



## The Other Funnel: Why Marketing Has Two Processes

ANYONE WHO'S BEEN INVOLVED IN MARKETING KNOWS ABOUT THE FUNNEL. IT VARIES A BIT FROM ONE PRESENTATION TO ANOTHER, BUT IT'S ALWAYS THERE. IT STARTS WITH A LOT OF POTENTIAL CUSTOMERS AT THE TOP AND ENDS WITH A FEW AT THE BOTTOM.

But there's another funnel.

Before we get to the second funnel, let's take a look at the first. Regardless of the system you use, you'll start with suspects. They know nothing about you or your business. The first step is to get their attention. You can do that with Google or Bing advertising, traditional advertising, or other means of communication.

Once you have someone's attention, that person becomes a prospect. This is not somebody who's ready, willing, or able to buy. It's simply someone who's willing to listen to what you have to say.

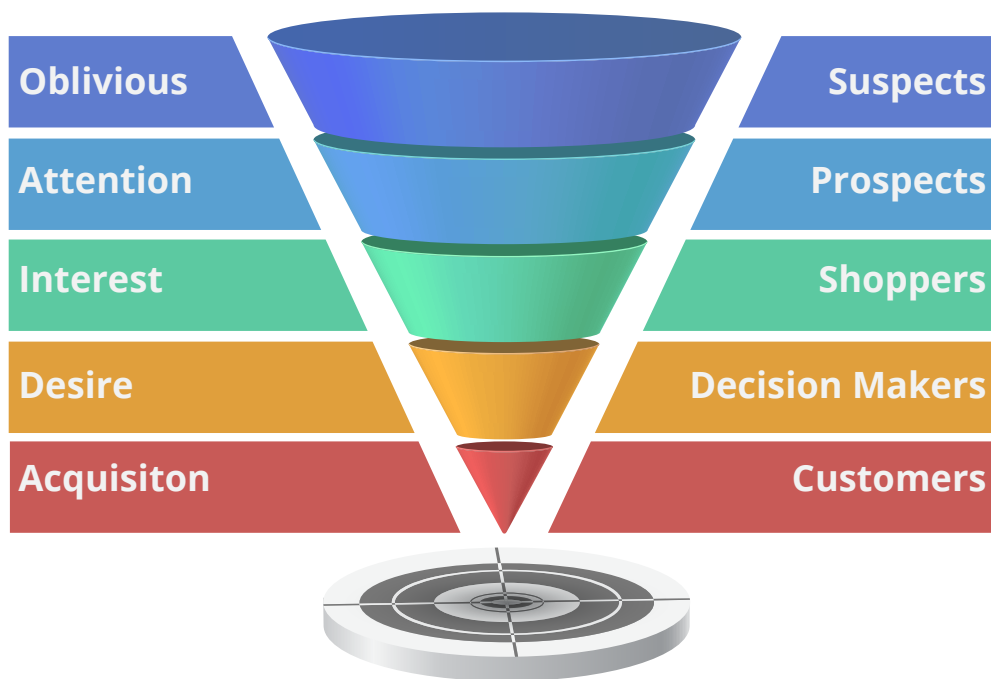
At this point you may need to be a teacher so that you can educate the prospect about why the product or service you offer will resolve a problem they have.

When a prospect has expressed an interest in a product or service that you offer, that person becomes a shopper. Now it's time to explain why you and what you have to offer is superior to whatever any competitors have to offer.

As the shopper becomes a decision maker, your objective becomes to increase the person's desire, to make that person want what you're selling.

The final step in the first funnel is the sale. Congratulations! You have now guided a suspect through the process of becoming a prospect, a shopper, a decision maker, and now a client.

Maybe you think you're done. You've achieved a major victory, but the next funnel is crucial to your company's long-term success.



### So, Now What?

YOU HAVE A CUSTOMER. AGAIN, CONGRATULATIONS! CONSIDER THIS CUSTOMER THE EQUIVALENT OF A SEEDLING IN YOUR GARDEN.

It's a good start, but it's only a start. And just as it's essential to encourage a seedling to grow in the garden, it's essential to encourage a customer to grow.

The second funnel starts where the first funnel ended: With a customer. But for the sake of variety, let's use ladles this time. Your goal is to transfer as many individuals or companies as you can from the top ladle to the bottom ladle without spilling any.

But not all want to take the journey.

Not all customers will want to, or be able to, advance to the next level.

**Repeat Customer:** The customer who makes a second purchase has just voted for you. If you haven't established ongoing communications with this customer, now is the time to do so. Customer feedback tells you what your customers see as the best and the worst aspects of your product. They will tell you why your offering is better than everyone else's as well as what you need to do to improve.

Pay attention to any feedback you receive. Marketing consultant McKinsey and Company says that 70% of purchase experiences are based

on how customers feel that they are being treated. This builds trust.

