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DEVELOPING THE MARKETING AND SALES PROCESS BY IMPLEMENTING THE BUSINESS FUNNEL

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The case company of this study had a problem acquiring new customers. There was no fine developed marketing and sales process available. As a consequence, it was impossible for the company to forecast their turnover. The company experienced big challenges in finding funding partners to realize the desired expansion, due to the fact that they could not give a substantiated forecast of the results.

The purpose of this study was to investigate how to develop the marketing and sales process by implementing the Business Funnel. Even though the author had in-depth knowledge of the model, this study concentrated on obtaining deeper insights. Optimization of the model required qualitative research. After setting the theoretical framework, studying the Business Funnel model consisted of document analysis. The outcome of this part of the study served as input for the design of a primarily Business Funnel. A panel discussion with three Business Funnel experts provided more information on the results of the model and means of managing it after implementation. A semi-structured interview with one of the owners of the case company completed the required information for the primary model. The final result of the study completed the model, including means of implementation and management.
The results of this study will benefit the case company, but may also provide useful insights for other companies.

CONTENT

1 INTRODUCTION

From my personal experience with the business world in several roles (as e.g. Sales Manager, Channel Manager, Entrepreneur) in the last 18 years, it has become very clear to me that companies find it very difficult to attract new customers and/or to enter new markets, despite their sales and marketing plans and activities. In addition, controlling their own growth in an operational and financial way is often part of their problems. During conversations with small and medium enterprises acting in a Business to Business environment, they mentioned having issues with breaking into existing networks. One of those networks is the network of suspects (organizations which have never been contacted before, but which may be potential customers, based on the group to which they belong (Het Klantenbedrijf, 2016)). Another network consists of prospects (organizations which have shown interest in the offered product and/or services and which are qualified based on defined criteria (Het Klantenbedrijf, 2016)).

Furthermore, another problem companies encounter is that they do not know how to realize the forecast which is made every year. Although marketing research and sales experience proved that their services and/or products had big market opportunities, not having enough customers, working capital (fast growers) or operations caused many companies to quietly disappear. In particular for the case company (iZiDone, which will be described in more detail in chapter 2), there are several reasons for not getting new customers. The solution they offer fits the needs in the market, which are strengthened by changes in Dutch law. Even though they do have the solution the market needs, and they made a huge investments in the product, they still have only a few customers, based on existing connections of the three founders of iZiDone.

In general, the reason for this study is to ensure that the case company will be successful in attracting new customers in a financially and operationally sustainable way. The study of the implementation of the Business Funnel belongs to the area of marketing and sales, which is a part of marketing communication. In this study, the Business Funnel will be studied only for a business to business environment as the case company iZiDone is acting in that area. As innovation of marketing communication tools is continuously ongoing, e.g. online tools versus offline tools, mainly recent literature was used in this study.

The consequences of not using a structured marketing and sales procedure can be divide in three parts: not having (enough) customers, having enough customers but not the working capital to finance this growth and not having the right operational environment to handle the growth (Cooper, 2007, 50-51). Using the Business Funnel in a good way provides the company with the knowledge of which assets are required for realization of the predicted growth. Companies can decide for themselves how fast to grow and how to finance their growth (either external when growth is fast, or via operational cash flow).

2 CASE COMPANY

In 2012, Guido Roijen came up with a business idea in the environment of social empowerment. In 2013, he founded a software company called iZiDone. The first objective was to create household services for the elderly in The Netherlands, by arranging for example cleaning of the house, an appointment with the hair dresser and doing the shopping. Because of a change of law in The Netherlands, Guido saw new markets for his software platform. (Roijen, personal communication, 21-11-2015.)

Coming closer to yourself and your direct environment is now the slogan of iZiDone. The software platform stimulates social empowerment by activating sharing, discovering, connecting and making between people living in social housing. This is exactly what the new law in The Netherlands intends: Integration above mentioned items by social houses rental organizations within their community of renters (Rijksoverheid, 2015).

The objective of the case company iZiDone provides a direct link to social empowerment by offering a software platform. Social empowerment has more definitions. One of them is: “Social empowerment is the process of accessing opportunities and resources in order to make personal choices (e.g. choosing what to eat, what to wear, what neighborhood to live in) and have some control over our environment. Social empowerment is greater personal choices (Rockson, 2015). So the core business of iZiDone is a software platform where people can offer personal belongings or services to each other. Examples of such services are filling in tax return, repainting houses or cooking dinner. The platform is focused on exchanging belongings and/or services rather than selling.

2.1 The offered products and services

iZiDone developed a software platform which offers functionalities to the target group for integration and participation between people. The online tool enables sharing and discovering know-how and experiences, helps tenants who want to live comfortably by offering them accessible participation, and to make them themselves aware of the possibilities within their environment to deal with issues at a very easy, fast and an economical way.

The product iZiDone concrete offers is a software platform with functionalities to match supply and demand of the tenants among each other. The main functionalities of the software platform consist of registration of personal data, listing the products or services they offer and search options

2.2 The target groups and their needs

The product and services consists of the software platform where people can exchange personal belongings and services such as filling in tax returns, repainting houses or cooking diner. The services iZiDone offers are based on the implementation of the software platform and require regular software consultancy. Instead of serving everyone, they want to focus on their target group. The needs of the target group are always based on the current need, caused by the change of law. The customer (social housing organizations) can come close to the people who rent houses in which tenants focus on participation and share their know-how and experience. This inspiration combined with the new regulations, iZiDone defined a separate value proposition for their customer (social housing organizations) and their customer’s (the tenants). The sales occurs via the social housing organizations.

2.3 The current situation of iZiDone

The software tool is online, the first five customers are online, but currently there is no actual active use. Recently, iZiDone consulted their advisors on how they could integrate their solution with the tenants. The conclusion of this meeting is defined in a number of pain points. Lack of focus on the market side and the software side gives at this moment an uncertain situation. Usability does not meet the common standards so the acceptation of the software by the end-users is not good. The software demands a behavioral change from its users, which is not accepted by the users. Finally, the startup stage of the users lacks success stories and escort. iZiDone defined a short term and a long term ambition.

To overcome the pain points, iZiDone defined a short term and a long term plan of action. On short term, the objective is to take action so the product can be sold and will be used. The software itself will be developed into the direction of the current standards of end users. Also, functionalities will be added to the needs of the market. This should result in 10 paying customers at the end of 2016.

On longer term, the ambition is to keep developing to meet the needs of the customer, in functionalities and in current standards of the end users. In addition, iZiDone aims to be the market leader in social empowerment in The Netherlands which will make them famous if their product is reliable, user friendly and has a perfect price quality ratio. iZiDone should be a healthy, resilient organization, offering a stable place to work for their employees and, because of its financial healthy position, also provides a social return.

The platform will be positioned in the market as mentioned, but the functionalities offer possibilities for other markets too. In a later stadium it will be decided if the software will be sold via indirect channels (specialist in specific market segments) or directly in the new markets. By improving the software now, these aspects are taken into consideration, by including functionalities as white labeling, translation for example. (Tijssen, 2015.)

3 PURPOSE AND OBJECTIVES

Currently, the success of iZiDone is based on selling to the existing networks of the three owners of iZiDone. A structured marketing and sales process is not used. The know-how how to build up and implement a structured marketing & sales process is not available. iZiDone notices that the current way of selling their solution to the market is not successful. iZiDone is aware of the fact that the marketing & sales process should be implemented within the company, otherwise targeting new customers will be based on “lucky shots”. They are aware that by implementing the Business Funnel iZiDone can directly influence their success. An additional advantage of implementing the Business Funnel is that they can calculate the costs of growth so they can fund their growth sufficiently. A first step is adding a dedicated sales person to the board of the company. At this moment, there is a stop on sales activities as the product has to re-developed completely. Moreover, the board decided to first analyze the marketing and sales process before investing more money, to avoid divestment risk.

The purpose of this study is determine the optimal way of developing the marketing and sales process by implementing the Business Funnel through research. Obtaining deeper understanding of the working of the Business Funnel will result in an optimized model. An optimized Business Funnel is very useful for the case company but can be used as well by other companies when developing their marketing and sales process.

All relevant data on the concept of the Business Funnel, the working of the Business Funnel, the managing of the Business Funnel and the activities within the Business Funnel are gathered. The research is executed by using field research added with gathered information out of articles, websites, blogs and journals. Field research entails a panel discussion of experts in the field of the Business Funnel.

The main purpose of the study is to answer the following question: How develop the marketing & sales process by implementing the Business Funnel in the case company?

The aimed development can be achieved by analyzing the entire marketing and sales process, from identifying the target group until closing the deal.

Objectives for the case company of this study are:

1. Better control over the marketing and sales process
   The aim for the case company is to get grip over each step within this process so directly can been seen what can be better.
2. Higher efficiency drive of the marketing and sales activities
   The aim for the case company here is to create the most cost and time efficient way of working.
3. Higher reliability of the turnover forecast
   The aim for the case company is to know what their turn over will be in upcoming periods so they can make more underpinned business decisions.
4. Create a higher resilience level for the company
   Important for the case company is to create a stable business so investors do have a higher certain pay back guarantee.

4 THEORETICAL FRAMEWORK

4.1 Background

The personal experience of the author goes back to 1998. At that time he worked as a sales executive at a software company in The Netherlands. This company implemented a sales funnel, involving the process from lead generation till closing the deal. (Sales Force, 2016.) The sales funnel allowed the CEO of the company to predict the forecast with a certainty percentage of 85% over a time line of 18 months, meaning that the company know the revenue between 85% and 115% over 18 months. By using the sales funnel, the company was able to both, control their business, including the growth and manage the growth in a sustainable way, avoiding any liabilities. In 2005, the author started his own business in Germany in software distribution, selling solutions via a network of value added resellers to various market segments. By implementing the sales funnel within the internal organization of the value added resellers, the distributor could manage and control his own turn over. In the beginning, he started by just defining stages in the funnel. Later additions to the model involved the customer journey as the starting point. The customer journey spans a variety of touchpoints by which the customer moves from awareness to engagement and purchase (Forrester, 2016). The customer journey is a cohesive set of activities for the customers to guide them from the starting point of the process till signing the contract.

For this study, the author accessed various sources to arrive at a basic description of the model, which will be the starting point of this study. As a starting point, the Business Funnel will be described in this chapter The case company (iZiDone) is described in chapter two, followed by the purpose and objectives of this study in chapter three. In chapter six a deeper insight will be given on current theoretical knowledge of the Business Funnel, while chapter seven gives background on what experts know about applying the Business Funnel in the market. In addition to a literature review, a discussion with people in the same market as iZiDone was organized. Chapter eight introduces the current marketing and sales process in the case company. The theoretical background, the applied knowledge from the market and the insight into how iZiDone currently works represents the start of building up the ideal way of implementing the Business Funnel, as described in chapter nine.

4.2 The Business Funnel based on the existing literature

One of the definitions given for the Business Funnel is that it provides a visually description of the entire process from identifying the target group to final sale with the aim to achieve a given forecast (Pipedrive, 2014).

