



Using Funnels to Optimize the Customer Journey

Multicultural Innovation Lab

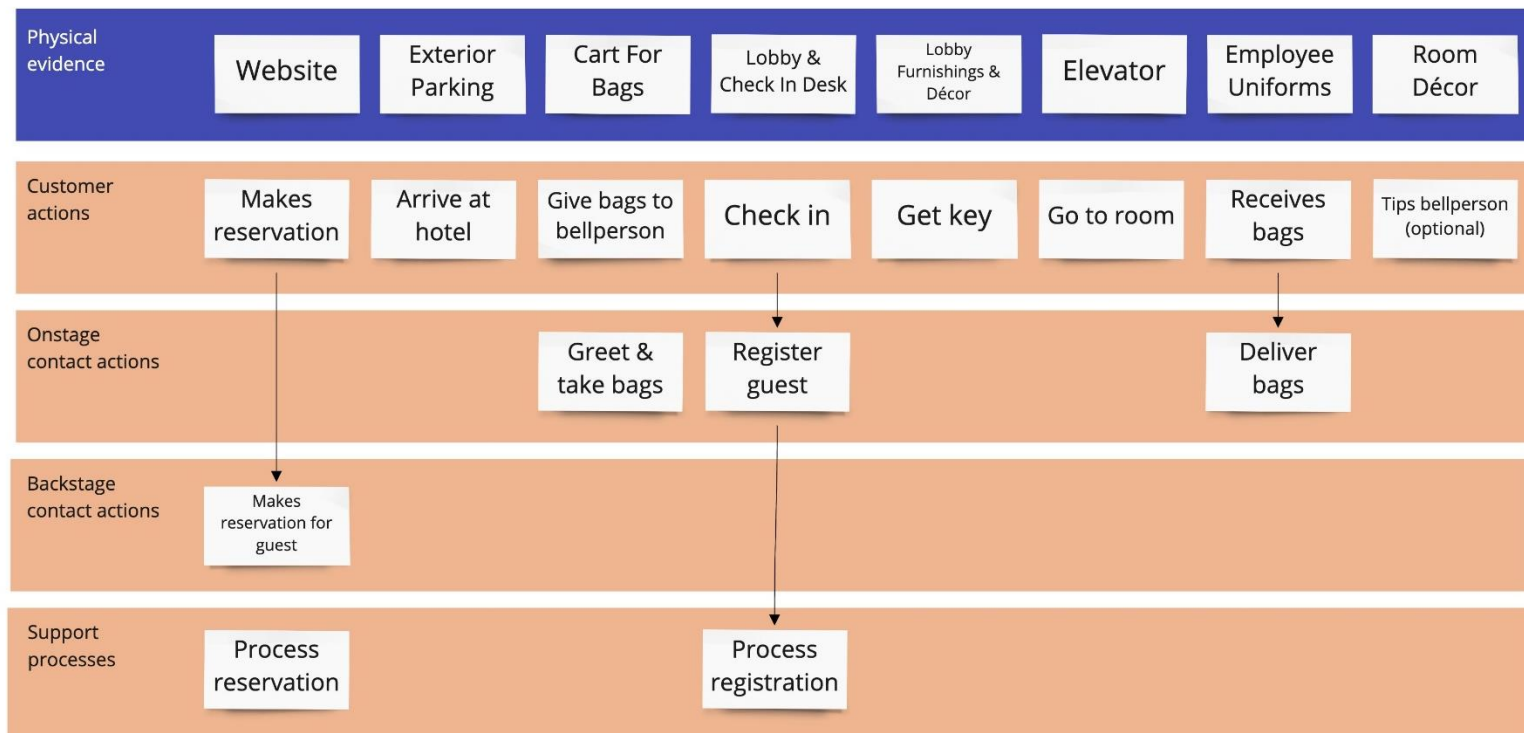
June 2021

Agenda

1	Intro: Understanding the customer journey
2	Funnels 101
3	Which teams use and benefit from funnels?
4	Product funnel in action: Amazon shopping experience
5	How to define success: Critical KPIs to monitor
6	Q&A

Understanding the customer journey

Mapping the user journey provides a visual representation of the steps that a customer takes to complete a specific action. By mapping the end-to-end touchpoints that a customer has with your brand, you can better optimize every step of the process.



Customer Journey Map: Hotel Booking & Check In Experience

Source: [Miro](#)

FUNNELS 101

WHAT IS A FUNNEL?

