this subset of guides.

$$\text{Guide engagement} = \left(\frac{\text{Users that Engaged with the Guide}}{\text{Users that Saw the Guide}} \right)$$

This benchmark measures guide engagement by looking at single- or multi-step guides that include some kind of non-dismiss-action link or button activity and that have been viewed in the last 30 days.

Enterprise guide engagement by percentile

0

17%
Low

33.1%
Average

54%
High

74.9%
Best-in-class
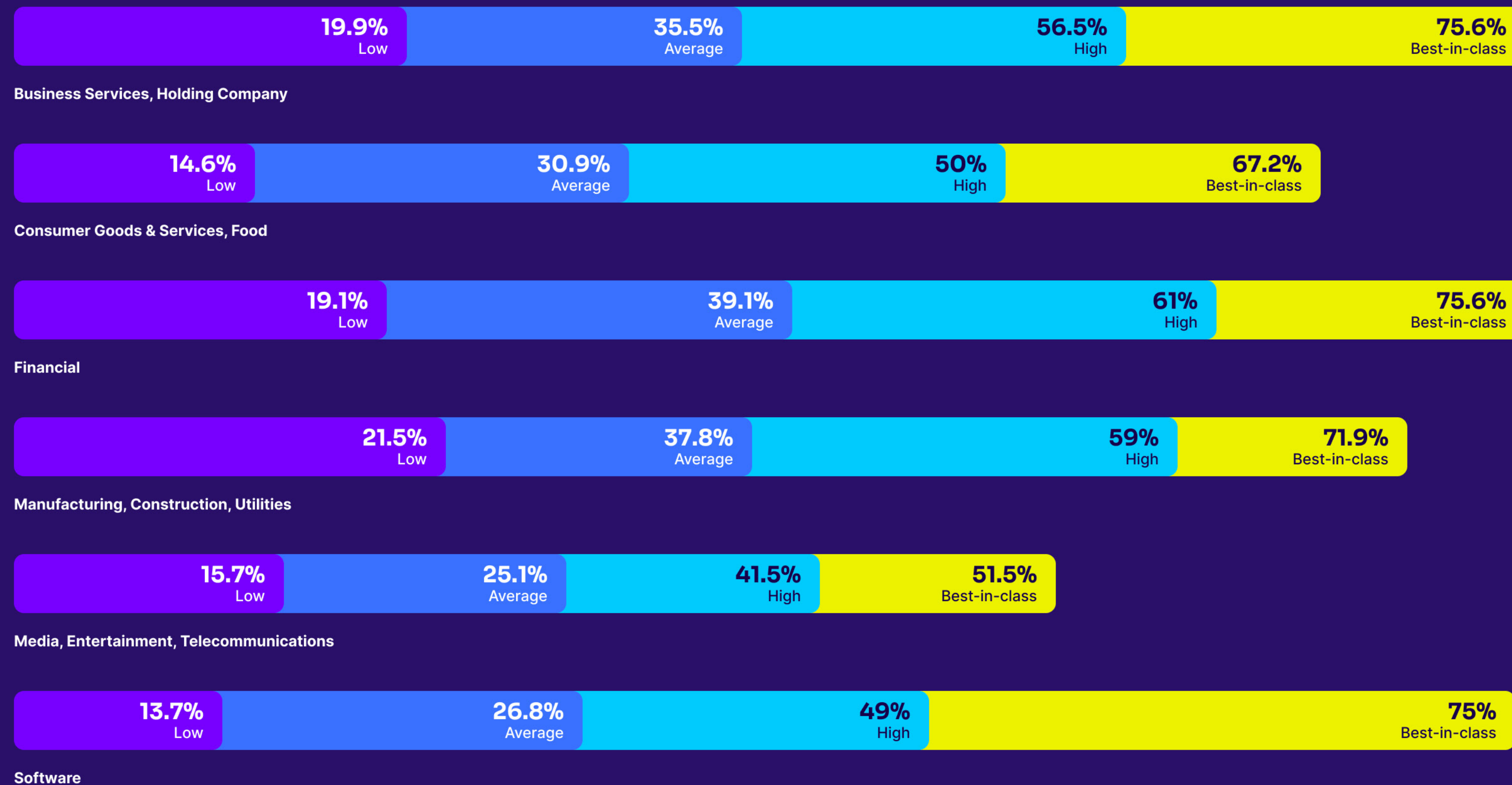
0
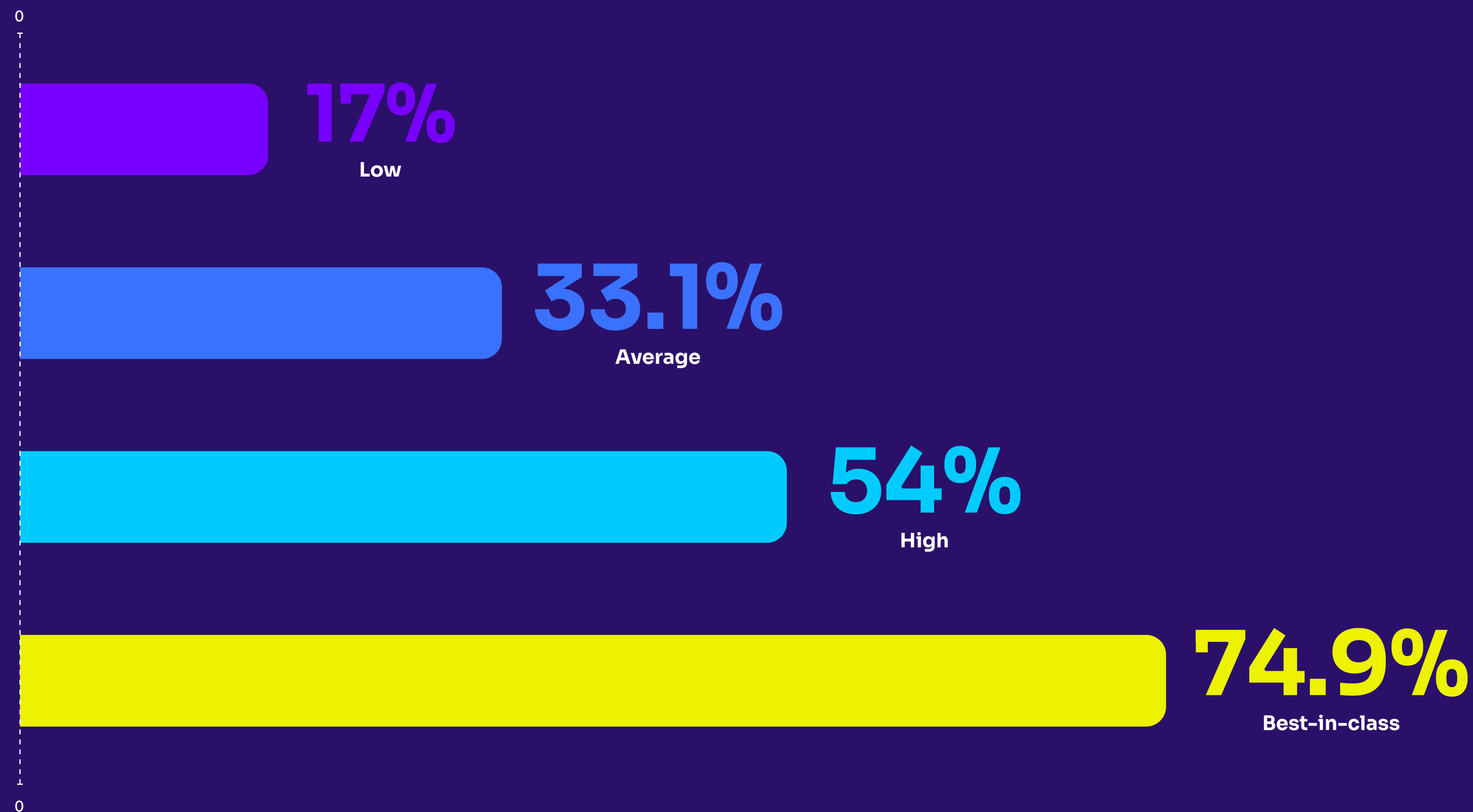
Enterprise guides get the most engagement

Companies with 2,500+ employees have the highest guide engagement rates across every percentile. This may be because enterprises like yours have more resources to invest in user research, segmentation, and content. Or, your peers may **require** guide engagement to complete a workflow.

