

21st-century Marketing: the Funnel of Love

by

Timothy R.D. Grayson

Recently I've tried to paint a vision of how marketing may have to respond to the evolution of the consumer environment ("A Lutheran View of Advertising Orthodoxy", "Losing the Name Game", and "From Martial to Marital Marketing" all [here](#)). It's generally agreed that technology and a growing consumer awareness of our technology-driven channel power are dramatically altering the consumer landscape. "Interaction," "dialog," and "invitation" represent the coming world while "invasion," "lecture," and "interruption" characterize the fading traditions of marketing. Most recently I framed the marketer-consumer relationship change as a move from an engagement to battle to an engagement to marry. The path to marriage metaphor, it seems, demands further explanation of how it applies to the business of marketing.

This business of marketing, for our purpose at least, is the process of turning strangers into persistent customers. A relatively consistent sequence of events must occur for a stranger to become a spouse (persistent love). The events parallel the process that creates loyal customers. Avoiding, ignoring, or otherwise missing any of these steps typically results in a relationship of dubious durability.

To illustrate the idea, I've constructed a relationship flow within a typical sales funnel. I've chosen this overlay, first because the ultimate goal is a sale. Second, we have to acknowledge that among a universe of strangers, we can persist with but a diminishing portion of the population at each successive stage. It is essentially the process of reducing the market from *all* consumers through *niche* and *target* to *share*. One crucial characteristic of this model is that the narrowing of the set is interactive and mutually agreed. Consider how, in our quest for love, the universe of the opposite sex proactively contributes to its own selection.

The stages through this "funnel of love" are delineated in both the illustration and the text that follow. Each stage is titled with both a commercial activity as well as a corresponding social term. I've also provided what I think are the primary consumer drivers and marketing activities of each stage. The phase changes signal to us not only permission to communicate but an invitation to get more specifically meaningful to a consumer. It is a request to mutually reveal more and to learn more.

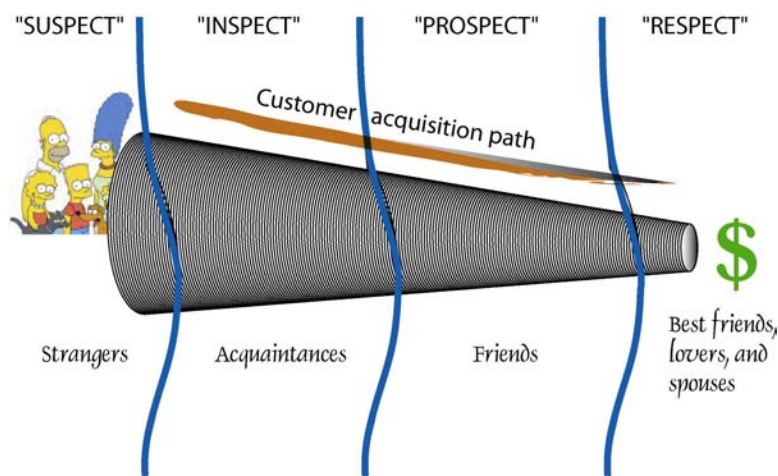


Figure 1 – The Funnel of Loveⁱ

The defining moments that signal a phase change are in the consumer's control. This is crucial for at least three reasons. First, it means that the market defines itself. Second, ultimately market selection is not in our control except to influence and persuade in a mass numbers game. Third, and critical at the first two phase changes, an interactive response mechanism is essential. Today, we must be prepared to instantly read and respond to subtle and fleeting consumer signals – as they initiate them. Responsiveness, which we've typically assumed is sufficiently addressed by customer service centres and Websites, is today further complicated by consumer expectation: that their signal speed and individuality be reflected in the marketer's own response.

Consider the proposed four phases individually.

STRANGERS

Strangers are beyond us. While we can categorize and characterize them, they remain essentially unknown. When we are or we encounter strangers, there is a mystery that persists until permission is given to exchange information. Even in a casual yet lengthy conversation at an airport, until there is a mutual decision to exchange names and other information there is no change in status.

The importance here is that if there is no move from “stranger” status without mutual consent, one must be careful about requesting that phase change. There must be a suitable comfort level and perceived value to the other (the consumer) for them to initiate or positively respond to that change. Asking – or worse, demanding and coercing it – too soon is ineffective. Likely responses are disguise (false information), disappearance (running away), or hostility and belligerence (whipback and other unintended

consequences). Remember, a stranger has not yet invested equity of any kind in the relationship. It is very easy to walk away. For that reason alone, the phase change from Stranger to Acquaintance may be the most delicate.

For a marketer, strangers are part of the potential market but have yet to reveal themselves as interested in our product or service. They are speculators whose immediate but potentially fleeting interest we have caught in some way. The stranger is qualifying us for further engagement. Our only job here is to give that unknown party the incentive to self-qualify and engage us to reveal more. We should aspire to nothing more than a cordial “tell me more.” And at this stage, that – not names, preferences, personal ID, etc. – is all we really need.