The definition of the Business Funnel by Walter Spruyt and Liesbeth Huysmans is based on the marketing and sales cycle: “Depending on the kind of concept or product/services you are selling, there will be operated in a short or long marketing and sales cycle. This cycle is the time between identifying the target group and effectively closing the deal.” (Spruyt & Huysmans, 2006, 359.).

Bizmanualz says that “The marketing and sales cycle is the term used to describe the length of time typically needed to convert leads into closed sales, moving awareness to purchase to fulfillment, and finally to post-sales, follow up and support. A marketing and sales cycle can vary drastically between industries and products or services. Marketing and sales cycles can range from a few seconds to months or even years.” (Bizmanualz, 2008, p. 712).

Mokkenstroom and Wijnberg are giving a more broader and detailed definition: “ The marketing and sales cycle is the circulation of the whole process. All activities needed for a company, step by step, to offer products and or services, to sell and to deliver or to serve, then from that situation again offer other services. The marketing and sales cycle is classified in stages.” (Mokkenstroom & Wijnberg, 2008, p. 219).

Comparing these definitions shows that it is important to notice that the marketing and sales cycle can differ in stages, activities and lead time per industry or even product market combination.

The marketing and sales cycle can be visualized in a model called the Business Funnel. Not all activities done in the Business Funnel will result in new customers, meaning that not all leads in the top of the funnel will automatically end in a sale. In the beginning of the process, they speak of the whole target group, while at the end only a percentage of the target group will be a customer. As the funnel process proceeds, leads will drop out. It is this aspect that gave the model the name Business Funnel, a funnel which is very broad in the beginning and narrow at the end, containing the leads which were converted to a customer. (Rutten, 2015.)

The Business Funnel defines all activities within the process and measures these based on quantity and conversion. At the end of the Business Funnel, only those customers are left, that sign the contract. All data within the funnel is used to calculate the averages in numbers, conversions and time. As a result, the end of the Business Funnel can be used to calculate how much money and effort is needed to reach the objectives of completely new customers, set in the beginning of a forecasting period. (Miller, 2005, 48-50.)

4.3 The idea of the Business Funnel based on author's experience

The author brings in his personal experience with the Business Funnel because his long experience in using it provided good insights into the model and its working. This experience is makes it easier to both combine various sources of information and consider the model from different perspectives.

The author's view on the Business Funnel, as based on both existing literature and own experience, states that the marketing and sales process can be divided into three main stages: the traditional marketing process, the inside sales process and the outside sales process. The inside sales process is the stage within the process at which the inside sales department approaches the leads in the target market and nurtures leads by staying in contact with them. In the outside sales process, all organizations who have displayed interest in the offered product and/or services and who are qualified based on defined criteria, will be visited in personal selling meetings. At the marketing stage, the target group will be defined, and additionally, the exact needs of the segment(s) will be clarified.

With this knowledge it is possible to create the value proposition which is a combination of the needs in the market and what the product or service can offer to fulfill. The corporate identity will be based on the value proposition, which also includes the website, social media design, sets of leaflets etc. Once the three stages are completed, the product market combination for which the funnel was intended, will be sales ready, such that marketing activities can be performed on the target group. As soon as individual leads will be approached, rather than the target group as a whole, the inside sales department will be activated in the funnel. Each lead will be approached separately during which they slowly nurturing for an outside sales ready meeting. At this stage it is important to know at what stage the lead is in the customer journey to enable communication of the correct information. Then, the outside sales department takes over the responsibility over the potential customer by arranging personal meetings. The customer journey is still leading within the funnel process. Note, the customer journey spans a variety of touchpoints by which the customer moves from awareness to engagement and purchase (Forrester, 2016). Usually, second and third meeting will follow after this first meeting.

Managing each stage in this funnel process is independent of department and is controlled by both conversion rates, i.e. how many potential customers will continue to the next stage in the funnel, and lead time, i.e. how long does it take to convert to the next stage. The conversion rates and the lead time provides the funnel with sufficient information to forecast per day all activities at each stage, aiming to reach objectives. The model always starts at the bottom at which the number of targeted customers is leading. The funnel calculates the number of potential customers at each stage of the funnel.

The article “Stop with the standard Business Funnel” supports the view of the author, as that implementing a full Business Funnel model, including managing will provide stability and increase the businesses of companies. (Mastboom, 2015.)

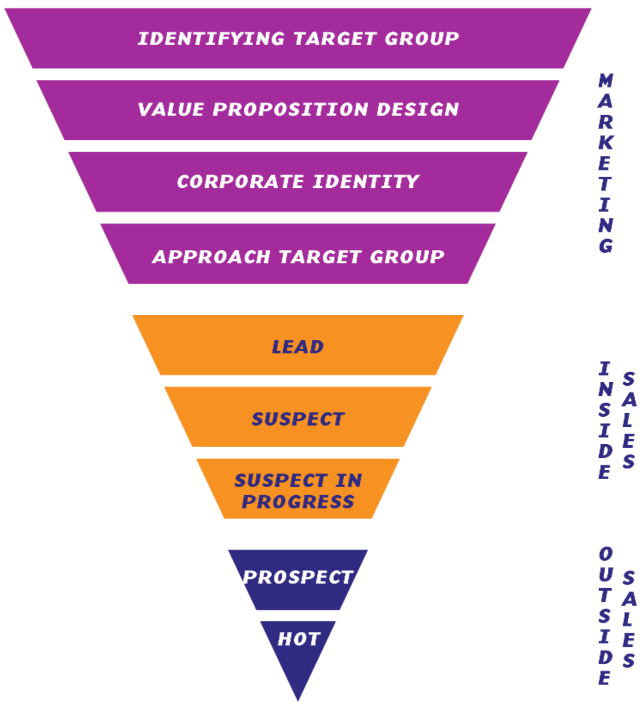


Figure 1: Schematic outline of the Business Funnel.

Figure 1 shows the entire process as defined within the Business Funnel model, from identifying the target group until the final sale. The full marketing and sales cycle is divided in stages. On the right the three departments involved are displayed.

4.4 The objective of the Business Funnel

Using a Business Funnel within a company serves multiple purposes. A quote often is used for this model is “more turn over” but the effect using a Business Funnel involves much more than that. The Business Funnel provides enterprises with the opportunity to manage their forecast at a detailed level, to see which and how many activities are required to reach the forecast in terms of costs. Additionally, the model predicts how much money is needed to reach the forecast in terms of cash flow. In conclusion, a broader and better way of formulating the objective of the Business Funnel is: ensuring the continuity of an enterprise. (101 Business Models, 2015, 12-13.)

5 RESEARCH METHODOLOGY AND IMPLEMENTATION OF THE STUDY

5.1 Qualitative research approach

The research topic was initiated by iZiDone, the case company for this study. The main purpose of this study is developing the marketing and sales process, which will result in deeper insight into these processes. This purpose requires a qualitative research approach. (Yin, 2011, 8-9.)

When obtaining deeper insight into a theme or problem is required, rather than gathering and analysis of numbers a qualitative approach is the best choice. Qualitative data relates to the nature, the value and the characteristics of the phenomenon under investigation, such as for example, experiences related to the subject, or a person's specific values concerning the subject.

The first step in qualitative research consists of the description and interpretation of the problem in the research situation. This mainly constitutes defining the behavior by collecting relevant texts and quotes. Performing qualitative research mostly involves the use of nominal and ordinal data. With nominal data referring to the defining of phenomena, and ordinal data referring to the arrangement and categorization of data. Interval and ratio measurements do not occur often within a qualitative research approach. (Baarda, et al., 2010, 123-125.)

Qualitative research can be used in many different situations and is complementary to various other approaches. Qualitative research is the method of choice when:

- There is relative little knowledge on the topic. Then a qualitative research approach enables more exploration.
- The research problem is complex and not well defined, requiring demarcation and containment.
- Results from previous studies do not match.
- The research topic requires analysis of changes as well as the development and improvement of existing situations

- It is necessary to stimulate experts to actively and creatively think about the topic.
- Quickly targeted information is needed to adjust the policy of the research topic

Qualitative research is suitable for these situations, and can be combined with other approaches. (Verhage, 2013, 456-469.)

Within the qualitative approach, various methods exist for gathering data. The methods most used are:

- Participating observation: the researcher observes while also participating in an activity;
- Interview, which can be structured, semi-structured or open;
- Document analysis: the researcher interprets the content of relevant documents in relation to the problem;
- Panel discussion and brainstorm session, in which a group of topic experts join to respond directly to opinions or experiences voiced in the session. The researcher analyzes the outcome of the discussion or brainstorm session;
- Case studies, in which a detailed study of a specific topic, such as a company case, is performed to gain understanding of the complexity of the topic;
- Ethnographic research, in which the events occurring after the purchase of a brand are analyzed.

These methods are used most often in qualitative research. (Baarda, et al., 2010, 127-130.)

5.2 Implementation of qualitative research in this study

This study will make use of both primary and secondary data collection methods.

The study starts with a literature review, described in chapter six, employing document analysis via desk research. To obtain deeper insight into the workings of the Business Funnel, documents written from various perspectives are used, including a theoretical background, or backgrounds based on either personal experiences from people who worked with the Business Funnel or experiences from companies who implemented the Business Funnel. Several articles, blogs and parts of books are used for this part of the study. The conclusion of the literature study was used to define the primary set-up of the Business Funnel.

Based on the conclusion of the literature review, a panel discussion was held to obtain deeper information of experts working intensively with the Business Funnel in practice within a short time, as described in chapter seven. The choice for a panel discussion was motivated by the plan of having interactive discussions and brainstorm sessions between experts of the Business Funnel. Topics for an open discussions were taken from the conclusions of the literature review.

To complete the model of the Business Funnel implementation, an interview with one of the owners of iZiDone, Guido Roijen, is performed, as described in chapter eight.

5.3 Final report and shortcomings

This report is a starting point for the development of the marketing and sales process. The Business Funnel implementation was not completed at the end of the study. Changes within the market and/or products, caused the implementation to change. This report describes the ongoing process of using the Business Funnel.

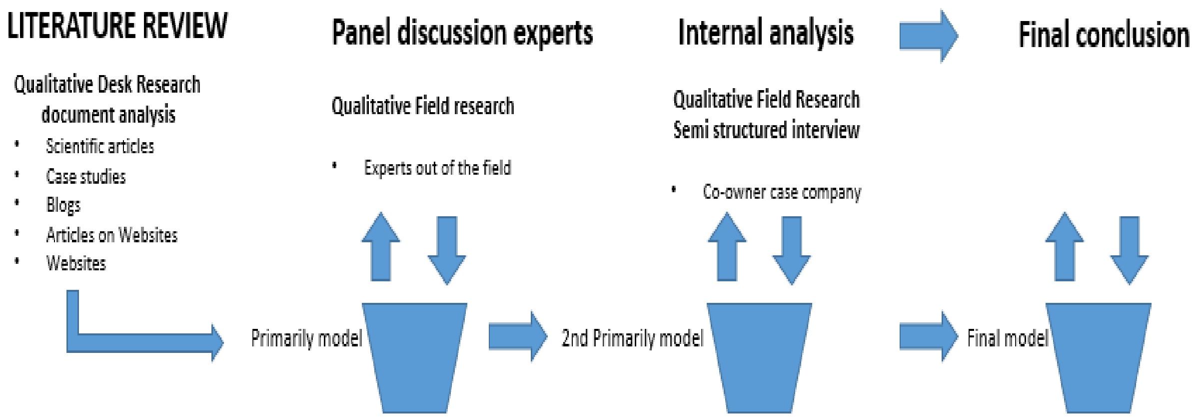


Figure 2: Research process

6 LITERATURE REVIEW

6.1 The structure of the literature review

The content of the literature review is based on three topics. The first topic is the in the marketing and sales process involved departments and the relationship between them within a Business Funnel environment. The second one is focused on the stages in The Business Funnel, it reviews all needed steps in the marketing and sales process. The third topic reviews the activities which can be executed per stage in The Business Funnel, it gives a deep insight about different communication styles within a business to business environment.