Users engage with guides 48% of the time in Government products

Products in the Government space are sweeping the stage when it comes to guide engagement.

Why? For starters, guides that are laser focused on helping users usually perform better. People logging onto these applications are probably trying to get a specific need met—like submitting a ticket, completing a task, or sharing an update—and giving users targeted, in-app content is the most effective way to personalize your UX.

Enterprise guide engagement by industry

Business Services, Holding Company
- 19.9% Low
- 35.5% Average
- 56.5% High
- 75.6% Best-in-class

Consumer Goods & Services, Food
- 14.6% Low
- 30.9% Average
- 50% High
- 67.2% Best-in-class

Financial
- 19.1% Low
- 39.1% Average
- 61% High
- 75.6% Best-in-class

Manufacturing, Construction, Utilities
- 21.5% Low
- 37.8% Average
- 59% High
- 71.9% Best-in-class

Media, Entertainment, Telecommunications
- 15.7% Low
- 25.1% Average
- 41.5% High
- 51.5% Best-in-class

Software
- 13.7% Low
- 26.8% Average
- 49% High
- 75% Best-in-class

Tips to improve guide engagement

01 Focus on quality over quantity

Don't be afraid to say "no," and implement a **process to manage in-app communication**.

02 Understand how different segments engage with in-app campaigns

If a certain group of users don't engage with in-app guides, PMs may want to exclude them from the segment to avoid spamming them with information.

03 Research and understand your users

Your PMs may be offering the wrong information to the wrong users. One way to fix this? Ask users what they'd find valuable. Your team can also look into qualitative, quantitative, and visual user data to offer tailored tips and walkthroughs for a personalized experience.