ACQUAINTANCES

A stranger may remain essentially unknown, although recognizable, for a long time. But if a relationship is to develop, eventually we need to be acquainted. Our acquaintance pool is typically very large and can range from casual to close but we are rarely intimate with acquaintances. We may know these people by name and even have a general awareness of who they are. Our interaction with acquaintances can be meaningful and sustained, but typically there is persistent disengagement.

Although friendly and known with an implicit mutual interest to engage, an acquaintanceship is isolated, restricted, and tentative. Varying amounts of contextual information may be shared, but with acquaintances we prefer to selectively withhold knowledge of ourselves from the other. The goal is to discover, through exchange of

information bits and interaction – dialog – mutually valuable interests and so become friends.

The marketing parallel is information gathering that begins with the consumer indicating an interest to learn more from the marketer. It requires marketer responsiveness. The formation and sustaining of an acquaintanceship is, however, an iterative process. Similar to a conversation, this interaction may loop many times. The consumer is inspecting and testing the developing relationship for points of value (i.e., desire to purchase) wondering whether to become a real prospective buyer. Meanwhile the marketer is also qualifying the consumer as a customer. Each response/request by the consumer/marketer, however, anticipates more specifically relevant and uniquely-satisfying information. That is the marketer's responsibility. Small talk, such as banal pre-packaged generalities and direction to seek information by other means do not advance the cause.

The second phase change occurs when the consumer indicates an interest to engage the selling/purchasing process. Usually this is implicit in the flow of activity. Just as a well-trained and "natural" salesman knows the closing moment, a marketer ought to be ready for the shift to the selling focus.

FRIENDS

Friends are predisposed toward each other. They overlook flaws and faults because on the whole they appreciate and value one another. These are the real prospects in the marketing sense: they know about us and are satisfied with what we can provide to

them. They are inclined at this moment to consummate that friendship with a purchase – all other things being equal. And we are satisfied with their becoming a customer.

So how does an acquaintance turn into a friend? It is a subtle shift, noticeable to most of us only after the fact. The activity driving it is an ever-deepening sharing of knowledge and insight. It is an openness with information and an apparent interest in the others' well-being. Development of friendship demands increasing interaction and comfort with the other.

The interaction between friends as the friendship grows and develops is a negotiation. Because not all friendships are equal, friends subtly test the limits and value of the friendship at all times. As consumers, we are seeking affirmation that our interests are being best served by this rather than substitutes. We have reduced our interest to a micro-choice among alternatives rather than for the product as a class. We need and want to be sold on the specific item.

I've classified the primary commercial marketing activity as "sales" and used the word "sold" in the preceding paragraph. That selling can be in person on the showroom floor; it can happen in product literature and customer support; it can be the result of mutual friends vouching through peer-to-peer discussion (e.g., e-pinions). Regardless of how it gets done though, the consumer – now willing to accept our credible interested (in them) counsel – is being sold.

BEST FRIENDS, LOVERS, AND SPOUSES

These are those we hold nearest and dearest to us: the people we should respect and care for the most. Friends qualify for this status in the commercial context by the act

of purchase. It is the final consummation of the many interactions and activities that have brought a stranger to our fold. In real life, this can happen almost instantly – I’m told – or can gestate for years – I know. Many unpredictable events may kick the process ahead or slow it down – or kill it irretrievably. In any event, our goal is to reach and remain in this state.

Only at this stage do we generate revenue from the marketplace. We have acquired a customer, made the sale, and put money into our treasury. Everything has been geared toward and is summed up in this phase change. It is not, however, a time to hold back the love as too many people in the divorce court know too well. We feel it in business when we lose customers to alternatives or to anger and disaffection or to simple boredom. So, reasonably, this is the right place for “customer relationship management.” It’s the place to continue the dialog of people close to one another – most especially to listen.

Consistently through each phase we see the essential need for *interactive* communication. Only at the very first initiation of interest in/from a stranger will one-way communication succeed. The world is social and sociability is by its very nature mutual. In the long run social success depends on trust and respect. And, not to completely oversimplify, trust and respect result from open dialog – back and forth, ebb and flow.

Ultimately we want to find figurative lovers and spouses for us/our products among the universe of people out there. Our job is to bring them closer and closer, funneling the right ones to a purchase and a relationship even as they are themselves

funneling us closer (or out) as well. To negotiate the turbulence created by the independent forces of marketer and consumer is the challenge. One approach parallels the development of love relationships, relying on mutually satisfying communication that begins superficially but, through negotiation and testing, ends in (commercial) intimacy. That absolutely depends on bilateral communication: dialog. And there is the critical change to the marketing paradigm.

XXX

©2004-05, T.R.D. Grayson

ⁱ TM & ©2004 T.C.F.F.C. All Rights Reserved.