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# Marketing in Online Sales Funnels

## Introduction

The Internet has influenced how consumers make shopping decisions, how they communicate, how they look for recommendations (Elms et al., 2016; Faulds et al., 2018; Fu et al., 2020; Zhang et al., 2018). This applies to both B2B and B2C relations. The Internet is a source of knowledge and information for consumers, but also a communication tool. Communication that is implemented in a one-to-one and many-to-many model. Such differentiation of communication has a fuzzy character because both the direct and the message, e.g. as an e-mail or message in the communicator can take on a group character. Similarly, it can be pointed out that social media can be characterized by open communication, focused on unspecified recipients or be carried out within closed groups. The second element affecting the need to revise the perception of the Internet and sales tools based on Internet communication is their access to data. Access to the Internet from the customer's perspective, refers in particular to the ease of comparing the offer, getting to know it in a convenient place and time. From a business perspective, in the absence of territorial barriers, it is particularly possible to collect and use data about the consumer, their preferences, interests, past history and relations with the company. Data that can be codified by employees as part of CRM systems is supplemented with data on consumer activity regarding content the sender of which is an enterprise or which the enterprise can manage.

This contributes to blurring the boundary between marketing and online sales (Arnett & Wittmann, 2014; Homburg et al., 2017; Keszey & Biemans, 2016). The problem is not the possibility of defining individual actions or assigning to sales

or marketing, but from the permanent coexistence of these two elements. At the root of this coexistence are concepts such as optimization and synergy. If we assume that sales activities are generally activities directly focused on the increase of revenues, and marketing activities are indirectly directed at sales through the increase of recognition or, for example, the perceived quality of offered products, it can be assumed that these are the stages of one process. In traditional terms, the first phase is not obligatory. The effort based on the active search for customers by sales department employees and direct contact can be the only and exclusive element needed to conclude a transaction. Access to data and the evolution of consumer decision-making, which is more based on independent search for information, extends this process. This applies to the number of actions taken by the consumer. The additional number of actions, however, does not correlate linearly with the time needed for the consumer to make decisions. This is due to almost instant access to information. The consumer reads, assesses, evaluates and makes the final decision. In addition, he can decide on the need for further search for information.

This access to information is the basis of the revolution that came with the digital world. This applies to both consumers and entrepreneurs. For consumers, this means the possibility of using all sources at the stage of product and / or seller selection, and for entrepreneurs conducting sales activities based on marketing activities tailored to individual customers. The purpose of the chapter is to characterize the changes resulting from the digitization of marketing and sales activities as well as tools supporting and optimizing the discussed activity.

## **1. Traditional approach to the AIDA model**

The awareness of entrepreneurs' knowledge of the complexity of consumer decision-making processes influences the way they communicate with consumers and the tools they use. Selection depends on the immediate goal and is related to the stage at which the consumer is. There are many models characterizing the consumer purchasing process. The AIDA model is one of most frequently used in marketing communications (Boisen et al., 2018). It characterizes the way advertising impacts the consumer. It is based on psychological conditions of action (purchase), which is preceded by: attention, interest in the product and willingness to purchase it. This model in a narrow sense refers to a single advertising message and is also a guideline (Sharifi et al., 2019). It illustrates that the purchase is preceded by an attitude towards the advertisement and the advertised product. In this case, the perception of the content of the ad affects all areas in a set sequence. This sequence is imposed by the order of images, content, information as part of audio-visual material presented, e.g. on television, or as advertising spots on the radio (Yeh et al., 2017). For static materials, these principles are incorporated into the content. This also applies to the level of arrangement of elements or the use of appropriate graphic elements. The final

composition takes into account the knowledge of the consumer and the mechanisms that determine how he reads, for example, an advertising poster.

This approach to understanding the operating conditions can be used not as part of a single advertising message but as part of a series of messages. This idea is limited in scope to be used in the promotion by means of mass media or even in the case of deliberately selected target groups. This is due to a lack of knowledge about what was previously presented to the recipient, i.e. what stage the consumer is at. In this situation, the message will not have an effect, understood as moving to the next stage because the message will be duplicated, or may relate to a goal that has already been achieved earlier. If the consumer on the basis of the content previously presented to him shows interest in the purchase of products, but instead of information about the possibility of purchasing information that is no longer relevant to him, it can even cause frustration, which will have the opposite effect.

