How to Create a Digital Marketing Funnel

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Digital marketing, for the most part, is simple. Nowadays anyone can set up an ad campaign on Google or Facebook and start driving the clicks. The competition is high and looks everyone wants a piece of the online action.

With the rise of new-age tech and consumer startups, there is no limit on the ways you can get attention from people. We have click-based ads, YouTube ads, banner ads, story ads and so on. But at the same time, digital marketing is also getting more challenging.

While running ads is relatively easy, the biggest challenge for most startups and digital marketers is getting an ROI on the ad dollars spent on these various channels. It’s difficult to get an ROI because funding the ad spend is challenging, unless the customer transacts with you and makes a profit for you,

Anyone can fund ads with investor money in the initial stages, but that’s not a sustainable way to build the funnel for the long term. The most important question to ask in digital marketing is not how and where to run the ads, but how to make sure there is an ROI on the ad dollars spent and sustaining the campaigns for the long term.

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The funnel concept

There are different stages in the funnel, and the only way to make an ad campaigns work is to make sure that all the stages of the funnel are built in a solid way. In general, branding campaigns are out of the question for small businesses that are bootstrapped. Just putting your brand name on TV and banners is not going to convert viewers into customers.

Digital marketing becomes more effective when it's focused on lead generation. Collecting names, emails, and phone numbers are the best way to bring potential customers into the funnel. And the best way to get viewers to opt in is to give away a free resource in return. This is usually called a lead magnet because it attracts the leads. Think of it like an ethical bribe that you give to the visitor in return for their email ID and the permission to market to them again through email.

Most brands (both B2B and B2C) kind of mess it up after this stage. The leads are cold and will not be in a position to buy your product or service. Trust needs to be built. Trust grows with engagement and engagement comes with good content.

Since ad campaigns are at scale, the nurturing needs to be done at scale. And the only way to nurture thousands of leads is with marketing automation. Marketing automation also needs to be personalized at scale in a process I call deep marketing.

Deep marketing involves creating a marketing funnel where every segment of your potential customers and leads get unique content that is relevant to them. The higher the relevancy, the faster the cold leads become warm leads. The process of converting cold leads into warm leads takes time, and the best way to achieve this is to send a sequence of emails spaced out in a 2-3 day window.

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The value of warm leads

Trust needs to be built before you can start selling to the leads. You need to nurture the leads over time to efficiently convert cold leads into warm leads. But warm leads are not the solution. Warm leads do not put money in the bank. Warm leads need a nudge if you want them to become paying customers. You need to gently push them towards a transaction without coming off as sleazy and pushy.

If the first stage is attention and the second stage is building trust, a compelling copy and sales pitch is the third and the most important stage of the funnel.

Someone trusting you doesn’t mean anything until they are ready to use that trust to transact with you. Warm leads can be converted into paying customers using a variety of sales methods. You can use sales pages, sales videos, sales meetings, group sales through webinars or even offline meetings.

The effectiveness of an ad campaign depends not just on the ads, but on the nurturing sequence and the sales efficiency. If the transaction happens successfully and turns out a profit, you can take profit from the transaction and reinvest it back into ad campaigns to grow.

This process, done for a long enough time, builds a reputation for the brand. The brand’s reputation also helps with the ads and pushes up response rate metrics such as the click-through ratio, visitor-to-leads ratio, and the lead-to-customer ratio.

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