6.2 The relationship between marketing and sales

In practice within a lot of companies the department marketing and sales do not work together, there are more fighting with each other. Salespeople accuse marketers of being out of touch with what customers really want or setting prices too high, marketers insist that salespeople focus too myopically on individual customers and short-term sales at the expense of longer-term profits. This results in poor coordination between the two teams, so raises market entry costs, lengthens sales cycles and increases cost of sales.

The authors of the article “Ending the war between marketing and sales” did do research in several companies, acting in several industries. The findings of the relationship part between marketing and sales where:

- The marketing function takes different forms in different companies at different product life-cycle stages, all which can deeply affect the relationship between marketing and sales.
- The strains between marketing and sales fall into wo main categories: economic and cultural.
- It is not difficult for companies to assess the quality of the working relationship between marketing and sales.

- Companies can take practical steps to move the two functions into a more productive relationship, once they have established where the groups are starting from. (Kotler, et al., 2005, 14-23.)

Doctor Kenneth Le Meunier-Fitzhugh wrote a lot of articles about the value of integration the departments marketing and sales within a business to business environment. In one of his articles, which he wrote together with Nigel F. Piercy, he came to the same conclusion as Philip Kotler in his article “Ending the wat between marketing and sales” namely that often marketing and sales are seen as one role within a company. The sales people are mostly seen as the supporter of the customer, the marketing people are mostly seen as the people who should increase the awareness of the brand and product within the target audience. If those objective are executed, each department can increase her own relationship within the position of the customer. Persons who do support the integration between the two departments are claiming that everything should been seen out of the point of view of the company and not the persons working in the company. Because the company set targets, each person working in the process marketing and sales has own targets but those are integrated with each other. However, the two roles within the process should never be combined to one role and executed by the same person. Each department should be claiming her own identity and true cooperation should lead to synarchie. (Le Meunier-Fitzhugh & Piercy, 2010, 287-305.)

If in smaller companies a marketing person is hired, she/he is always working to relieve the workload of the sales department. Because the work is directly connected to the focus of the sales department, the relationship between marketing and sales is mostly very good within smaller enterprises. If enterprises grow, the gap between marketing and sales will also grow. The features of a marketer are more highly analytical, data oriented and project focused and marketers had until recently more formal education. Salespeople, in contrast, spend their time talking to existing and potential customers. They are skilled relationship builders, they are not only savvy about customer’s willingness to buy but also attuned to which product features will fly and will die. They want to keep moving, they are used to rejection and it does not depress them at all. They live for closing a deal. Comparing the two different types, it is no wonder that working together can be hard. Important is to convince them that the features of

both are necessary in the optimal situation. (Le Meunier-Fitzhugh & Piercy, 2010, 287-305.)
The relationship can be:

- Undefined whereby the two departments have frequent conflicts and compete over resources.
- Defined whereby the market is becoming commoditized or customized and the product life cycles are shortening and despite clarified roles, efforts are still duplicated or tasks are neglected.
- Aligned whereby the business landscape is marked by complexity and rapid change and marketing has split into upstream (strategic) and downstream(tactical) groups.
- Integrated whereby downstream marketers develop sales tools, help salespeople to qualify leads and use feedback from sales to sell existing offerings to new market segments.

The ideal marketing and sales process will contain an integrated relationship between marketing and sales whereby evaluating and rewarding both teams' performance based on shared important metrics. For instance, establish a sales goal to which both teams commit. (Kotler, et al., 2005, 14-23.)

6.3 Identification of the lead management process

First of all, to monitor and track the current processes and later transform and improve sales processes, it is required to identify the current sales process. Every sales process is per company different but in general there is a trend of sales processes. This process could be determined as a sort of funnel whereby the top of the funnel represents the market, the middle of the funnel represents the prospects/leads and the end of the funnel is stated as the customers.

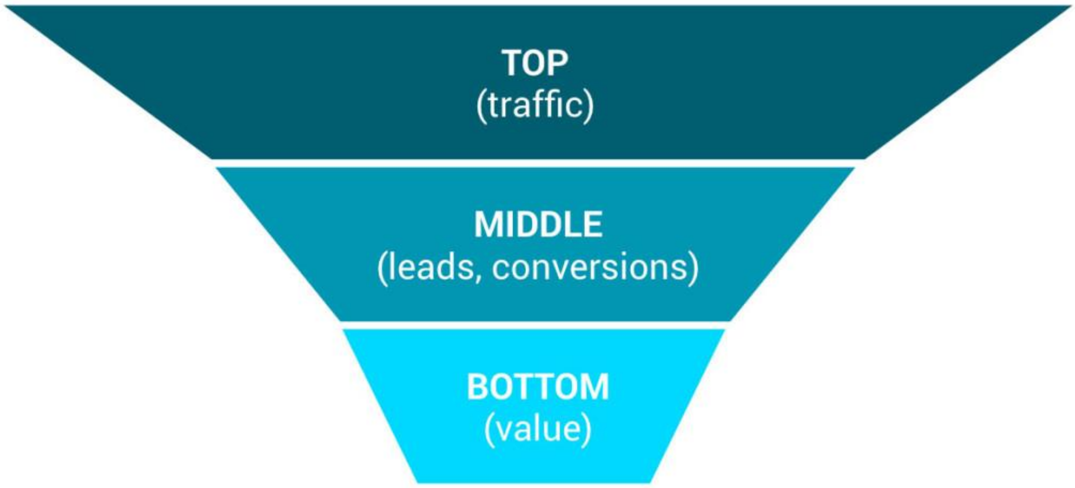


Figure 3: The three main stages of the Business Funnel (Casel, 2014).

The figure above explains the three main stages of the funnel whereby the top of funnel traditional is fulfilled by the marketing department, the middle of funnel fulfilled by the inside sales department and the bottom of funnel by the outside sales department (Casel, 2014). The inside sales process is the stage in the whole process whereby the inside sales department approaches the leads in the target market, do the lead nurturing by staying in contact with the leads. In the outside sales process, all organizations who have showed interest in the offered product and/or services and who are qualified based on defined criteria, will be visited in personal selling meetings. In the B2B markets 73% of leads is not a sales-ready lead. The lead management program has the role of tracking and monitoring the conversion of leads into sales. So basically when the attention arises towards the company the process towards the sale is described in the lead management process. Mr B.J. Caroll says about the program: “Such a program is geared to identify the best opportunities based on application of a consistent methodology, based on your sales process and the buying process of your potential customers. It assigns clear responsibility for lead tracking and closed-loop feedback. (Caroll, 2006, 12-14.) The effective lead management process consist basically of the following elements:

Figure 4: stages within the sales funnel (Caroll, 2006, 12-14.).

In the next section a detailed description of each step will be explained. This model clarifies the trend of sales processes and buying processes. However, there are multiple conceptions on these processes. Mainly, the essence of the model is to give an outline how you should think about the process and adapt the strategy. The sales funnel visually describes the sales process from initial contact to final sale. (MaRS, 2015, 74.) Moreover, the model helps to identify where the potential customer is stated in the various stages of the funnel.

6.3.1 Awareness creation and inquiries

Awareness could be created with different communication tools with information streams which you can influence (e-mail, direct mail, advertising) and streams that cannot be influenced (worth of mouth advertising, social media elements). Examples of methods who are currently used to create awareness in the business to business market are: Branding, Public Relations, Website, Events, Phone calls, E-mail, Online Marketing, Direct mail and Referrals. (Caroll, 2006, 12-14.) To generate leads (top of the funnel) a company cannot rely on one specific tactic to generate leads. Multiple tactics need to be used to create more awareness. An informed strategy is required for reaching the targeted decision makers in a B2B market.

In the inquiries stage a preliminary response from prospective customers are situated. Generally it is a follow up of the sales promotion campaign, advertisement or website visit. How will you get inquiries acquainted with the company and capture them? Therefore it is for example useful to create landing pages optimized for conversion. Alternatively, offer inbound numbers manned by associates who capture contact information, ask questions to qualify leads and answer callers' inquiries. (Hursh, 2011.)

6.3.2 Nurturing

Third step into the sales cycle is nurturing. The lead nurturing process is a stage in the middle of the funnel. Lead nurturing converts inquiries into qualified leads and starts the qualified leads on a trajectory to capture sales (Caroll, 2006, 12-14.). Nurturing is a term which includes not only one single strategy but requires a more steps to develop and building a relationship with the potential customer. Lead nurturing has the main aim to keep the conversation going and create interest for the specific products or services. In the article of Brian J. Caroll (1965) it defines lead nurturing as: *"A sustainable, long-term lead nurturing process is proactive, intentional and actionable."*

The true essence of nurturing is that the company provides the "right" information. The information is educational and includes a valuable content to bring the prospect nearer to the purchase decision. (Rijn, 2014, 15-16.)

Lead nurturing is one of the current trends in the marketing area. It enables the marketing/sales department to create more customer centricity (promotion related to the customer). Nowadays especially in the e-mail marketing the effectiveness of newsletters is decreasing and more and more business (53% of B2B marketers) are spending their budgets into nurturing strategies. (Linthorst, 2014.)

To create a lead nurturing strategy some basic steps are required:

- Target the audience: When you segment the audience in different aspects you can more easily provide content valuable information. When thinking about segmentation aspects, examples are: demographics, geography, buying cycle stage, ownership and financial situation.

- Develop a plan: Develop a plan that anticipates on the different segments including frequency, content, methods.

- Create relevant content: When there is an overview of the needed information and material to start the campaign find relevant and informational content that attracts the prospects/leads.

- Measure and evaluate: Look to the responses and the behavior of the activities within the campaign and adapt to create a more efficient campaign. There is no clear plan to fulfil 100% of the goals but it will get close when adapting to increase value. (Michiels, 2008.) (Hubspot inc., 2012.)

6.3.3 Leads and sales-ready leads

There is a difference between leads and sales-ready leads. It has to do with the different perspectives from the different departments (Dodd, 2014).
A lead is from the marketing department perspective and a sales-ready lead is obviously related to the sales department. A lead is most of the time a general term which represents the fact that a person is showing interest and reacts (active or passive) on the marketing activities. “A sales lead is an individual who (a) is affiliated with a qualified prospect, (b) can make or influence the decision to purchase your product or service, and (c) is sufficiently interested in exploring solutions to engage in a meaningful dialog with a salesperson.” (Dodd, 2014) To identify whether a lead is sales-ready or not there is an opportunity to set criteria to determine the position of the lead. By using these criteria a scoring could be made to stipulate the ranking of importance of leads. This system to determine the relevance and value of leads is called lead scoring. By grading leads it has the opportunity to identify the relevance to invest time into the lead or not. When using lead scoring it gives sales efficiency, tighter marketing and sales alignment and in increase in revenue related to the marketing costs.

