Expanding the customer funnel to increase conversions

By Johan Walters   18 Apr 2014

In the second part of a two-article series exploring the digital customer journey, 25AM's Johan Walters offers some tips and techniques for optimising the purchasing funnel.

In the first part of this column, I outlined how you can put in place an advanced infrastructure to track and report on the customer's journey across your organisation's digital touchpoints. Now, I'd like to take a closer look at how you can use the insights into the customer journey gleaned from this infrastructure to drive better digital marketing performance.

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The purchasing funnel

The first step you should take is to look at your purchasing funnel - the movement customers make from awareness to interest to desire to action - to see exactly at which points your customers are dropping out before conversion. If you were to optimise certain steps in the process, which would have the biggest impact on conversion?

For example, you might find that you're already losing customers early in this journey when they click on your ad and arrive on your landing page. Why, you may ask, do the majority bounce straight away without dwelling on the page and taking your next desired step, which might be to register for a newsletter? Perhaps it could be that you don't offer enough incentive for them to provide their email addresses.

I believe that one of the best ways to increase conversions is to make the funnel larger at the top, so that the number of customers moving further down the funnel increases accordingly. Using your tracking infrastructure, you can find ways to draw a vaster number of customers who see your advertisements or marketing into the funnel. Here, you could target user behaviour or declared interests and attract those that are more likely to convert and guide them on the journey down the funnel.

Remarketing

Once users are in your funnel, there are a range of powerful tools you can use to keep them moving down the funnel. For example, you could use Remarketing to offer a 'buy now' discount to a user in your purchasing funnel if he or she has been browsing iPads on your Web site and got as far as adding one to the wish list.

Whether you're trying to bring more people in your purchasing funnel or whether you're trying to get those already in the funnel to move closer to conversion, you have a range of options for segmenting them into Remarketing buckets. For example, you could create user segments according to which of your product pages they browsed because of the inferences you can make about their interests.

Or you could segment them according to where they are in your purchasing funnel - whether they've signed up for your newsletter, registered an account or browsed some products before straying away.

Tailoring your message

In each case, you can serve different creative messages to all these different user buckets, tailoring your message to what you can infer about their needs as well as where they are in your customer lifecycle.

Whatever the case, it's important to have clear key performance indicators in place to track your remarketing performance.

Perhaps the metric that matters for your campaign is response rate; perhaps it's achieving a higher conversion rate at a lower cost. In either case, tracking performance will give you information you can use to optimise your placements, creative and channel strategies so that you can generate better ROI.

ABOUT JOHAN WALTERS

With over 22 years experience in digital marketing and eight years experience in AR, Johan Walters enables brands and agencies to adopt AR into their marketing mix.
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