This type of problem can be overcome by synchronizing messages in accordance with the adopted schedule plan, focusing at one time on a single aspect. One of the first Polish brands, which on a nationwide scale and successfully used the discussed idea was a new brand of mobile services Heyah with a series of promotional campaigns (Gazeta.pl, 2005). In the first stage, symbols of the red hand on a black background were presented in the urban space, which attracted attention, which in connection with the ambiguity of the message and the mass nature of the event turned into interest. Only at the next stage was the concept of the new product being introduced, and finally information related to the conditions in force in the new telephony. A gradual shift from attention to decision enabled 446% sales plan and 54% visibility in the target group.

The use of such a scheme was possible thanks to the certainty that consumers have no prior knowledge about the brand. Thus, each subsequent message was based on homogeneous previously publicized information. This means that all consumers reached by the message were at the same level throughout the campaign cycle. What constitutes a limitation on traditional forms of promotion is not it in internet marketing. The technical ability to collect data and analyze it in an aggregated manner but also for an individual user creates business conditions that were previously unavailable. Each user can be considered individually and analyzed for the effectiveness of various methods of interaction.

## **2. Adjusting AIDA to online sales funnels**

### **2.1. Attention recipients**

In keeping with the nomenclature of the AIDA model first element conditioning any relationship, there is a potential consumer attention to your product. Attention is not the same as interest (Xu, Schrier, 2019). In internet marketing,

an example of advertising that triggers involuntary interest is, for example, banners that obscure the entire content of the website that the consumer is visiting. Therefore, in the case of attention, in addition to involuntary attention, one should highlight voluntary attention, conditioned e.g. by the general interest in the product category promoted. Content that has been displayed autonomously and which has not been triggered by a particular user activity is only a measure of the extent of the impact. Attention can refer to potential customers as well as existing ones by promoting a new one or which the consumer has not yet purchased. Separating these two cases is associated with the possibilities that the company has in each of them. These possibilities are conditioned by the previously developed relationship and knowledge about the client. In the case of the first contact with a brand or product, the impact is based on creating the conditions so that the customer can express their interest on their own. The measurable effect of this interest is measurable interaction, confirming that the recipient of the message is familiar with the advertisement. Such a measure can be clicking on a promotional ad that transfers to the target website, brand company or dedicated subpage as a landing page. In the event that the first contact is not caused by graphic advertising, and for example is the result of an interest in the thematic article, the source of the page visit is an indication of what was the basis of the behaviour. Another form of impact is also broadly understood advertising in social media (Hassan et al., 2015). Promotional activities using portals such as Facebook or Instagram allow narrowing the audience to the desired target group. It is therefore possible to adapt the message to the target group. What's more, thanks to the characteristics of the group of recipients, it is possible to exclude from it people who are not defined by the company as potential customers. At this stage, the risk that the promoted message will not arouse the expected interest is the greatest. This means that the effectiveness is the lowest. Consequently, to attract a sufficiently large number of people, it is necessary to reach the largest number of people with promotional material. The use of sales department employees for direct contacts with potential customers at the first stage is unprofitable. This is due to limitations resulting from the time needed to search and make the first contact, personal or via email or phone. This expenditure of time and resources is optimized in part with support tools. An example of such tools is automatic dialing systems and only when the conversation begins to assign an employee to it. In the case of e-mails, the message initiating contact, e.g. a request to send an offer, is stylized as a personal message, although it is sent automatically to the addresses of potential recipients (legally or illegally). Cited examples of sales activities, when the first contact of the customer with the company occurs, in the era of digitalization is an anachronism, if it concerns the target group not excluded from technological progress. This is due to the difference in form, time and place of arousing interest. In traditional terms, it is based on the principles or conditions imposed on the client, at a time and place that may promote the desire to read the offer or just the opposite. In the case of building interest based on internet marketing, this contact can also take place on similar principles or be presented in a certain context and at a time adapted to it. The basic example of such