6.3.4 Customers

The customers stage is at the end of the funnel. It is obvious that this stage represents the fact that the lead decided or already bought a product. Important is in this stage to stay connected and create a relationship. Maintaining and expanding a good relationship enables the company to opportunities such as cross- (selling different products) and upselling (offering up to date solutions). Moreover a long-term relationship could lead to new orders meaning that the customer is a lead for a new product and goes a bit back (nurturing stage) in the funnel in order to provide the right treatment. However, sometimes it is better to delete the customer out of the database. In some cases it is more beneficial to stop further contacts and save revenue or cut costs. (Ciotti, 2013.)

6.4 Business to Business communication

In the current B2B market a variety of tactics are used to generate leads and create brand awareness. Most of these activities (54.1%) are online activities. The current main focus in B2B markets are on customer relationships, thought leaderships and brand awareness. The top channels spend within the digital marketing area are: Websites (28%), E-mail (16%), Social Media (15%). (Karr, 2014, 30-48.)

Reaching the target via a divers of technique is very important within the Business Funnel. If the activities are not effective enough, the model will not be giving the best results and the use of it will cost too much money.
For that reason, the most important topics important nowadays in the B2B marketing will be listed:

- Content Marketing: 70% of B2B marketers are creating more content than one year ago. Therefore there are more informative pulses towards the businesses. It is very important to create relevant and informative content to fulfil the needs of the customer. Within this subject the measurement and effectiveness determination is required to adapt and create the best strategy. (Pulizzi & Handley, 2014.)

- Strategy: Create a corporate strategy between the marketing and sales departments. By identifying and creating a strategy whereby the flow of marketing and sales activities should be a smoothly process. (Wielenga, 2015.)
- Infographics: Infographics are currently trending topic in the marketing environment. These figures have the intention to provide clear information towards the reader. By using a nice and structured lay-out the message of the infographic should be more clear than the alternative of writing a text. (Wielenga, 2015.)

6.4.1 E-mail marketing and social media

Emailing's are nowadays a more and more frequently used communication tool in the B2B market. This method involves hardly any dispatch costs regardless to the volume. Only the costs of collecting the email addresses and administering the database increase when the company would like to create a larger database and new members to the target group. The effectiveness of an emailing can be measured accurately. Web statistics, provided by email distributors, can show how many recipients open the email and which topics are clicked on so it is easy identifiable to see what topics are interesting by the readers. Consequently, there has been a large increase in the number of mailings sent over the last few years. Therefore some legal restrictions were launched to unsolicited commercial emails. These emails will be considered as SPAM. In order to avoid these restrictions an approval is needed. It is a challenge to collect the right email addresses and offering the right content towards the recipients. (Floor & Raaij, 2013, 104-105.)

Email marketing is still one of the most effective tactic in moving leads efficiently through the sales funnel. Important aspects to determine the email campaign is the subject line, brevity (keep concise and engage), Imagery (the inbound marketer Amanda Sibley (1986) quotes that the brain comprehends images 60.000 times faster than a text lay-out), Social integration (sharing information) and provide always a call to action. (Pavoni, 2014.)

E-mail marketing could be in various forms to maintain customers: Transaction emails (order confirmations etc.), activation emails (activation of receiving content), continuation emails (follow-up emails) and specialty emails (birthday, holiday related emails). To conclude, e-mail contains a crucial role by supporting prospects through the funnel. In this case not one email for all the prospects but a multiple email program providing content for the individual prospect. (Rijn, 2014, 15-16.)

The social media platforms are an important medium to create and nurture leads in the B2B market. People are increasingly spending 6.7 hours a week on social media. In the B2B market, social media is a more branding and marketing tool than generating direct sales. (Kerner, 2010, 2-3.) In the study of Mr. Kerner he describes 10 key elements: Establish an objective, be part of a community, respect the medium, build a strategy, align messages with communication channels, connect to the sales funnel, content marketing, create a social campaign calendar, measurement and test. With following these elements B2B marketers will get better results of the social media activities.
First, In the majority of the studies the content marketing and measurement of the campaigns together with the implementation in the sales funnel are the key success factors. Second, the fact that it is hard to measure the social media activities in relation with the ROI. A trend in the B2B market is that more and more B2B marketers are active on social marketing and the landscape will be crowded. Therefore it is crucial to create an outstanding strategy adapted to the target group. In this article about social media activities in B2B it says: “If you are only intending to get directly orders out of social media activities than it would be better to do not invest time. However, when you are willing to get in touch with potential clients, create awareness and show your expertise than start directly.” (Janssen, 2011, 34-37.)

6.4.2 Public relations

The society for public relations and information extension (NGPR) defines public relations as “the systematic promotion of mutual understanding between a company and its target group.” (Floor & Raaij, 2013, 104-105.) Another definition is that PR gives the target groups information about the objectives, results and work methods of a company and tries to win sympathy for the company. Public relations could be seen is an business information-sharing platform to create more engagement with people that are contributing to the company's success. Public relations is an important part of communication that could be internal (within the company) and external (to people that are important to the existence and success of a company). According to a study at the Ling Tung University in Taiwan it proved by empirical results that Public Relations contributes a favourable influence to brand awareness. Moreover, the results showed that there is also an influence in customer loyalty. The higher the brand image is, the higher is the customer loyalty. However, the core is that the company must provide valuable content and interesting content to get results. The direct effect of PR could destroy or support the customers beliefs, attitude and behaviour. (Hung, 2008.)

6.5 Customer journey

As already seen in previous analysis in this report, the customer journey is a very important starting point how the Business Funnel should be build up.
According to Brian Tracy, the most important factors influencing the marketing and sales process, are mostly based on the customer journey (or buying journey). He describes satisfied needs, credibility and testimonials as the three main factors of the customer journey and perception of the sales process as the key factor for persons working in this customer journey process. The three main factors will be discussed.

6.5.1 Satisfied needs, credibility and testimonials

Satisfied needs because customers are always acting to satisfy the greatest number of unmet needs, preferably against the best price. Tracey is using satisfied needs also as a competitive advantage, so integrated in the satisfied needs, companies also should address their unique selling points.

Credibility shows to potential customers that other companies already had the same customer journey and decided to buy the service or product with your company. If this can be proven, it positively influences the buying process of the potential customer. It gives lower resistance and therefore increases sales. Even a bit of information of other companies who already wrestled with this buying decision moves companies closer to a sale. Testimonials is mentioned separately for reach out for credibility. Brian Tracy says that a collection of satisfied customers in a list or with e.g. pictures is one of the most powerful tool within the customer journey.

The marketing department of companies should continuously ask for testimonials from their (new) customers so they build up a database of fitting testimonials. The author of this website also mentioned that almost every top sales person uses always testimonials in his/her sales process. The persons working at the marketing and sales departments of companies, should be highly perceptive. The perception that the customer will get form the sales person, the more likely is that the customer will be persuaded by the sales person. So very important it is to hire dedicated persons with the required attitude and skills. (Tracy, 2016.)

Also Reint Jan Holterman (Frankwatching) describes that a customer journey within a business to business environment is getting more and more important as a part of the marketing and sales process. Described is that a customer journey in a business to business environment is more complex as in a business to consumer environment. Within a business to business environment it is normal to have a decision making unit, meaning that the person looking for new products or services often is not the decision maker. The customer journey within the Business Funnel needs to be made for more than one person because each stage of this journey is important for another person within the buying organization. To create an ideal customer journey, also known as a buyer journey, the focus should be on five items:

1. to understand how the customer journey goes
2. distinguish between the different roles (decision making unit) in the journey
3. to connect the journey of the different roles of the decision making unit
4. to offer the right information per role at the right time in the journey
5. to improve the customer journey by evaluation closed journeys.

Holterman is convinced that managing the customer journey will be the key activity of the marketing department in the future. (Holterman, 2016.)

6.6 Other influencing factors

According to Rajesh Setty, there are three influencing factors in the marketing and sales process namely. It should be integrated in the implementation and management of the Business Funnel. If all three factors are treated with the same importance, accelerating of the sales cycle will the positive result. (Setty, 2016.)

6.6.1 Speed, relevance, return on investment and consistency

Also if the last stage of the Business Funnel is reached, and the selling company is left with two or three competitors, speed is a must to deliver the needed information the buying company. The author calls it a “sales crime” to act slow and that it is hope that the competitors are also acting slow. Therefore it is needed that all relevant information (like white papers and case studies) is directly available for the sales persons so they do not have to waste time looking for it.

What Rajesh Setty is pointing out by relevance and Return on Invest is comparable with the authors Brian Tracy and Reint Jan Holterman. It is about the relevant information at the right time whereby Setty points out that a Return on Invest calculator is a standard part of the part of the information needed in a customer journey.

Because during the customer journey it is likely that more than one person is involved within the customer journey, as from the selling organization as from the buying organization, it is a must that there is consistency between the actors of the selling organization in their communication. If there is no consistency, disengagement can be appear.

6.7 The relation between the funnel stages and the customer journey

According to the authors Setty, Holterman and Tracy, it seems that the customer journey in relation to the stages of the marketing and sales process, managing in relationship to the Business Funnel and the relationship between the choice of activities are the key factor influencing the marketing and sales process, therefore the researcher wants to take a deeper insight of this relationships.

6.7.1 The customer journey related to the stages of the Business Funnel

The customer journey is a cohesive set of activities for the customers to guide them from the starting point of the process till signing the contract. In different environments the process is not equal to each other because of the needs of the potential customer. An example for this is the customer journey of office supplies, which demands in the customer journey in a much earlier stage price information compared to for example the customer journey for software systems. (Swann, 2015.) Because if this, the researcher will gather information about the relation for the product market combination software for (semi) government based on the product market combination of the case company iZiDone.

Marketing specialist Ingrid Archer from marketing agency spotONvision writes that the focus of marketers in a business to business environment is on campaigns and programs to increase on short terms the turn over. The basic of those campaigns and programs is the sales cycle. What marketers forget is the moments of interaction which can be realized whit the potential customer. Archer claims that the buyer process is not one big process but a series of micro decisions divided sometimes over more than 2 years. Companies who can give answers during the interaction on the needs of the potential customer make sure that the next step in the customer journey will be reached. Going deeper into the customer journey, content is the crucial factor and the continuously check if the content effects the decision process of the potential customer is a must. Nowadays, the customer is in the lead, they detest if sales persons have sales- and push behavior, but they are willing to learn and are very eager to adopt relevant content. Winning new customers means having relevant content that creates extra value for the customer during the purchase process. Ingrid Archers says that the behavior of potential customers can be divided into:

- A potential customer with a problem will invest in time so will be interested in seminars, white papers etc.

- A potential customer with a problem will spend money
- A potential customer with a need but not with a problem will invest time but will not spend money. The challenge here is by using the customer journey to turn the need into a problem.