"**In-product messaging and signals simply work better. When you connect in-product messaging with your product data, you can reach new levels of personalization.**"
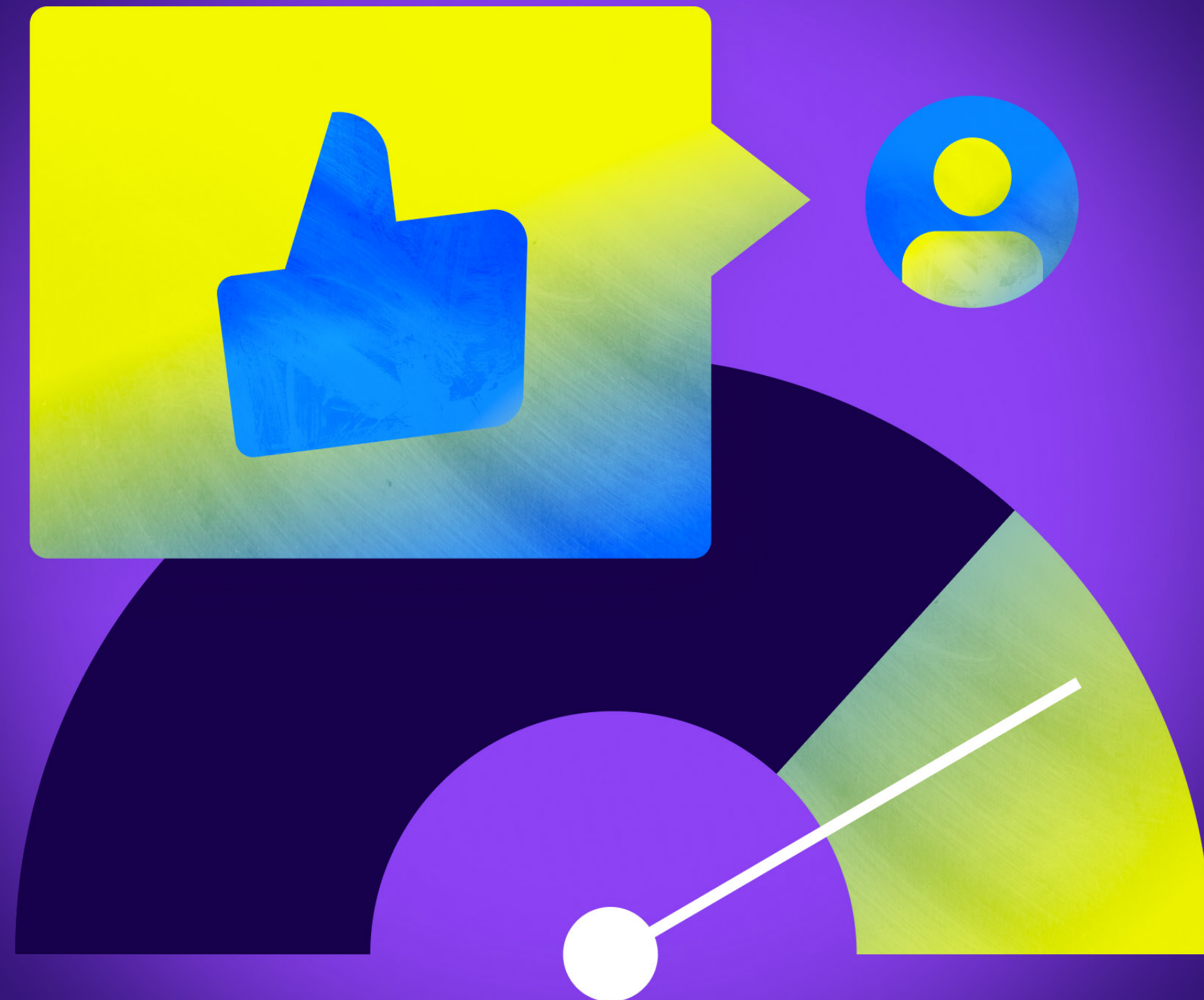
Todd Olson
Co-founder and CEO

pendo

NPS response rate

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Net Promoter Score (NPS) response rate is the percentage of users that complete the NPS survey.

The most popular way to gauge loyalty, NPS measures how likely your customers are to recommend your product or service. Users answer on a 0-10 scale, where scores of 9 or 10 are marked as "Promoters," 7 or 8 as "Passives," and 0 through 6 as "Detractors."

The more responses you have to an NPS survey, the more insights you have to make data-driven decisions about your product roadmap. Historically, companies prompt NPS survey responses via email and in-app communication.

However, **emails** have an average click-through rate of 2.66%—and that's just the amount of users landing on your NPS survey. Instead of using email to request NPS responses, product-led companies ask for feedback where users already are: **in the product**.