activities based on Internet tools are the results presented to users in response to a search query embedded in the search engine. The user receives content in the form of search results that are a response to what he is looking for. Therefore, it is assumed by default that he is interested in the matter in this case. However, the way the query is formulated determines what it will see in the results. This means that mere presence in search results is not an indicator of interest. It is through the place in these results, the description of the page, its name that the struggle for the attention of the recipient. The same criteria are a key element for promoted advertising on the Internet: as a paid media presence in the search engine or social media. Ads tailored to the circumstances of its display are called contextual ads. It is the context that makes the ad more effective. This is due not only to the involuntary comment referred to above, but any, because the user is interested in a given issue and, most importantly, he is interested in the given time when the advertisement is displayed.

## **2.2. Interest in the offer and seller**

The first contact of the client may not bring the expected effect from the company's perspective. In the event that contact would be based on direct contact, retrying the phone or message could be perceived as bothering. In the event of a negative consumer response to the submitted question, subsequent attempts would be burdened with a decision already made, which would entail an even more difficult task for the seller. In the case of advertising presented on the Internet, such negation is not relative to the offer but only to the marketing message. However, it should be noted that the attention of the recipient of online content is exposed to numerous threats that cause greater difficulty with cognitive efficiency. Numerous contents presented almost simultaneously, distract and cause difficulty in assessing reliable and valuable information. Information processing is limited (Lang, 2000) and attention is selective. However, if the content for the recipient is not new, less effort is needed to process the previously known content. This property is of great importance not only for attention but also for interest.

According to mere-exposure effect, there is a higher preference for content that was previously seen (Zizak, Reber, 2004). This means that similar advertising may be rated better by the respondent with the number of exposures, and thus he will be more likely to be interested in the promoted offer. This interest, as it was previously mentioned may mean, clicking on an advertisement or searching for additional information or recommendations about a promoted product. The effect of each of the cited examples of reactions is greater customer awareness by product or brand. As in the case of attention, interest in the context of the sales process is not a homogeneous measure.

Interest may be based on prior consideration of purchasing a product, interest in a category, and be associated with the decision-making process, or arise out of curiosity. The complexity of the decision-making process results, among others, from the time pressure when making decisions, the importance of the product

sought for the buyer, its perceived value, previous knowledge about production or previous experience of the buyer. Each of these dimensions can automatically translate into the fact that the consumer will make a careful decision, i.e. based on the information obtained. More importantly, he will seek and be interested in this information. Sources of information may be materials published on the seller's website and elsewhere. In the case of a website, the basic area is the description or characteristics of the product. However, in some situations, the product card typical of online stores is insufficient. An example of alternatively presented content about products on the website is the preparation of a thematic article (Lin & Huang, 2006), describing various types of products indicating the pros and cons of each of them, or indicating the criteria to which the user should pay attention and justification. Another source of information, whose creator is the seller, are external portals through which the seller distributes content. Such content can be movies showing key product attributes on YouTube.com or materials prepared rankings or case studies distributed on social media or on thematic portals. The third group consists of content prepared by individual users. They can be such extensive materials, ideologically similar to the content published by the enterprise, characterized by a greater level of objectivity and independence. In addition, the content of this type can be published as expert articles or in the form of video reviews. This group may include less formal content such as Internet entries, comments, or reviews. Word-of-mouth is particularly important for customers. This is due to the limited confidence in marketing content the sender is an enterprise. Enterprises, apart from the situation resulting from the deliberate use of influencers in marketing communications, have a limited possibility of influencing the content of published content and thus creating mechanisms to strengthen the flow of users from external websites to the target site of the seller. For this reason, sales funnels do not isolate content that is beyond the company's management capabilities.

The above-mentioned examples of various ways of influencing the consumer interest are part of the available options. Another way to shape interest is to build customer awareness through email marketing. In contrast to the one mentioned in the first part of this type, using this tool as a way of initiating contact, in the case of interest building, contact results from voluntary subscription to the newsletter or the desire to receive a series of messages that have a training character or deepening a given topic. Creating an account on the website or adding a consumer to the database creates new opportunities for the entrepreneur. Thanks to this, the enterprise has the ability to manage marketing communication with greater precision and react to user activity with respect to the content being sent.