The customer journey therefore has four stages:

1. Awareness

   The objective of this stage is to address the problem and to get the commitment of the will of the target group to change. Content ensures the potential customer the awareness of the problem. The results of the quality of the content is not measured with the number of traffic on your website but on the number of clicks on the content. In the stage awareness the customer journey looks for a trigger, something a potential customer ”wakes up”.
2. Consideration

   In this stage, the potential customer is aware of the problem but does not feel the need to solve the problem. The objective of the customer journey is to increase the sense of urgency by providing content about savings and or working more efficient with the provided solution. At this moment, the potential customer has an agree to search for a solution for his problem so it is important that the company will appear one way or the other.
3. Purchase decision

   The purchase decision itself is seldom a decision of one person. Mostly support should be created within a group. The objective is to fulfil your initial decision maker with all needed information so he/she can convince the whole group of decision makers. The best way to do this is to create a business case. Relevant for all members of the decision making unit.
4. Engagement

   After the deal, customer loyalty should be created by storytelling to the target group. Sharing all information of the whole process to the target group, not only creates new demand, also it will speed up the process of new leads. (Archer, 2013.)

6.7.2 Activities within the Marketing and Sales process

According to the company Cleverism, specialist in effectively managing the Business Funnel, activities that should be done in the Business Funnel has to be divided into the three main stages of the funnel, namely in the top of the funnel, the middle of the funnel and the bottom of the funnel. In the top of the funnel the whole target group should be reached. Activities advised by Cleverism are mailings (offline and online), social media with general content and exhibitions. Mostly, the department marketing will cover the activities. These activities, if applied correctly, will create qualitative leads up in the funnel. In the top of the funnel, the stage of awareness in the customer journey will be handled. In the middle of the funnel, the stage consideration is handled. By using activities as cold calling, follow up, workshops and seminars, suspects will be turned from a “cold” lead to a “lukewarm” suspect, ready to convert it into the bottom of the funnel. Hose activities are mostly covered by the department inside sales. In this last stage of the funnel, the outside sales department covers the first face to face meeting as an activity. Other activities mentioned for this stage are negotiation, having dinner with the prospect, eventually combined with a reference visit an existing client. The reference visit is highly recommended if the selling good is a service so the prospect can see the service as a tangible. (Cleverism, 2014.)

6.7.3 The way of managing the activities in the Marketing and Sales process

According to Ron van der Maarel from Verkopersonline.nl, the process should not be managed on the end result but on the steps within the process and the activities in the steps. A sales or account manager is hired to manage the sales and he/she can do this in several ways. A lot of managers do have the focus on the result of the process and compare this with the set targets. Examples of desired results are number of new sales, number of new customers or growth in the installed base. Mostly, the CRM system is analyzed on numbers, but this is an analysis on the past meaning that it is history and changing it is not possible. Before the realization of the targets of the process outcome, all already happened in the process. If the outcome targets are not reached, the manager is too late to discover the real problem in the process, Besides that, if the problems in the process are adjust, it takes too much time before the final outcome of the process is on target because of the lead time. To overcome this problem, van der Maarel claims that it is necessary to manage daily or weekly each stage with his activities so that if there is a short coming of the process, it directly can be adjust so it will be more sure that the outcome (read targets) will be reached. Because of this, it is important to define which activities are applied in which stage and what the needed quantity is per stage in a time aspect based on historical conversion. Activities can be combined in more than one stage ore more activities in one stage can be applied at the same time. Van der Maarel says that if managers make the sales cycle as transparent as above, it will be not only easy to manage but also more effective than only managing the outcome of the process. Van der Maarel is using a standard list of activities per stage which often are used in the product market combination software-(semi-) Governmental. To make this matrix more understandable, the author of this study put the relationships between stages, activities and results in a table below:

Table 1. Activities to manage in the Business Funnel

Stage in Funnel	**Activities in stage**	**Results to manage per activity**
Top of Funnel	Target selection	Quality of lead
	Social media	Campaign on target group Interaction with target group
	Exhibition	Brand awareness Qualitative leads
Middle of Funnel	Cold Calling	Average number of calls per period Average number of interests
	Individual mail-ing	Average number of mailings per period Average number of interests
	Follow up	Average number of interests Customer needs known Problem issues known Date of decision known Competition known

	Work Shop/Seminar	Quantity of qualitative suspects Average number of interests
Bottom of the Funnel	First meeting Face to Face	Prospect confirms interest Fit between needs-problem and solution
	Presentation Solution	Fit between needs-problem and solution
	Offer	Offer is confirmation of the purchase
	Follow up Offer	Follow up call Adjustments in offer
	Reference Visit	Physical evidence (service)
	Negotiation	Comparison with competition Oral order
	Closing the deal	Signature (written order)

The overview shows that more activities can be executed per stage, the same activity can be executed in different stages and activities can be combined like a mailing and the follow up of it. (Maarel, 2016.)

6.8 The effectiveness and efficiency of the funnel activities

Pamela Vaughan mentions that it is very important to measure the conversion rates (how successful potential customers will go further down in the funnel), lead time (how long does it take in average to convert a potential customer to the next stage) and the costs of the separate activities in the funnel. If you constantly measure this, the most effective and efficient route from lead to customer will be clear. Therefore it is important when you set up a funnel the first time, above mentioned items are available. (Caroll, 2006, 106-112.)

6.8.1 Conversion rates of the funnel stages

To improve sales performances of the sales funnel, sales managers often manage on the outcome of the process and not on the steps, or in this case, stages in the process.

According to Gareth Goh, author of The Insight Squared Blog, sales managers can control the funnel per product market combination, per sales person or other views of the funnel. Important is that the conversion targeted conversion rates are based on historical performance. For example, if on average in the past fifteen cold calls where needed to have one suspect wanting more information, then this stage should be managed on the quantity fifteen, each time in combination with the lead time. Doing this on stages level and combine per stage responsible workers, it always can not only manage the workers individually, but it gives also the company funnel progress so that the company result is leading. To compare the current situation with the “must have” situation, it becomes clear what should be done, when and by whom.

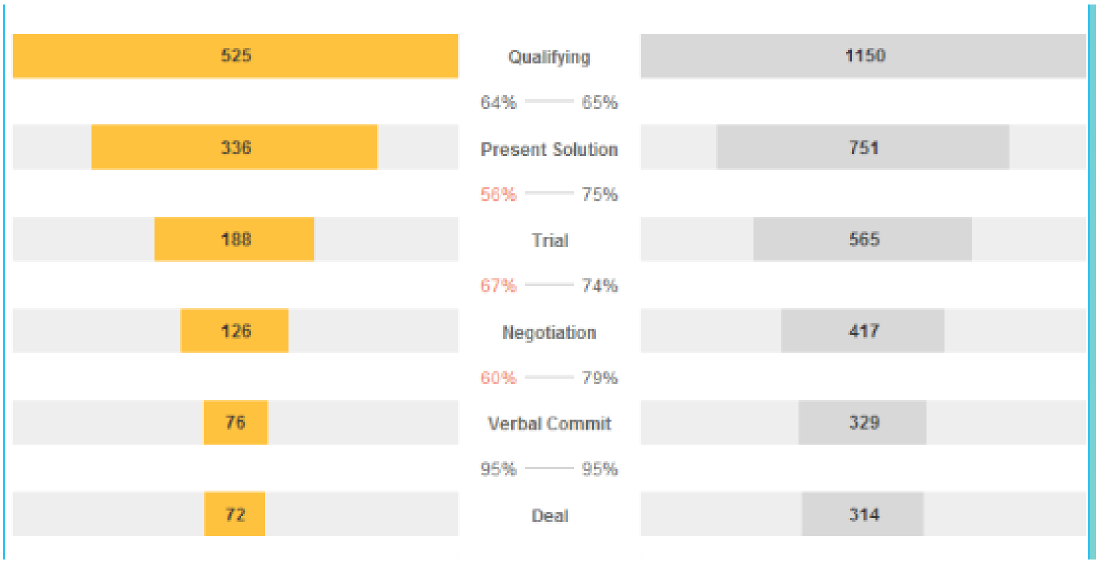


Figure 5: conversion rates current compared with desired (Goh, 2013.).

Looking in the example above, it can be said that the results on the left side are below the needed results on the right side which are the average rates of the past. For example in the stage presenting the solution, only 56% is the conversion rate at this moment in stat of 75% conversion rate on an average level. The consequence of this is that in the end, a lower number of deals will be signed. (Goh, 2013.)

According to the targeted industry, meaning the (semi) Government in The Netherlands, below stated conversion rates are applicable for software products within the named industry (average):

Table 2: Conversion rates of the activities in the Business Funnel (ICT & Overheid, 2015.)

Stage in Funnel	**Activities in stage**	**Conversion rates software/government**
Top of Funnel	Target selection	Not applicable
	Social media	Not applicable
	Exhibition	Not applicable
Middle of Funnel	Cold Calling	18%
	Individual mail-ing	1,58% (without follow up)
	Follow up	29%
	Work Shop /Seminar	61%
Bottom of the Funnel	First meeting Face to Face	66%
	Offer	83%

6.8.2 Lead time of the stages in the funnel

According to Margaret Rouse and Tim Ehrens of WhatLS.com, the lead time in the funnel can be influenced be using good sales support materials which should be based on the customer journey. Per stage in the funnel, the supporting sales materials should be defined and created based on the customer journey of the target group. To analyze what the lead time is, will be not the problem, to improve the lead time by creating the right supporting materials will be an ongoing analysis. Therefore managing the Business Funnel per stage, combined with the sales kit, customer journey and the lead times, should have focus for the management part of the marketing and sales department. (Rouse & Ehrens, 2014.) On average can be said that a business funnel with a clear defined niche market and selling a product has faster lead time rates as business funnels supporting conceptual services in a broader market. Therefore it stays important to define target markets whereby a focus can be executed. Because the lead time is be influenced by a high amount of factors (like sales kit, activities in the funnel, customer journey), it is not reliable to present an overview of average lead time rates. (Hoetmer, 2016.)

6.8.3 The costs of the funnel activities

To get an overview of the cost of the activities in the funnel, the activities mentioned in the previous part of this chapter will be analyzed. The same table is taken over here added with the costs per chosen activity. All costs are analyzed on Dutch average standards because of the fact that the Business Funnel will be executed for the case company only in the Dutch market. In the table below, all the costs of the activities are mentioned.

Table 3: Costs per activity in the Business Funnel

Stage in Funnel	**Activities in stage**	**Cost per unit**
Top of Funnel	Target selection (buying address database)	€ 0.25 per address (Doelgroepshop, 2016)
	Social media	€ 35.00 per hour (Pacbier, 2016)
	Exhibition	€ 17,500.00 (total average price three day exhibition, including staff and stand costs) (Overheid 360, 2016)
Middle of Funnel	Cold Calling	€ 10.00 per call (Commcom, 2016)
	Individual mailing	€ 419.00 per month (maximum of 15,000 addresses) (Mr. Mail, 2016).
	Follow up	€ 30.00 (total nurturing stage) (Commcom, 2016).