Best-in-class organizations have 2.6x higher NPS response rates

On average, 9% of users respond to enterprise NPS surveys. Enterprises have the highest NPS response rates across every percentile—which is no surprise, because they also have the highest guide engagement rates.
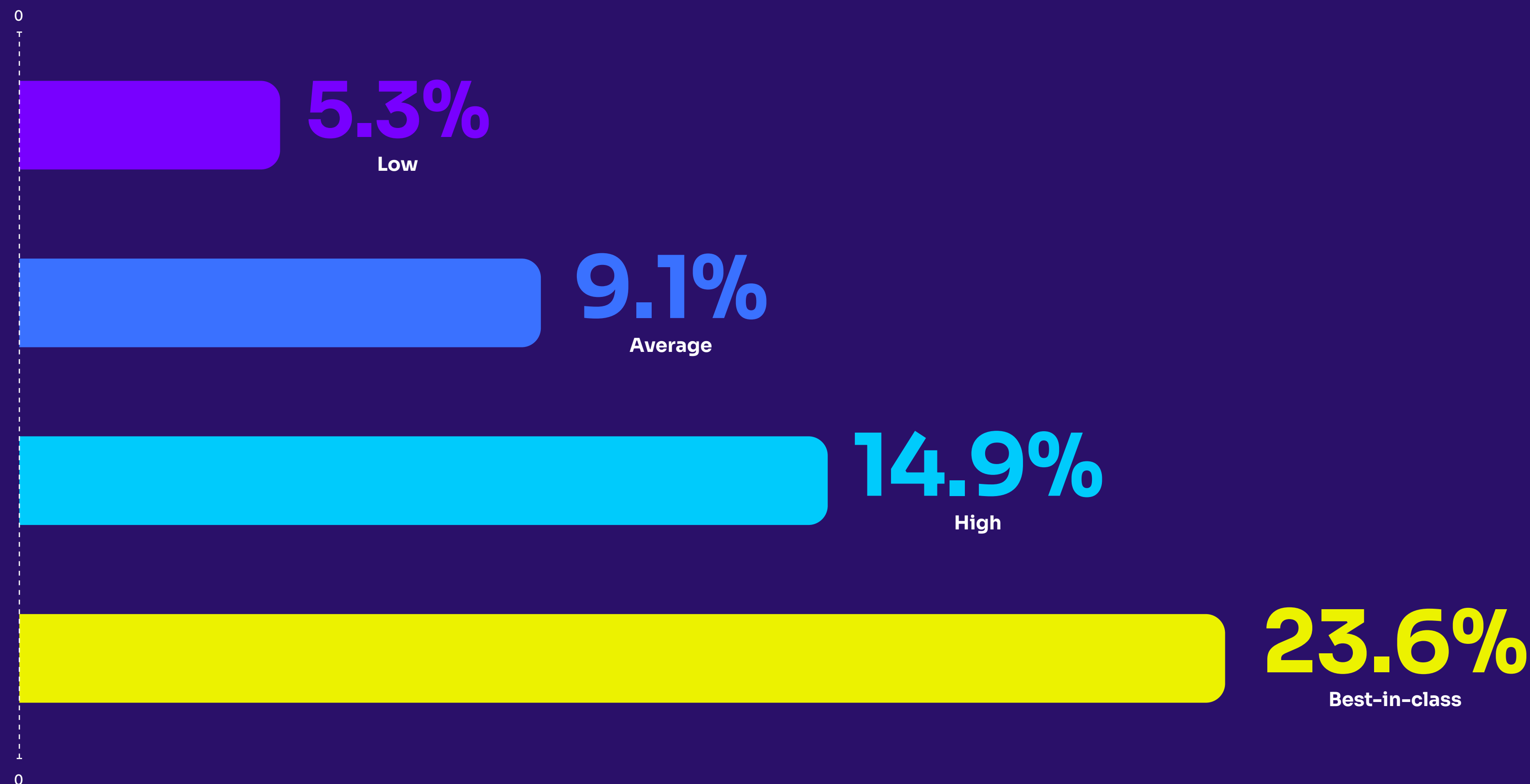
How we measured NPS response rate

We measure NPS response rate by looking at the percent of NPS guides and emails users respond to out of total NPS in-app guides seen in the last 30 days.

$$\text{NPS response rate} = \left(\frac{\text{Sum of NPS responses}}{\text{Users that Saw your NPS Guide + NPS emails sent}} \right)$$

Looking to calculate your NPS score? **Check this out**.

Enterprise NPS response rate by percentile

0

5.3%
Low

9.1%
Average

14.9%
High

0

23.6%
Best-in-class

Five steps to improve NPS response rate

01 **Prompt your super users**

Send NPS surveys to segments of engaged users, and exclude users that have lower engagement metrics.

02 **Measure response rates at the account- and visitor-level**

Account-level scores will help you understand your average sentiment, and user NPS response rates help uncover what personas are increasing or decreasing your score.

03 **Send surveys at the right time**

PMs can trigger NPS pop-ups after users have achieved an "aha!" moment because they're more likely to respond after a positive experience.

04 **Don't ask too often**

We've all been asked to review a product right after downloading it, and most of us hit, "Don't ask me again." For B2B applications, ask once per quarter. For B2C products, ask once per month.