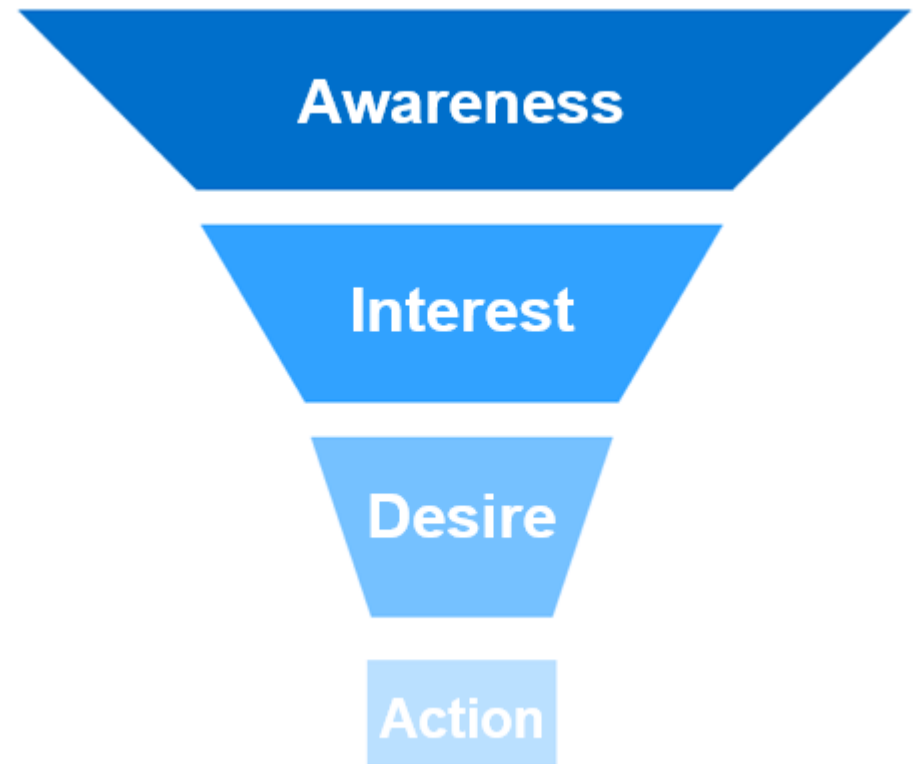
A funnel is used to measure the customer journey. Tracking conversion rates between the steps in a funnel allows you to zero in on your strengths and weaknesses

WHY DO FUNNELS MATTER? MONEY!

Even incremental improvements to key profit funnels can have a major impact on company revenues.

KEY PROFIT FUNNELS @ E*TRADE

- Online Application Funnel
- Trading Funnel
- Transfer Money Funnel
- Email Marketing Funnels



Who uses funnels? Everyone!

PRODUCT TEAMS

Product teams utilize funnels to understand user behavior on a website/app. Funnel data is used to inspire customer improvements to improve conversion or result in a desired behavior.

MARKETING TEAMS

Marketing teams utilize funnels for various activities like tracking applications/sign-ups, monitoring performance by referral channel, and understanding email conversions.

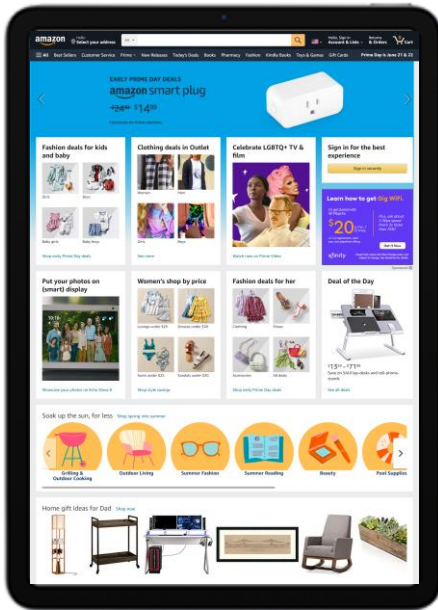
OPERATIONS TEAMS

Operations teams can utilize product funnels to forecast revenue based on overall conversion rates.