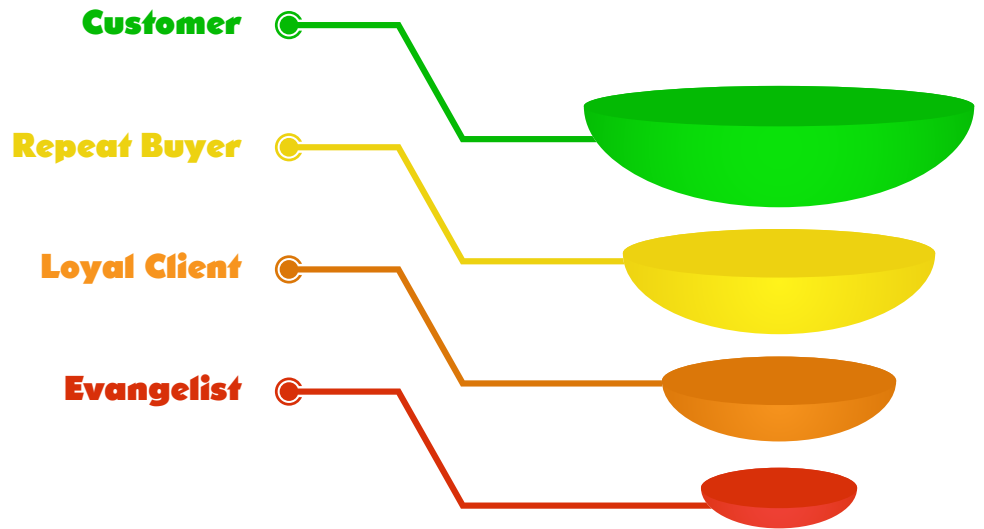
**Loyal Client:** This stage has two new words (*loyal* and *client*) for good reason. There is a discernible difference between customers and clients. Customers buy the product or service that you sell. Clients value you as much for your advice and knowledge as they do your products and services.

At this point, you and the client have entered a new phase of the relationship, but look beyond the clients. Hal Rosenbluth and Diane McFerrin Peters wrote *The Customer Comes Second* in which they explained why your employees who work with clients every day have nearly total control of how those clients view your business.

Prospects, customers, and clients know when your employees are unhappy. This is something that shows in the way they represent your organization. There's no hiding it. Some employees will always be unhappy, but you can mitigate the problem by keeping them informed, by treating them well, and by doing what you can to make work enjoyable.

**Evangelist:** No business can ever have too many evangelists.

These are the people who provide word-of-mouth and word-of-mouse advertising, the most effective form of advertising that you'll never pay for.



Evangelists bring their friends and family to you. Instead of starting as suspects or prospects, these people will often be customers at step one. In other words, you can skip the first funnel entirely and concentrate on leading them through the path to being repeat customers, loyal clients, and evangelists in their own right.

## Don't Stop There

IT'S ESSENTIAL TO KEEP SATISFYING YOUR CUSTOMERS, CLIENTS, AND EVANGELISTS. EVANGELISTS WILL DEFEND YOU. THEY TEND TO BE FORGIVING AND CONSIDER MISTAKES MADE BY YOUR COMPANY AS INADVERTENT. THEY BELIEVE THAT YOU HAVE THEIR BEST INTERESTS AT HEART. BUT ONLY TO A POINT.

Stop doing the things that made you successful and success will abandon you. Although it's a time-consuming process, creating evangelists isn't difficult and doesn't require any uncommon skills or intelligence. Just do what many businesses fail to do: Work hard to understand your clients and their needs, and communicate clearly.

Take nothing for granted. Sharper Image, Best Buy, and Research In Motion are all companies that at one time had legions of evangelists.

Sharper Image went out of business in 2008, but was relaunched as a website by another owner two years later. Today both Blackberry manufacturer Research in Motion and electronics store Best Buy continue to struggle. Ω

# Somebody at the Washington Post is a Genius

NEWSPAPERS ARE IN TROUBLE. ONLY OLD PEOPLE SEEM TO BUY THE PAPER VERSION AND NOBODY WANTS TO PAY FOR ON-LINE CONTENT.

Advertisers have been fleeing newspapers for years as on-line services attract auto dealers that used to spend a lot of money on newspaper advertising. Other profitable services such as want ads are being replaced by internet-based services.

Jeff Bezos bought the *Washington Post* in 2013 for \$250 million. He runs a relatively successful business called Amazon.com, so he knows a lot about how to please consumers. He's the genius I mentioned earlier.

*The Columbus Dispatch*, told me that I could receive a one-year free subscription to the digital edition of the *Washington Post*, so I signed up.

You can't make much money giving things away for free, but there are few incremental costs involved with the newspaper's website.

In 365 days, a non-paying subscriber might come to value the information provided by the newspaper. That subscriber might decide that it's worth \$10 or \$15 per month for continuing access to all the articles.

If I have a concern, it's this: Even big city newspapers such as the *Chicago Tribune*, the *Cleveland Plain Dealer*, and the *Columbus Dispatch* may not be able to offer enough perceived value for people to consider opening their wallets. Small-town papers such as my hometown's *Bellefontaine Examiner* might be in an even worse situation.

But I'm pretty sure that Bezos will see that the *Washington Post* survives. Ω