### **2.3. Desire and willingness to purchase a product**

Shaping interest can be the result of a single event that resonates strongly enough. However, in the case of goods that are not a basic product or of low importance to the recipient, interest is the effect of long-term impact on the consumer. The



need to include a time stamp forces the company to use technology to fine-tune the messages. Collecting data on activity in relation to available content is the basis for inferring a potential customer's interest in an offer or precisely a single product. This stage is sensitive, because misinterpretation of consumer behaviour and on this basis preparation of a poorly matched message may not bring the expected effect and at the same time be an unused opportunity that may not be repeated.

Progressing automation also in the area of marketing requires defining turning points that the company will understand the desire to buy. However, each measure or event adopted is a certain assumption resulting from an attempt to understand the motivation of the consumer to this or that behaviour. In the case of online stores, such a situation may be adding the product to the cart in the absence of finalizing the transaction. From one perspective, this is an expression of shopping intentions that may have been interrupted due to technical reasons, a presentation of a summary of added products together with the total price. The abandonment of the basket could also be due to a lack of sufficient funds or a lack of preferred delivery methods. These are elements limiting the willingness to buy, however, not imposing it and the final attitude will depend on the attitude of the seller. This contact can be based on a direct response from the sales department or be based on marketing messages or automatic e-mails trying to solve the problem. Alternatively, the buyer, despite the fact that he added the product to the basket, could make the purchase elsewhere, therefore attempts to complete the transaction are pointless and the funds spent on marketing communication wasted. Therefore, the question of profitability and purposefulness of individual activities becomes justified. However, this should be compared with the alternative costs, i.e. in this case the cost of employees' work, the effectiveness of individual activities and potential financial benefits. Other possible measures may be the presence on a given product or, for example, the price list or the time spent on it, which may indicate that the purchase is being considered. In the case of e-mail communication, such a hint can be information about the activity within the message or the number of re-openings of previous e-mails.

## **2.4. Purchase decision as customer action**

The effectiveness of marketing and sales activities in the final settlement is the number of customers acquired, the value of orders and repeatability of purchases. If the previous stage led to the situation that the consumer is not only willing but also wants to make a transaction, then favourable conditions should be created. The last stage can be implemented autonomously by the customer through an electronically available procedure or through contact with an employee of the enterprise. The ability to make transactions at any time convenient for the consumer and the lack of communication problems or related to codification and execution of the order encourages favouring electronic solutions. Appropriately prepared systems may also propose complementary products while placing the

order, increasing the transaction value for the entrepreneur. Satisfaction resulting from the implementation of the contract as expected, is not the same as building a long-term relationship. The implementation of the last stage through direct contact with the employee extends the procedure, however, it creates the possibility of influencing the customer, but also creates the opportunity to obtain additional information about the decision-making process and factors having a particular impact on the choice of product and seller. This can be used in the future to tailor messages and offers individually using existing history and individual preferences.

### 3. Conclusion

Digital marketing creates conditions in which mass communication can be personalized based on individual consumer behaviour. Compared to the activities of sellers initiating direct contact, online advertising can take on a neutral and natural character. It can be a response to customer needs, shape them through awareness. Data on customer behaviour on the entrepreneur's website or in relation to information sent by the company are an important source for marketing activities. Such actions may spontaneously affect the consumer at all decision stages or complement sales activities, providing knowledge about consumer preferences. The practical implications of the mechanisms described above can be translated into the design of consumer experience, taking into account the gradual desire to buy. The four phases indicated are only a general structure, which may consist of numerous elements. Adjustment and assessment of effectiveness can be made by the percentage of people who have passed to the next level of sale funnel. The presented article also prompts further research on the assessment of the legitimacy of the use of various tools at different levels and for different purposes. In addition, it is worth referring the research to various categories of products or services and taking into account the characteristics of the target group.

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