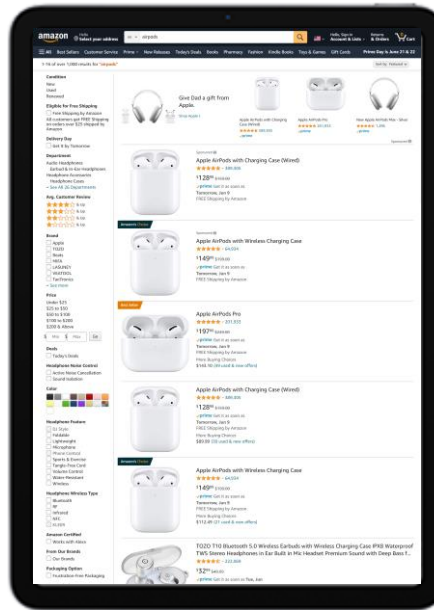
SALES TEAMS

Sales teams utilize funnels to forecast deals from potential clients, from prospective customers through a closed-won deal.

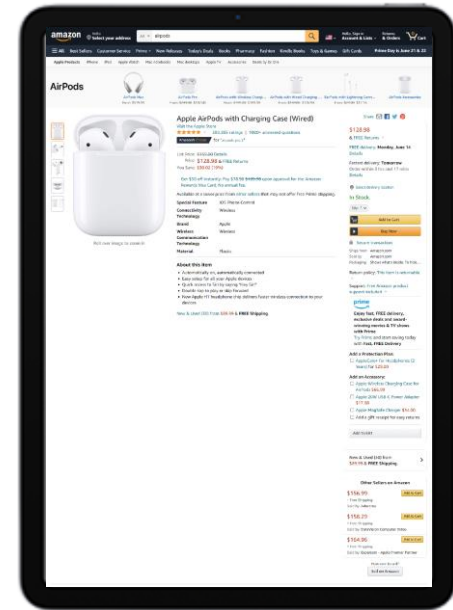
Product funnel in action: Amazon browsing experience



Home Page

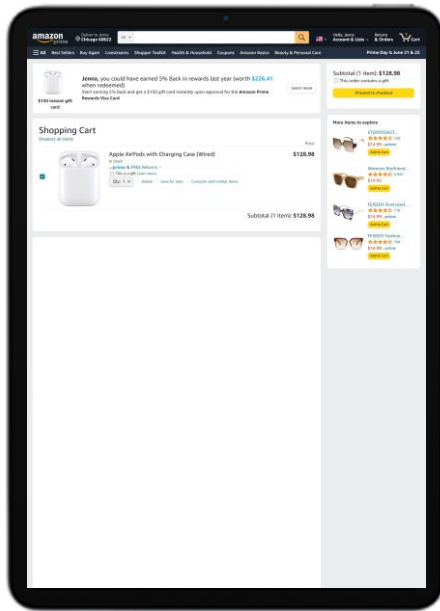


Search Results

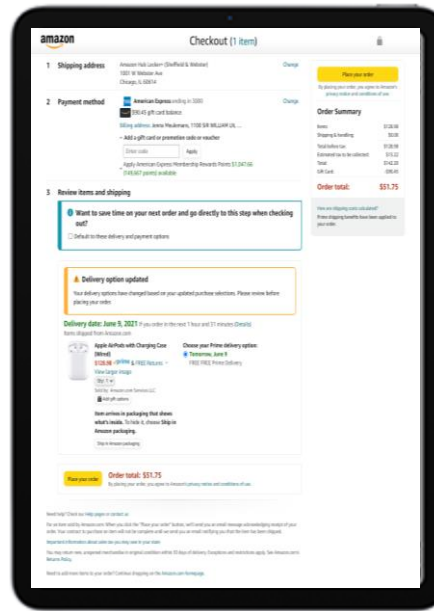


Product Page

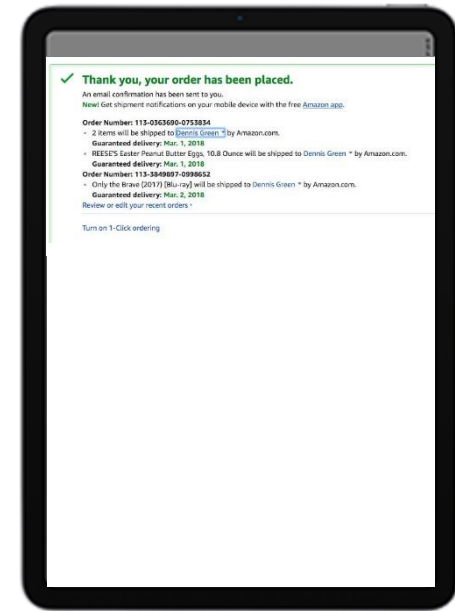
Product funnel in action: Amazon checkout experience



