

# Replace Your Purchase Funnel with a Relationship Formula

A purchase decision used to be a transaction. A store used to be a place. A customer used to be a shopper. Now, thanks to digital technology and the mobile lifestyles it enables, shopping is no longer a discrete activity. Shopping happens everywhere, anywhere, anytime, in no time.

In this new world order, the traditional purchase funnel -- which marketers used to describe the conversion of groups of people in decreasing size as they moved closer to purchase -- no longer represents customers' actual shopping journey. These days, people don't follow a straight path from awareness to familiarity to consideration to purchase. And, by denoting a purchase at the bottom as the end of the process, the purchase funnel certainly doesn't reflect marketers' ultimate objective today -- developing sustainable, valuable customer relationships.

Shopping has become less linear and more complex. Consider this modern-day scenario: A married couple might not even consider themselves in the market for a new car, but when a friend tells them about the one she just bought and the husband stumbles upon an online review for it, they start to notice ads for the car. The husband stops into a dealership for a test drive one afternoon and the wife does some research on the brand's website, but then they decide they should consider other options. Over the next couple of months they sometimes pay attention to ads and reviews for other cars, they visit a couple of dealerships, and then ultimately decide to place an online order for the car the husband initially saw. Three months later, when their car gets totaled, instead of defaulting to the same choice, they actually think back to the great service they had previously received when shopping for a different option. Shopping begins again.

Today, in multiple ways across varying timeframes, people discover brands and products, research and vet them, and decide if/where/how to buy them. A lot of information gathering happens passively before active evaluation begins. The number of considered options can expand or contract several times, as people are more interested in weighing options than winnowing choices. Consumer-created content, such as Internet reviews and word-of-mouth recommendations, as well as in-store interactions and past experiences, are as influential, if not more, than marketing and communications commissioned by companies.

It's time to replace the purchase funnel with a new marketing model. One that is less linear and less definitive -- and one that leads to a relationship.

It starts with **attraction**, not awareness, because piquing someone's interest is more important than simply getting their attention. Plus, awareness can wane over time. Companies should focus less on building name recognition and more on creating brand affinity through emotional appeals. Eyeballs aren't enough; it's people's hearts that should be pursued.

Another element of the new model is **influence**. The old model was defined by distinct stages of purchase decision-making and the marketer's task to convert people from one stage to another, i.e., awareness to familiarity, familiarity to consideration. Marketers assumed that once brand preference was established, they could move on to trying to close the sale with a promotional offer or strong call to action. Because consumer decision-making is now more fluid, marketers must influence brand perceptions consistently and continuously throughout a customer's journey. Customers may need to be convinced, and re-convinced, of the brand's relevance, differentiation, and superior value at all points.

This new relationship-oriented model also depends on **engagement**. The old purchase funnel model may have worked in an era dominated by broadcast media and other message-oriented tactics. But today, people enjoy being part of the conversation about brands and they reject companies that simply talk at them. Marketers should develop

two-way interactions with shoppers that are personal, useful, and shareable. The goal should shift from straightforward communication to sustained engagement.

Combining attraction, influence, and engagement produces a **relationship**, not simply a purchase. A single purchase decision or even in a repeat purchase by a customer has become far less valuable than an ongoing relationship with her. True loyalty -- that is, active intentional decisions to stick with a brand, not simply repeat purchases that result from inertia, obligation, or participation in a rewards program -- only arises out of relationships. A purchase should not be considered the desired end; it's only the beginning.

This new marketing model -- **attraction + influence + engagement = relationship** -- provides a new framework for companies to plan and execute effective marketing. It also suggests a couple of broader implications.

First, instead of being prescriptive and assumptive, marketing should be responsive and agnostic. The old model called for tactics that aligned with sequential consumer actions (know, consider, buy). Given the more circuitous route people take to a purchase these days, marketers should deploy efforts that can serve several functions simultaneously. Instead of a issuing single call to action in each tactic, marketers should incorporate multiple calls to action. For example, a "buy now" button could appear on a product webpage alongside "learn more," "see more options," and "why buy from us" options.

Also, attracting, influencing, and engaging involves more than marketing tactics and messages. It requires creating experiences across many more numerous and diverse touchpoints. As such, all aspects of operations -- procurement, merchandising, sales, service, facilities -- must be involved. And this implies the importance of brand alignment -- everyone who works on the brand must share one common understanding of it and how they should be interpret and reinforce it at every touchpoint.

The old purchase funnel model is no longer relevant. To successfully engage customers today, brands should employ a new relationship formula.