	Work Shop /Seminar	€ 500.00 based on the rental price work shop room hotel. (Motel Van Der Valk, 2016)
Bottom of the Funnel	First meeting Face to Face	€ 4,500.00 monthly salary outside sales (Loonwijzer, 2016)
	Offer	Total Bottom of Funnel Costs

6.9 Conclusion of the literature review

The marketing and sales process within business to business selling companies, is to be divided into three main stages, in which the process is visualized in the art of a funnel. The first of three stages is called the top of the funnel whereby mainly marketing activities are executed. The top of the funnel stage knows three sub stages namely the identification of the target group, create the value proposition and based on that develop the corporate identity. In the second stage is named the middle of the funnel. Some marketing but mainly inside sales activities are executed. Also this stages has three sub stages namely approaching the target group, leads and interested leads. Activities employed in this stage are for example cold calling, emailing, social selling and public relation. Concluded can be that several activities can be successful but important is that always more than one activity is employed per stage. Very important this days is the nurturing stage, the stage where a lead from a cold contact slowly is converted to a warm contact, this by providing the lead each time some more relevant information . In the last stage, called the end of the funnel, outside sales activities are executed. This stage has two sub stages called prospect and hot prospect. Advantage of this working way is that the outside sales activities only takes place at sales ready leads. This is also the biggest win for companies if working with a business funnel, the funnel will give the most effective and efficient way from identifying the target group to closing the deal.

Another outcome was that building up the funnel, the customer journey should be leading and not the internal thoughts about the process. To get a good grip on the customer journey, important is to split the three main stages in the funnel into sub stage so the customer journey can be defined on very detailed level. To improve the lead time and the conversion rates, it is important to create sales supporting materials, also to support the whole customer journey. Together with the sales materials, defined should be which activities should been done by which person in the organization to support the customer journey. If the model is implemented, it should be managed correctly, otherwise the benefits of the Business Funnel will directly increase and, in worse case, disappear. Managing should be done per sub stage in the funnel, this is automatically a bridge between culture differences of the marketing and sales professionals. Historical data of conversion rates and lead times, in combination with the sales supporting materials and activities is very important to make the model more and more reliable. Said can be that the longer the model works, how more reliable it will be. Besides managing per sub stage, at least one person should be responsible for the whole process for example the marketing and sales manager.

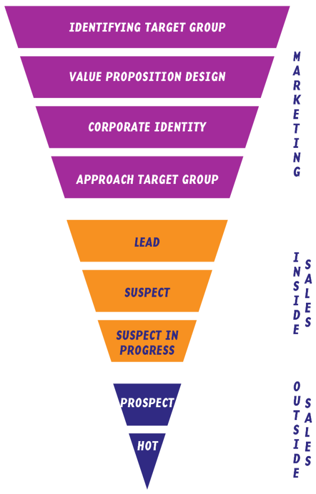
The best way to visuals the conclusion is to use the model (used in this paper in chapter 4) and complemented with:

- Customer journey
- Sales support materials
- Activities
- Costs per activity
- Lead time
- Conversion rates

The outcome of the literature study is displayed in the figure below. Showed is the three main stages with the sub stages as steps in the process. In the columns on the right, displayed is what should be defined per stage in the Business Funnel for an optimal working of the model.

The visual conclusion is limited. The implementation plan will give a complete overview of the whole model.

Table 5: Visualization of the Business Funnel Implementation

The Business Funnel	Customer Journey	Sales Materials	Activities	Costs per Activity	Conversion rate/ Lead time in days
					

7 RESULTS FROM THE PANEL DISCUSSION

7.1 Introduction of the participants and their companies

Bart Suers of BCT says that the company is using the Business Funnel since 1996. The financial situation of the company at that time was very bad and they turned around their way of thinking. The way of working was that the whole business was based on the turn over. All investments could only be done by the result of the marketing and sales department. The management of the company at that time realized that this was not the way to reach out their company objectives and decided to manage their company based on the projected turn over. From that moment they implemented the Business Funnel whereby the objected turnover was leading in the investments they made in marketing and sales, as well as the number of employees as other marketing and sales costs. The company has 20 years' experience working with the Business Funnel (in 2016). Bart Suers works since 2004 as manager Marketing and Inside Sales inside the company. He works since then daily with the Business Funnel so has an 12 years of experience with the Business Funnel (in 2016).

Ger Schuivens of Harte Hanks says that Harte Hanks works as a marketing and sales support organization worldwide for as well as B2B and B2C customers. The focus in The Netherlands and Belgium (one office in Hasselt Belgium) is mainly supporting customers, selling their products and or services in the non-profit markets. According Ger Schuivens, Harte Hanks was one of the first companies integrating the marketing and sales process into the Business Funnel. The company works with the Business Funnel since 1992 so has an experience of 24 years (in 2016). Ger Schuivens started to work with the Business Funnel in 1993, the year where the company he worked for at that time (BOSE) wanted to grow without any liabilities, so the funnel was introduced to calculate how fast they could grow without attracting liabilities. As a Manager Europe with focus on the Scandinavian countries, he implemented the Business Funnel model successfully whereby BOSE could grow on own equity to the desired situation. From 2002 till 2011 he worked as a Managing Director for Harte Hanks Europe where he managed to total organization and where he could use his Business Funnel know how advising the customer and his own staff. Since 2014, he is the managing director of CRDLT, a start up with a product to increase the contact with people with dementia, autism and mental disabilities. Also in this start up stage, he uses the Business Funnel to get control over his business. Ger Schuivens has a 23 years of experience working with the Business Funnel (in 2016).

Ronald de Nas is the founder and owner of StudioNas. StudioNas is a marketing and sales consultancy company, helping companies in the Dutch real estate market implementing the Business Funnel. His focus is the same focus as the focus of the case company iZiDone. Advising over 15 organizations, the experience of StudioNas is broad within the targeted market segment. Ronald de Nas himself, started to work with the Business Funnel in 2008 and always has worked at different companies and in different roles with the Business Funnel in only the market segment real estate. Ronald de Nas has a 12 years' experience in the field of the Business Funnel with a deep know how as well as the Business Funnel as the market segment of the case company (2016).

7.2 The analysis of the panel discussion

Below and per topic, the analysis of the discussion will be discussed.

- How does the Business Funnel look like in their company our their clients

In general, all participants are talking about the integration of the marketing and sales activities. Over the last few years, this was in all companies a big issue, whereby culture aspects where more leading as implementing the integration. By defining it as a process, whereby the total process is divided into three main stages (marketing, inside sales and outside sales) , it was for all people working in the process very clear that their current work was not suffering under the integration and that they all could go own with their activities. Ronald de Nas noticed that in some cases, the department marketing still is a separate department who has lots of problems to integrate in the process. The main reason therefore is that marketing people are afraid to lose their status which is in their eyes higher as a sales status. This culture aspect is mostly in more bigger companies (hundred plus employees), mostly stock exchange listed.

- How make they sure that all participants of the Business Funnel work step by step in this model

Ger Schuivens stated that it is very important to manage the funnel in one piece, meaning that the stages in the funnel should be managed, one by one. Doing this, aspects like culture will disappear because the focus will be on the funnel stage and not on the collaboration. Bart Suers told that within BCT, the main three stages of the funnel, meaning marketing, inside sales and outside sales, all three have other managers. This is only possible if there is one overall process manager (for example the Marketing & Sales manager) who has the helicopter view over the whole process. Ronald de Nas told about his experience that in his market segment, the departments are even not working in the same building, marketing is working in Amsterdam, inside sales in Maastricht and the outside sales works at their own region, 11 decentralized offices in The Netherlands. All three experts agreed on the fact that managing the stages in the funnel, in combination with the people working in the stages, is the best way of getting out the best results of the funnel. Besides managing the stages, Ger Schuivens opinion is that the activities defined in the stages are making it easier to manage the employees working in the funnel. Ronald de Nas confirmed this by saying that the activities to do in the funnel are based on the performance of the past so that doing this, it is very easy to manage the departments and to make sure that everyone is working in the funnel. Important there is that no activities related to marketing and or sales are executed out of the funnel.

- How do they integrate company objectives in the funnel and how do they manage it

All three saw this topic very related to the previous one. Managing in relation to make sure that everyone is working in the funnel is done by stage in the funnel and the integration of the company objectives is the way the funnel works. If the funnel is implemented complete, the company objectives are integrated and the process of the funnel is not only descriptive but also executive the whole process. Ronald de Nas noticed that he also sees a lot at his customer base, that the funnel is not implemented completed or is not managed the right way and that the way of working die a silent death. Integrating company objectives is according to Bart Suers the wrong way of thinking, first you have your company objectives and a thereafter you use the Business Funnel as a tool, to reach out those objectives. For example the company objective is to have ten new sales orders per month, the funnel process divides this into steps in the process (stages in the funnel) were is defined what to do to per step to make sure the company objectives will be reached out those ten new sales orders.

- Which factors influences the funnel

Ronald de Nas pointed out that the most difficult aspect still is the factor human. According to him, the funnel is really the perfect tool to manage and control the whole business but in the process still people are working. In daily life, from marketing and sales people is demanded that they are creative and that they think out of the box, certainly from sales persons, a high level of creativity is demanded to reach out their targets. Working in a (funnel) process then can be too rigid for them, so they do not feel comfortable anymore. So the challenge is to create a funnel process without losing as much as possible flexibility. Also the way of managing the funnel should be executed at the right level. Bart Suers told that here was also one moment at BCT were, due to the fact that the funnel was not used in a proper way (managed at a proper way), the people working in the funnel did not believe in the funnel method anymore. Ger Schuivens attributed more hard tangibles aspects like the activities and testing the most effective way of influencing the target market. Important in the whole funnel process is the defined customer journey whereby on the whole process is defined in what stage which information is given to what person on the buying side and via which communication tool like calling, mailing, social media etcetera. To influence the whole funnel process, it is important to know what the most efficient way is of communicating to the target market in each stage, as well as content wise as the communication tool to use.

- How do they make sure that the funnel stays dynamic (e.g. new target markets, new product market combinations)

All three experts agreed that only good measurement of the whole process will make sure that the company using the funnel, discover on time if changes should be made in the process to reach out their objectives. If some objectives do not have normal conversion ratios or the lead times increases enormously, this is or can be a signal to take action, for example entering new markets or to make new product market combinations, using alternative communicating tools etcetera. Important is to stay on managing the complete model, day in day out. Having the right tools to do this, is a knock out criteria of working with the funnel method. Bart Suers told that within the BCT company, 0.3 full time job is spent on data analysis of the funnel and creating try outs to compare the historical data with new funnel campaigns, just to test the most effective and efficient way of funnelling. Also Ger Schuivens thinks that companies should invest in analysing and managing the funnel, he is convinced of the fact that if the model is not complete implemented or not good is managed, it has no use to use it at all. Ronald de Nas has experience that also organisations where the funnel is not implemented compete, can have advantages of using it. In those organisations they will be more space for the people self to express their creativity by using activities they think it is the best to use. The funnel in those companies is only managed on qualitatively data, meaning that only the numbers of activities per stage is measured, all other aspects are not taking in during the analysis. Ronald de Nas still agrees with Ger Schuivens that the impact of a complete funnel is so much more positive that he agrees companies should invest time and money in controlling (analysing) the funnel to reach out the highest output of the model.

