



Connecting
the Marketing
Community

Get in Touch With Touchpoint Paths

Consumers follow touchpoint paths to move from product awareness to purchase. Understanding those paths can help shorten your sales cycle.

Sales professionals, marketing experts and “C” level executives all have “skin in the game” of increasing conversions and shortening sales cycles – it directly affects their compensation or bonuses.

Organizations spend a lot of time, effort and money to get prospects to select their product or service. Yet few organizations know the most common sequence of customer interactions – or “touchpoints” – new customers encounter as they move from awareness of its offerings through to selection. Understanding the touchpoints that make up your customers “touchpoint paths” are critical to improving conversions and shortening the sales cycle.

So what are touchpoint paths? Touchpoint paths represent the sequence of touchpoints prospects and customers encounter as they travel through their lifecycle stages with your organization. We call the most common sequences Primary Touchpoint Paths™.

In our research we have identified four different types of touchpoint paths:

- Initial selection – The sequence of touchpoints prospects encounter as they proceed from awareness of your offering(s), to information gathering or knowledge, through to consideration and finally selection.
- Repurchase – Once a customer, the sequence of touchpoints a customer encounters to repurchase the same product/service.

- Additional purchases – The sequence of touchpoints a current customer encounters through the process of selecting a different product or service.
- Loyalty/Advocacy – The sequence of touchpoints a customer encounters that motivates loyalty and or advocacy.

Your organization probably has thousands of different combinations and permutations of touchpoints customers can encounter along their various paths. Understanding touchpoint paths and especially Primary Touchpoint Paths is important because it positions an organization to ease, motivate and guide travel along these paths, and to even shorten the time it takes to travel the paths. The results? Increased conversion performance over a shorter period of time.

So, how do you gain touchpoint path intelligence and turn it into improved conversions?

1. Survey recently acquired customers regarding the sequence of touchpoints they encountered in the purchase of your offering.
2. Analyze data, include development of probability models.
3. Identify the Primary Touchpoint Paths.
4. Develop action plans specific to: a) easing movement along Primary Touchpoint Paths, and b) shortening the time it takes to travel the path to selection.
5. Measure success.

Let's look at an example of a hypothetical

technology company that sells software solutions.

To uncover the touchpoint paths, qualitative interviews are held with recently acquired customers. The purpose of the interviews is to mine historical data of the sequence of touchpoints customers encounter as they progress through their lifecycle stages from awareness of the organization and its software, through to selection.

Once the touchpoint path data has been collected, it can be analyzed, including development of probability models. For instance, when a prospect leaves a specific section of the organization's Web site, which touchpoint is most likely to be encountered next? When a prospect receives a proposal, which touchpoint is most likely to come next? Which touchpoint typically precedes the request for a proposal?

This organization offers multiple lines of software solutions. Valuable touchpoint path information includes where, and for what, a new customer is most likely to spend his or her next dollar with this firm.

With the answers to these questions, you start to gain an understanding of the value of touchpoint path information, and especially of identifying Primary Touchpoint Paths.

Taking it further, touchpoint path analysis finds that 72 percent of the software company's new customers travel one of three

Primary Touchpoint Paths. The Primary Touchpoint Path that most new customers take starts with the firm's booth at an industry conference. The second most popular path is initiated with an unsolicited sales call, and the third most popular path starts with a visit to the firm's Web site, which is followed by an inquiry call.

How might this information benefit this organization? In surfacing the three principal methods that generate prospects who select this organization's software, the firm can focus its prospecting efforts on the strategies that are truly succeeding in generating customers.

Additionally, this firm can use the data to optimize its touchpoint performance and performance of the Primary Touchpoint Paths. Optimization can take the form of modifying current touchpoints to motivate movement to a subsequent touchpoint along the path, eliminating redundant or unneeded touchpoints, or developing and deploying new touchpoints to address identified touchpoint gaps. Once optimized, the touchpoints along Primary Touchpoint Paths are more customer-friendly and offer a smoother and often

quicker path for customers to travel to the important point of selection, thus increasing sales.

For instance, one of the paths uncovers that quite a few prospects visit the Web site after a demo. Is something not being covered (gap) during the demo that makes prospects turn to the Web site following the demo? Is there an opportunity to optimize the demo, eliminating the need for additional touchpoints that slow this organization's sales process?

Why are cold calls generating more customers than the Web site? Search engine optimization efforts may need to be improved.

Additionally, the Web site can be optimized to better encourage visitors to contact the firm, increasing the number of prospects who travel this productive Primary Touchpoint Path.

Analyzing touchpoint path data typically uncovers opportunities to shorten the sales cycle. For example, prospects who are introduced to the software firm at the convention aren't given a demo until several weeks (and touchpoints) later. Perhaps it would make

sense to offer demos at the conference in an effort to shorten the sales cycle.

For organizations committed to increasing sales and loyalty conversions, touchpoint path data collection should be a part of their ongoing Customer Touchpoint Management (CTM) efforts. CTM reflects an organization's efforts to improve performance through the understanding, optimization, management and measurement of customer touchpoints. These are a few examples of how touchpoint path intelligence as part of CTM efforts enable the savvy organization to better facilitate smooth travel along touchpoint paths, increasing conversions and shortening sales cycles.

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