Shopping Cart



Order Preview

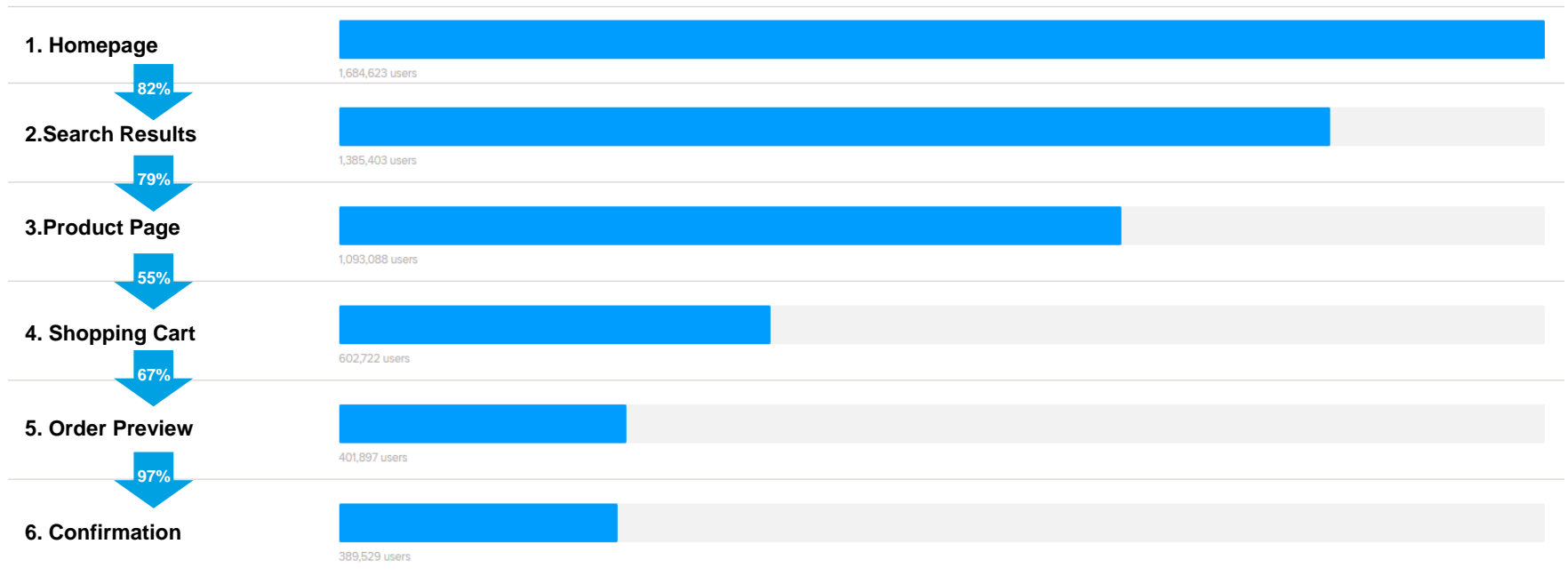
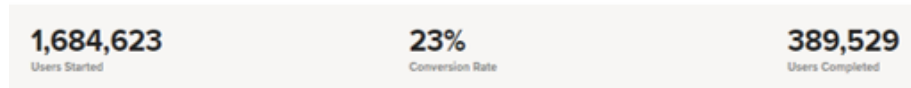


Confirmation



So, what would Amazon's checkout funnel look like?

Amazon's shopping cart checkout funnel



***Sample data for illustrative purposes only**

How to Define Success

Critical KPIs to Monitor and Analyze Funnels

Sample KPIs

- Overall funnel conversion
- Conversion at each step of the journey
- Total users entering the flow
- Total users exiting the flow
- Revenue per conversion
- Quantity per conversion (e.g. number of items per order)
- Customer retention rate

Analyzing a Funnel

- Funnel by product type or product line
- Funnels by customer segment
 - New users / Returning users
 - Demographics (age, income, loyalty tier, etc.)
 - Customer tenure
 - Customers who have converted / not converted
 - Android users / iOS users
 - Web only / Mobile only / Web + Mobile users
- Funnels by discovery point (e.g. do people use search to find a product, or navigate through a menu?)
- Multiple funnels to compare A/B test results



Q&A