

# The Sales Funnel Is Dead. Long Live The King!

It is used in 99% of sales teams, on nearly every sales course and in nearly every business for over 100 years. But maybe it is dead, defunct, extinct. It has ceased to be!

The funnel uses the metaphor of a funnel (wide at the top, narrow at the bottom) to monitor the sales process. It is a brilliant visual; something you can put on a chart and display for all to see and work on. At the top of the funnel you have "unqualified prospects". At the bottom of the funnel, many sales steps later, you have your clients/customers. The metaphor of the funnel is used because the targets drop away at each stage of the sales process.

The truth is that the use of the funnel has become less and less effective. Buyers' behaviour now appears to be a lot more erratic. The return on investment is down. It just doesn't work like it used to. (Or maybe it only ever seemed to work?)

The decline in effectiveness of the funnel is more visible now when we work in an overcrowded market where there are too many people chasing too few customers.

## **So, why do I proclaim the death of the sales funnel?**

Well, **first**, it is less effective than before; it no longer seems to work so well.

**Second**, the funnel assumes that people buy in a linear fashion, following a straightforward path. That is patently not true.

**Third**, despite the intellectual attractiveness of the funnel, the number one reason why people don't buy is nothing to do with the funnel but because people get distracted. The funnel doesn't reflect reality.

**Fourth**, at best tracking and reporting is flawed, it is mainly guesswork. So, again the funnel does not reflect the reality.

## **So how do people buy now?**

Well, the simple answer is that people do not (and maybe never have) bought by going through the steps of the sales funnel, one at a time, as imagined by the designer of your sales funnel. In reality, everything is a lot more fuzzy and blurry.

The way in which people buy is far more complex. Maybe the funnel metaphor was always too simplistic (even if it did appear to work) but now, more than ever, we need a quick rethink.

Buyers do not travel down this happy path as laid out in so many funnels:

- unqualified prospect
- qualified prospect
- discussion
- evaluation
- quote
- written order
- client

*Robert Craven*

That is not what happens. The map of the “world” does not reflect reality.

Customers are far more active in the process. The process is about them yet the funnel suggests that the process is about us and our activity.

### **The buyer's journey**

We need to look at the customer journey and we need to look at it from their point of view. This may reveal and expose a point of view we had not considered fully.

**For a start**, your digital footprint is becoming more and more important and will continue to do so. Once, people's first 'moment of truth' was picking the product from the shelf. Nowadays, before they even think about the product on the shelf, people Google to check reviews and prices. This is the zero moment of truth (ZMOT).

Customers now check you out online and see what the intermediaries and social networks say about you. Your digital reputation is becoming everything.

For instance, one luxury car manufacturer used to see 5.2 visits to the showroom before a purchase; they now see 1.1. The customer does all the hard work online or around the dinner table. Word-of-mouth standing is even more important than it ever was.

**Secondly**, your competitors will have got to your customer already. Potential buyers will be targeted as their online behaviour is monitored. There is more competition than ever just to grab a piece of the customer's mind (and this is often before they are in buying mode). When customers are considering which brands to look at — your competition is there. You no longer have any exclusive rights to ownership of their buying process.

**Thirdly**, customers are in control, more than ever. They choose when and how and where to buy. Not you.

**Fourthly**, customer loyalty can no longer be assumed. There are too many other equally-compelling competitors trying to take them away from you.

If marketing has one goal then it is to be there, to reach customers, at the moments that most influence their buying patterns.

The reality is that I will continue to use the Sales Funnel in my business but I need to be aware of its flaws. I now need to look at it with a new, fresher approach to understand its limitations and must make it create a more honest reflection of how people buy. The traditional funnel does not reflect reality.

The reality is:

- Customers are in CONTROL
- Customer Relationships COUNT
- Customer EXPERIENCE MATTERS
- Customers TALK TO EACH OTHER

Ignore this at your peril.