- What are the results using the Business Funnel

Ger Schuivens pointed out his experience within the company Bose. Bose used the model to set prices in the market and making grow calculations based on growth without getting liabilities. There funnel was defined in a very detailed way, that they set out objectives based on the possibilities growing with only “own” money. He was pointing out that the whole control of the business is starting with a good implemented business funnel model, where also the financial aspects could be taken into account. Bart Suers addressed that the result in his company is that they really can make the planning of consultants, purchasing and financial parts within a forecast of 18 months. So knowing that today’s activity will trigger futures consequences is a very high value of the model. Ronald de Nas said that within his target group often the funnel is used to decrease the marketing and sales costs, so not specially the turnover is the focus of using the model but handling the process in the most cost effective way is leading for them. They all agree that all mentioned aspects are advantages of using the model and all aspects are outcomes within all funnel environments, but that only the focus within companies about the main results, can be different.

- What is the reliability of the Business Funnel

All three experts were pointing out that the reliability of the Business Funnel is depending on the way how it is managed and implemented. Also will the reliability increase how longer is worked with the model because of the average conversion rates and lead times. Bart Suers said that his company would have big problems if they had to work without the model. Because of the detailed implementation and structured management of it, the funnel is the fundamental tool to manage the whole company on, for example investments, hire and/or fire personal and product development decisions. In the sector the customers of Ronald de Nas works in, a lot of them start full of ambition working with the funnel but they see it as a project, not as an ongoing process. Due to this, at the moment the implementation is completed, other projects have focus and they see the Business Funnel as a "side job", managed without the needed know how and without the needed money (investment). Change of positions and people within the bigger organizations is also a common thing which happens and is very dangerous of the reliability. If the Business Funnel as model is not taken seriously anymore, the reliability will decrease enormously. Often can been seen that the organisation starts playing "panic football" and action will be carried out, outside the funnel and the reliability will decrease even more. Ger Schuivens claims that in the organizations he worked for, the level of maintenance and the level of implementation was so high, the companies were able to forecast their turn overs over a period within six months with a 10% deviation, within 12 months 17.5% deviation and within 18 months within 25% deviation. As well as Bart Suers as Ronald de Nas think this is a good result which they never reached out in their careers. Suers and de Nas said that in their cases the averages were 15%, 22.5% and 30% deviation. All agreed that the deviation number is very important and shows the real reliability of the Business Funnel in practice.

7.3 Conclusion of the panel discussion

The standard set up of the Business Funnel model is in all organizations based on the integration of the departments marketing, inside sales and outside sales. Because of the process defining, it becomes clear for each department that the activities of the department will not change working together in the new model.

By managing not only the outcome of the process but the steps in the process, the final results of the working of the model will be the best. Also this way of managing will make the company more resilience, on each level and each step in the process, directly changes can be noticed and needed actions can be provided. Managing the process per step can be done by different persons but there should always be a process owner (funnel owner). The process owner is responsible for the integration of the total company objectives into the funnel, so the funnel serves company objectives.

Despite the Business Funnel is a well-defined process, the factor “human” stays very important. If the process is set up to rigid, the needed creativity in a marketing and sales department will disappear and the people working here will not be satisfied anymore. If the people lose faith in the working of the funnel, it will be hard to get them in the process again. Besides the “human” aspects, managing the activities in their effectiveness in the Business Funnel, is also a main topic to improve the working of the model.

The three experts never had a negative experience of the Business Funnel if used in a proper way. The highest result of the model so far were:

- Calculated growth based on own money
- Planning for investments, purchasing and staff
- Total reduce of cost per sale

The reliability of the Business Funnel is very high, results realized in the past vary from forecasting six months in the future with a deviation from 10% till 15%, 12 months in the future from 17.5% till 22.5% and 18 months in the future from 25% till 30%.

8 INTERNAL ANALYSIS

8.1 The Business Funnel compared with the current situation

To complete the model of the Business Funnel implementation, an interview with one of the owners of iZiDone, Guido Roijen, is executed. The topics to be discussed in the interview will be focused on the three main stages of the Business Funnel, their sub stages, customer journey, sales support materials, activities in the funnel, costs per activity, the lead time and conversion rates.

The current way of selling is still based on existing contacts. Never has the target market been approach in total (for example exhibitions, mailings, social media campaigns) or even leads in the group never have been contacted in some way, without knowing the lead in person via their personal network.

Based on this statement, said can be that not all needed information will be available, however a lot needed information can be analyzed.

8.1.1 The content of the columns of the model

To structure the interview, the "Suppilo" model is taken to come to the needed information. Chosen is to interview Guido Roijen step by step of this model to gather all information already available in the internal iZiDone organization.

- Identifying target group
  Social housing organizations in the Dutch non-profit sector with a minimal of 10,000 houses for rent and maximum of 100,000 houses for rent. The Decision Making Unit structure is as follow:
  1. Initiator: Team leader tenants interests
  2. Influencer: Department Information and Communication
  3. Gatekeeper: Department Purchase
  4. Decider: Manager Housing and tenants interests
  5. Purchaser: Department Purchase

6. User: Tenants and district staff

- Value proposition design

  Vision: To share and discover know how and experience whereby it helps social housing organizations who want to offer good living for their tenants, to increase participation and self-reliance.

  Mission: By activating people to collaborate with each other by bringing them together as well as off- as on line communication whereby all good initiatives will be brought together in one relevant information flow at the right time and place.

  Payoff: "*You only can enjoy your own property if you can share it"*
- Corporate design

  Based on soft toon colors, informal way of communication, website, social media platform with Facebook and WhatsApp. No hard copy communication. The corporate identity is checked within a part of the target group.
- Approach target market

  At this moment, no activities are executed, however, the target group wants to be informed about social empowerment and what the benefit is for them and their tenants
- Lead

  At this moment no activities are executed, however, the target group wants to get a deeper insight how the results are within comparing social housing organizations.
- Suspect

  The target group is realizing that there is no awareness in house to fulfil the social empowerment needs of the market.
- Suspect in progress

  Wants to relate the solution to his own organization to overcome their fear for own creativity. Wants to have a price indication based on the situation of their organization.

- Prospect

  Creates often the link between the benefits and the costs and wants to see the solution work in real life. They are risk avoiding by wanting to know how the implementation process and the success rate in other organizations.
- Hot

  Because there is no alternative solution in the market so far, there will no comparison with other solutions. The target group wants to discuss the details about the agreement, support and delivery time.

At this moment there cannot be made an analysis of activities (not executed so far) including the associated lead times and conversion rates. Guido Roijen thinks that, because of the uniqueness of the solution and the pressure from the government to introduce social empowerment, the lead times will be shorter as average with a higher conversion rate as average.

8.2 The internal marketing and sales organization

Currently, on the marketing and sales department of iZiDone one person is working ten hours a week as an internal commercial-administrative worker and one person is the sales person whereby this person always takes the lead in new opportunities. According to Roijen, there is no structure at all, also there is no CRM system in the organization, everything is handled within the regular outlook environment. Some sales materials are available like a standard offer, website and social media on Facebook. Compared to what is necessary, there is a lot missing at the moment. Roijen noticed at the moment only new customers can make sure that the current staff can be paid in the future, new funding for staff or development the software is not in the picture.

8.3 Conclusion analysis of the internal organization

At this moment, iZiDone does not have a structured marketing and sales process, all marketing and sales activities are only done by direct or indirect leads, it so called "cherry picking". Relevant information is available, mostly on the top of funnel whereby the market know how is very detailed and precisely. The current corporate identity is mostly complete, based on digital communication and checked within a part of the target group. The organization so far has no wide organized sales team, it consists out of two employees, one person is fully responsible for the all marketing and sales activities, whereby he is supported for ten hours a week with an commercial/administrative worker. iZiDone is not using a dedicated CRM system, further investments are not planned.

9 CONCLUSIONS AND RECOMMENDATIONS

9.1 Conclusions

The main objective of this study was to develop the marketing and sales process of the case company. This objective was motivated by the problems the case company encountered in predicting both their turn over and their financial results. It was impossible for the case company to find investors as their sales process was based on selling only to organizations within currently existing networks.

The model integrates three different departments, the marketing, the inside sales and the outside sales department. These three departments are divided as follows: the marketing activities are located at the top of the funnel, the inside sales department is located at the middle of the funnel, and at the bottom of the funnel the outside sales department is located. Each stage consists of several steps. For the marketing department these are: Identifying Target Group, Value Proposition Design, Corporate Identity and Approach Target Market. The inside sales department has the steps Lead, Suspect and Suspect in Progress and the outside sales department has the steps Prospect and Hot Prospects. In general, these steps are the most suitable, but can vary depending on the situation. The division of the process into several steps facilitates managing the process per step, and moreover, enables the determination of improvements for company results. Furthermore, the steps in the process allow for bridging gaps between the different departments.

In each step, it is important to define the customer journey (defined as the starting point of the Business Funnel implementation), the activities which are the most effective (for example, cold calling, mailing and meetings), the required sales materials (for example, testimonials, presentations and standard offers), the lead time and the conversion rate.

The customer journey is the journey of the buying process of the potential customer. If this is known, one can define the message per step and determine what to ask of whom. The customer journey is also known as the buyer journey.

To reach the target market, activities should be defined per step. It is important here to determine the most effective way of communication. Based on the available information, traditional activities such as mailing, cold calling and meetings are very effective. However, the choice of activities per step will continue as an ongoing process. Combinations of activities per step, like mailing-cold calling, seems to be very effective.

Combining the customer journey with the most effective activities in the step will aid supporting sales materials to guide the potential customer through the journey. It is important that the content of the materials touch at the right time at the right place, following the needs of the potential customer. The supporting sales materials have a very close relation to the customer journey and these activities. It is important that the customer journey, activities and sales materials are in the correct order. The customer journey is always leading, with evaluations per step to determine if the activity requires particular supporting sales materials or if supporting sales materials requires particular activities. With the restriction that the customer journey has the lead, the order of activity or sales materials is flexible.

Each step has an associated lead time, meaning that it is possible to calculate the average time of a lead in a single step, based on historical data. The customer journey in combination with the sales materials and activities directly influence the lead time, which is faster when fitting better to the market. There is only one way to influence the lead time, and that is to both keep developing the three main aspects and to stick to the plan that outlines what to do per step on which day, as described in the managerial part.

The conversion rate quantifies how many leads in each step are converted to the next step in the process, on an average basis. This is an important quantity to know, as it enables immediate up- or downscaling per step if the requires quantity deviates from the prediction. The factor conversion rates ensures that changes in the external and/or internal environment are monitored directly, thus enhancing the resilience of the company by facilitating the implementation of instantaneous reaction to changes.

The cost rate per activity allows for the calculation of the cost per sale and, if known, the payment term for the cash flow. With the payment terms, the model can show the required working capital for the predicted turn over.

The combination of all these factors is very important, as omitting one will decrease the usefulness of the model. If all factors are known and the bottom of the funnel contains the company objective, the model calculates per step, the required actions performed when and by whom. In this optimal case, the model is the dynamic Marketing and Sales plan, which points out what to do to achieve the company objectives on a dynamic basis.