05 **Keep it short and include open-text fields**

The shorter the survey, the higher your engagement rate will be. Clearly state what your users can expect and remove unnecessary questions. Add a section where users can provide written comments to add context to numerical scores.

"In Q1, 2016, we used email to collect NPS response rates and got 80 responses. The very next quarter, we published in-app NPS surveys with Pendo, and we received 800 responses—most of these within three days. It was amazing."

Dan Larsen
Director of product management

HENRY SCHEIN®

Product engagement score

pendo × mind the PRODUCT

Product engagement score averages stickiness, growth, and adoption into one metric.

Think of your product engagement score (PES) as one metric to rule them all. PES boils everything down to reveal how you're performing, and where you can improve. Because it averages your product's adoption, stickiness, and growth, you can quickly identify which metric (or metrics) bring down the average.

Predicting your revenue engine with PES

Pendo's data science team wanted to see if we could predict whether a customer would churn, renew flat, or grow its contract with only PES. We found that PES is strongly correlated with customer retention: Months before contract renewal, accounts with the highest PES were most likely to renew and expand, while accounts with the lowest PES were most likely to churn.

How we measured
product engagement score

First, find your application's stickiness, active user growth, and feature adoption. Add these up, divide by three, and then multiply this number by 100.

$$\text{Product engagement score} = \left(\frac{\text{Adoption + Stickiness + Growth}}{3} \right) \times 100$$

Enterprise PES score by percentile

0

16 Low

23 Average

34 High

45 Best-in-class

0
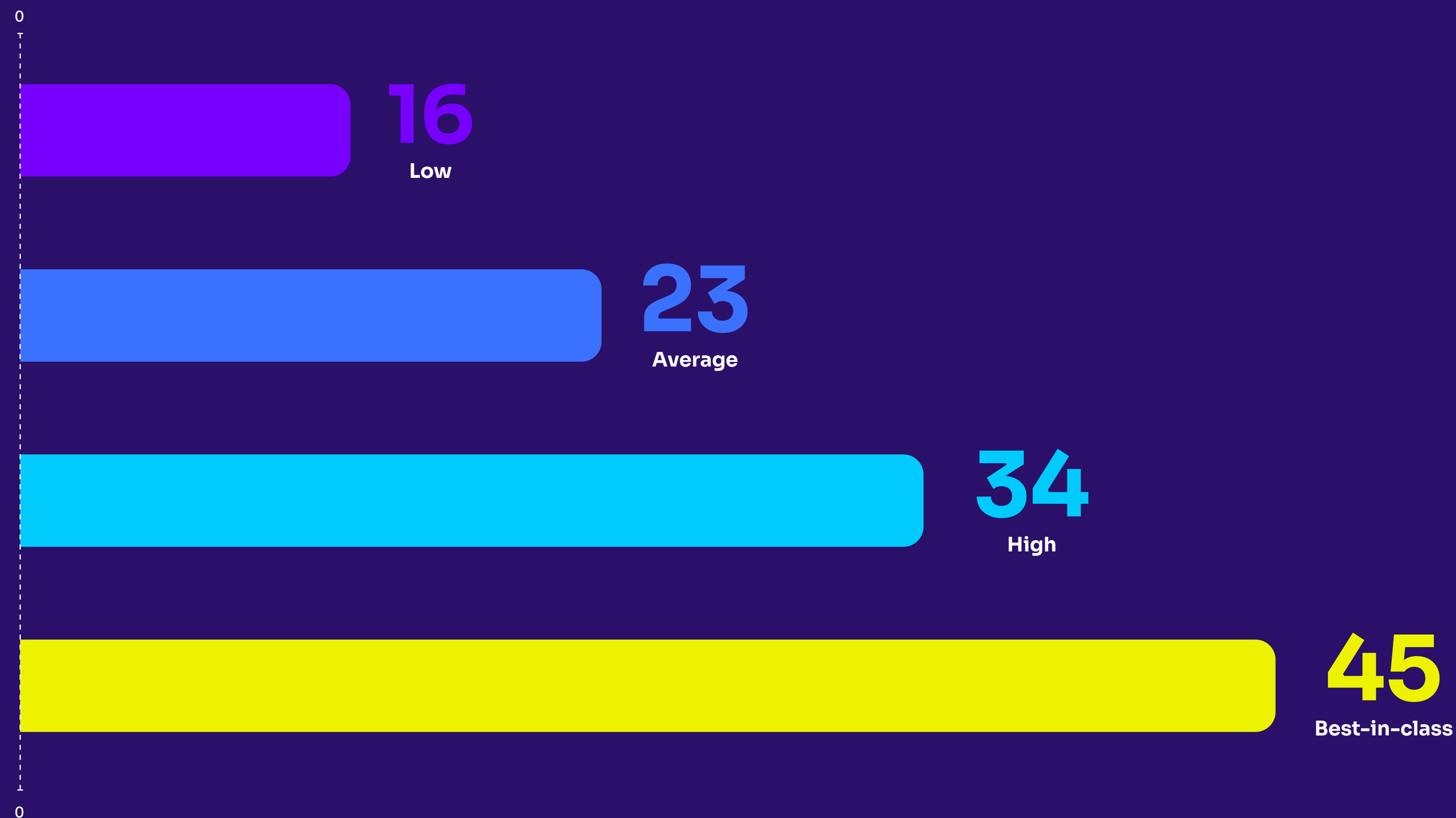
Consumer Goods and Media products have the most engaged users

On average, enterprise product engagement scores are 24 and best-in-class enterprises have a PES of 45. If your PES is around 24, you're in line with other big companies. Use the best-in-class PES of 45 as your goal and set specific, measurable goals to increase this.

Products in Consumer Goods & Services, Media, and Manufacturing are neck and neck for product engagement. Because this is an average of growth, adoption, and stickiness, your team can understand where they're winning—and where they're losing—by evaluating each of these separately.

Product engagement score by industry

Industry	Low	Average	High	Best-in-class
Business Services, Holding Company	17	25	38	47
Consumer Goods & Services, Food	17	25	35	49
Financial	14	24	33	45
Manufacturing, Construction, Utilities	17	25	36	41
Media, Entertainment, Telecommunications	15	24	42	50
Software	14	21	30	41

How to improve PES

01 **Focus on user growth**

Is your active user growth tracking at a healthy pace? Are you keeping users around to achieve 'aha!' moments, or are they leaving before they can uncover value in your platform?

02 **Improve feature adoption around core events**

Use in-app messaging and widgets to guide your users towards workflows. Lead users to value right away.

03 **Listen to your customers**

Don't overlook implicit and explicit feedback, from NPS responses to product data.

04 **Examine outliers**

Is stickiness vastly higher than your adoption and growth? Does growth hold your PES back? Look at all three engagement metrics to identify what's holding your PES back.

"PES gave me a calculation and a formula that I could really sink my teeth into quickly! PES makes us smarter and more collaborative when making outcome-based decisions about our products."

Ellie O'Connor
Associate director of UX

S&P Global

See how your product stacks up

Products are evolving at a breakneck pace, and it's never been more important to build a culture of measurement. Let these benchmarks guide and inform your product's future.

Request a demo to learn more →   Get started with our interactive tool →

pendo

Pendo helps teams of all sizes put their product at the center of their business so they can create the best customer experiences possible. With Pendo's complete product adoption platform, you can combine retroactive usage analytics, in-app messaging, and feedback tools to better understand, guide, and close the loop with your users. And it all works at scale–no coding necessary. Pendo customers include the world's leading software companies and digital enterprises, including Verizon, Morgan Stanley, LabCorp, OpenTable, Okta, Salesforce, and Zendesk.

Learn more: **www.pendo.io**

mind the PRODUCT

Mind the Product is the world's most engaged product management community, with regular free local ProductTank meetups in over 200+ cities, as well as world-class content and resources, and the biggest and best training events, workshops, and annual conferences in London and San Francisco. These are the go-to events for meeting other product managers, designers, and developers, and honing your product craft (online and in person).

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