To keep the Business Funnel functioning correctly, it is very important that it is properly managed. Whenever the managing part was neglected, the predictions of the Business Funnel were not optimal, often resulting in the model disappearing quietly, as no one had any belief in the model left. Managing the Business Funnel should be done at each step, to enable detailed analysis of all factors. Management of steps can be done by different persons, such as for example the head of the marketing department managing the marketing steps. It is important that each process must have an owner, also named a funnel owner. Managing the Business Funnel should be one of the core businesses of the funnel owner.

This study was specifically performed for the company case, but the set up and working of the model can be used as a standard for any business to business selling company.

9.2 Recommendations

To make sure company objective of iZiDone will be achieved, implementing the Business Funnel is recommended.

A detailed implementation plan of the Business Funnel is given in the appendix. In this overview, iZiDone can see what is to be developed to sales materials. If this is ready, iZiDone is sales ready and the Business Funnel can be activated.

To make sure the Business Funnel's results will be optimal, at least 0.5 days a week is to be spent on managing the Business Funnel. The size of iZiDone makes it impossible to rent a dedicated funnel owner, suggested is that this is done by or one of the owners, not being active in the marketing and sales process (to keep an objective view) or to outsource the funnel coaching to an external company specialized in the Business Funnel. Also the activities in the Business Funnel can be outsourced to specialized companies. Important is to have one person as a process owner who creates time to manage the Business Funnel.

To begin, suggested is to have one new customer per month. The needed efforts, including costs and working capital (cash) is displayed in the implementation model in the appendix.

9.3 General use of the Business Funnel for other companies

The study provided a lot of information. It contains divers items found via divers sources. The author add this items together which makes the model not only very complete and unique, also is it a framework for all other companies for developing their marketing and sales process. The customer journey is the big variable in the framework. Based on the filled in customer journey, all companies can fill in the other items to make the framework complete as a working marketing and sales model within their own organizations.

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APPENDI
X 1

Additional panel discussion information.

Date: Wednesday 24th of August

Time: 3 pm – 4.30 pm Dutch Time

Place: Office MikoMax Nederland B.V., Eindhoven, The Netherlands

Interviewer: Frank Aretz

Interviewees: Bart Suers,
BCT (Sittard, The Netherlands) , Business Developer
Ronald de Nas,
Buro De Nas (Amsterdam, The Netherlands), Owner
Ger Schuivens,
Harte Hanks Europe (Hasselt, Belgium), Managing Director

Background information participants

Bart Suers of BCT is using the Business Funnel since 1996. The financial situation of the company at that time was very bad and they turned around their way of thinking. The way of working was that the whole business was based on the turn over. All investments could only be done by the result of the marketing and sales department. The management of the company at that time realized that this was not the way to reach out their company objectives and decided to manage their company based on the projected turn over. From that moment they implemented the Business Funnel whereby the objected turnover was leading in the investments they made in marketing and sales, as well as the number of employees as other marketing and sales costs. The company has 20 years' experience working with the Business Funnel (in 2016). Bart Suers works since 2004 as manager Marketing and Inside Sales. He works since then daily with the Business Funnel so has an 12 years of experience with the Business Funnel (in 2016).

Ger Schuivens of Harte Hanks worked within a company called Harte Hanks. Harte Hanks works as a marketing and sales support organization worldwide for as well as B2B and B2C customers. The focus in The Netherlands and Belgium (one office in

Hasselt Belgium) is mainly supporting customers, selling their products and or services in the non-profit markets. Harte Hanks was one of the first companies integrating the marketing and sales process into the Business Funnel. The company works with the Business Funnel since 1992 so has an experience of 24 years (in 2016). Ger Schuivens started to work with the Business Funnel in 1993, the year where the company he worked for at that time (BOSE) wanted to grow without any liabilities, so the funnel was introduced to calculate how fast they could grow without attracting liabilities. As a Manager Europe with focus on the Scandinavian countries, he implemented the Business Funnel model successfully whereby BOSE could grow on own equity to the desired situation. From 2002 till 2011 he worked as a Managing Director for Harte Hanks Europe where he managed to total organization and where he could use his Business Funnel know how advising the customer and his own staff. Since 2014, he is the managing director of CRDLT, a start up with a product to increase the contact with people with dementia, autism and mental disabilities. Also in this start up stage, he uses the Business Funnel to get control over his business. Ger Schuivens has a 23 years of experience working with the Business Funnel (in 2016).

Ronald de Nas is the founder and owner of StudioNas. StudioNas is a marketing and sales consultancy company, helping companies in the Dutch real estate market implementing the Business Funnel. His focus is the same focus as the focus of the case company iZiDone. Advising over 15 organizations, the experience of StudioNas is broad within the targeted market segment. Ronald de Nas himself, started to work with the Business Funnel in 2008 and always has worked at different companies and in different roles with the Business Funnel in only the market segment real estate. Ronald de Nas has a 12 years' experience in the field of the Business Funnel with a deep know how as well as the Business Funnel as the market segment of the case company (2016).

Part 1: A broad discussion how it is used and managed

Topics to be discussed (45 minutes):

- How does the Business Funnel look like in their company
- How make they sure that all participants of the Business Funnel work with this model
- How do they integrate the company objectives in the funnel and how do they manage it

- Which factors influences the funnel (positive and negative) (as well as activities as customer journeys)
- How do they make sure that the funnel stays dynamic (e.g. new target markets, new product market combinations)

After this part, there was a small summary for all

Break (15 minutes)

and based on part 1, we start with part 2:

Part 2: A smaller narrow discussion about the reliability of the model (30 minutes)

- What are the results of using the Business Funnel
- What is the reliability of the Business Funnel
- Are their companies turn over complete depending on using the Business Funnel

The whole discussion was taped and afterwards analysed per topic.

APPENDIX 2

Implementation plan

Customer Journey

IDENTIFYING TARGET GROUP	Social housing organizations in the Dutch non-profit sector with a minimal of 10,000 houses for rent and maximum of 100,000 houses for rent.
VALUE PROPOSITION DESIGN	activating people to collaborate with each other by bringing them together as well as off- as on line communication
CORPORATE IDENTITY	soft toon colors, informal way of communication, website, social media platform with Facebook and WhatsApp!
APPROACH TARGET GROUP	the target group wants to be informed about social empowerment and what the benefit is for them and their tenants
LEAD	the target group wants to get a deeper insight how the results are within comparing social housing organizations.
SUSPECT	The target group is realizing that there is no awareness in house to fulfil the social empowerment needs of the market.
SUSPECT IN PROGRESS	Wants to relate the solution to his own organization to overcome their fear for own creativity. Wants to have a price indication based on the situation of their organization.
PROSPECT	Creates often the link between the benefits and the costs and wants to see the solution work in real life. They are risk avoiding by wanting to know how the implementation process and the success rate in other organizations.
HOT	The target group wants to discuss the details about the agreement, support and delivery time.

Sales Materials

Not Applacable

Not Applicable

Website, logo, Facebook and LinkedIn environment

Content about the value of social empowerment, social media channels, content website,

Flyer value social empowerment, Case studies benefits social empowerment comparing companies

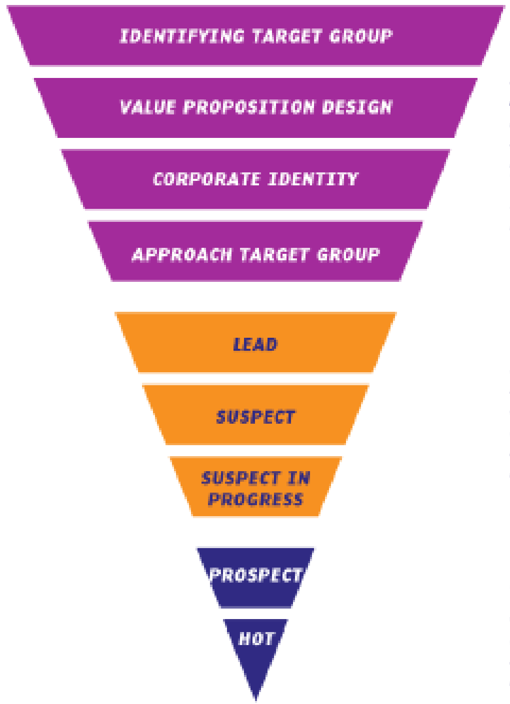
Flyer how to implement social empowerment in the organization

White paper how the social empowerment needs fits the software in the organization, price indication

Standard Power Point presentation, demonstration environment in software, standard offer and agreement

List of possible site visits to companies, using the solution already

Activities



Looking for alternative markets

On going testing on target market

Evaluation (1 x per half year)

Social media campaigns on target group and interaction via social media with target group

Cold Calling

Mailing with follow up calls

Making appointments via phone, workshop

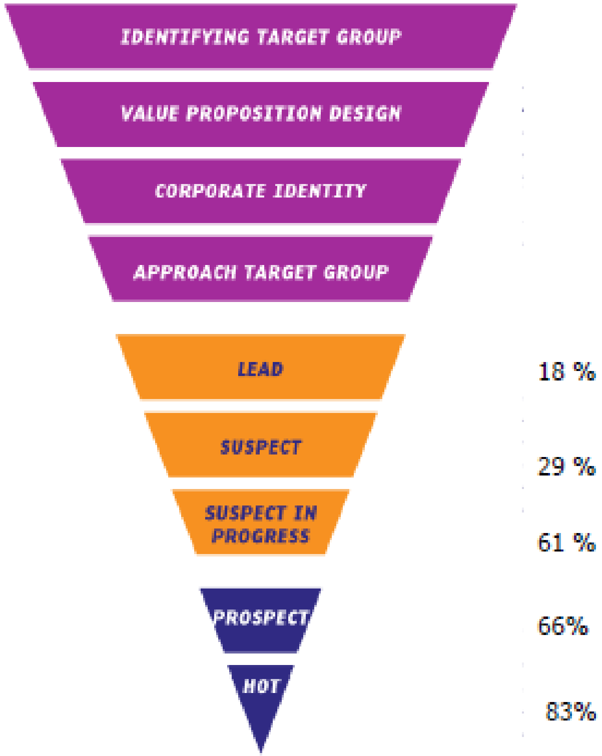
First meeting face to face, presentation solution

Site visits, making and follow up offer, negation, meeting(s)

Cost per Activity

IDENTIFYING TARGET GROUP	Not relevant for this part, booked as fixed costs
VALUE PROPOSITION DESIGN	Not relevant for this part, booked as fixed costs
CORPORATE IDENTITY	Not relevant for this part, booked as fixed costs
APPROACH TARGET GROUP	5 hours a Month, € 35.- per hour
LEAD	€ 0.25 per address
SUSPECT	€ 10.- per call
SUSPECT IN PROGRESS	€ 30.- nurturing steps
PROSPECT	Per visit € 562.- based on 3 visits a week, no other indirect costs calculated
HOT	Per visit € 562.- based on 3 visits a week, no other indirect costs calculated

Conversion Rates



Lead Time in Weeks

1 week

1 week

2 - 4 weeks

2 -4 weeks

2 - 3 weeks

Estimated Cost per Sale

58 Q times € 0.25 = € 14.50

11 Q times € 10.00= € 110.00

3 Q times € 30.00 = € 90.00

2 Q times € 562.00 = € 1,124.00

1.5 Q times € 562.00 = € 843.00

Estimated Cost per Sale = € 2,181.50