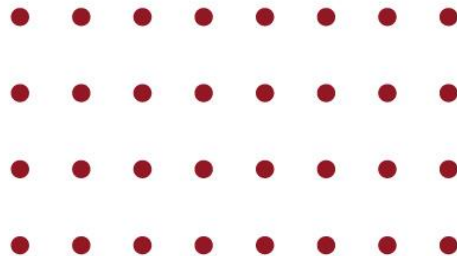


Consumer Experience  
in the Digital  
Environment

# Consumer Acquisition Unit 11







# Contents

- Definition of customer acquisition
- What's a customer acquisition or sales funnel?
- Implementation of customer acquisition
- Calculation of CAC



# How Can We Describe Customer Acquisition?

The process of client acquisition entails finding and convincing potential consumers to make a purchase from your company in a method that is repeatable and measurable.

Common methods for acquiring customers include:

- Website
- Blog
- Social Media
- Email Marketing
- SEA
- Affiliate marketing
- Referrals



## Online Consumer Behavior: The Customer Acquisition Funnel

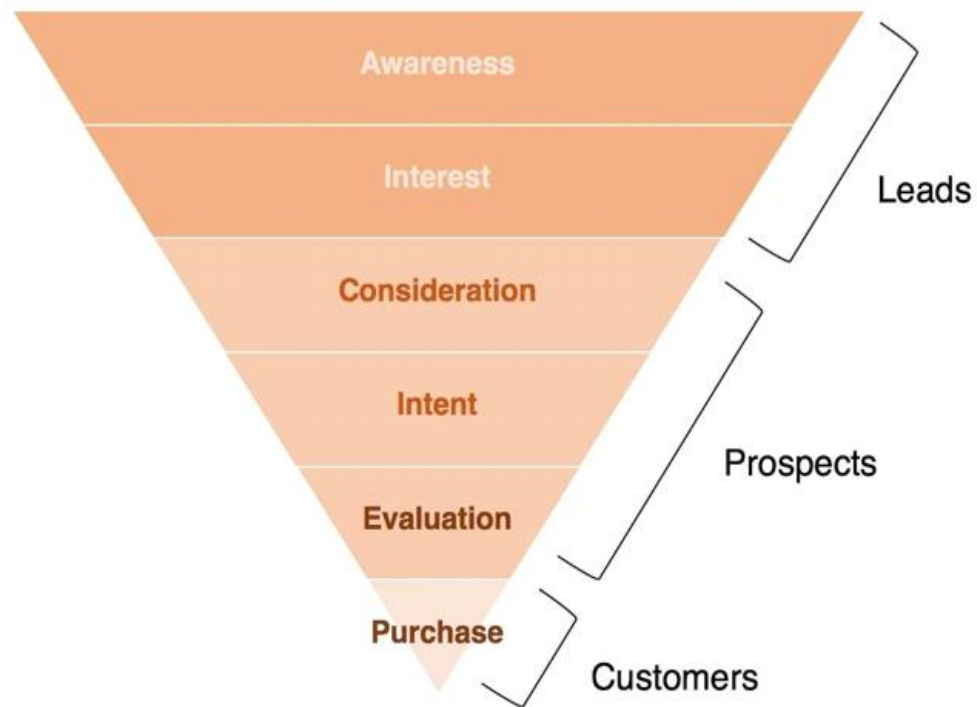
- First, understand customer's journey through behavioral analysis (collect tracking information through tools like Google Analytics , Hortjar, etc.).
- Discover the sources of your clients, including social media, organic search, and word-of-mouth.
- Assess the percentage of visitors who search for reviews or ratings before visiting your e-Commerce website.
- Figure out how many visitors to your website place a purchase and what those who don't do.

# The Customer Acquisition Funnel

You need a customer acquisition strategy whether you sell to consumers directly or indirectly. Customers are acquired in stages, which are frequently represented by a customer acquisition funnel. The path a potential customer travels is represented by the customer three key stages in the funnel:

- Top of funnel of the funnel (Awareness)
- Middle of the funnel (Consideration)
- Bottom of the funnel (Conversion)

# The Customer Acquisition Funnel





## 1. Top of the Funnel (Awareness)

Your objective at this point is to increase leads and awareness among your target market.

Target a sizable, diverse audience that may be intrigued by the name or goods of your business but doesn't necessarily want to make a purchase.

A baby brand may use the hashtag **#nurserydesign** on Instagram to reach people wishing to decorate their nursery and showcase their photos and products.

## 2 Middle of the Funnel (Consideration)

Potential consumers who go from the top of the funnel to the center typically took a step that indicated they were thinking about making a purchase, such as joining your email list or following your company on social media.

It is now your responsibility to persuade them to buy from you.



### 3 Bottom of the Funnel (Purchase)

A prospect must pass through this stage to become a customer. Typically, individuals have already made some action that shows a strong desire to buy, such as adding an item to their cart or signing up for a trial offer.

Companies frequently give incentives at this point, such as a discount code to entice prospects who are on the verge of making a purchase.

A business can find and win over these new clients in a variety of methods, particularly online.

Digital marketing has made it simpler to track exactly how your company gains new consumers, find and test new marketing strategies, and expand the ones that are successful.



## Process of Customer Acquisition in e-Commerce: The Strategy Behind Customer Acquisition

There are many client acquisition strategies you may use that don't involve careful consideration (like boosting a Facebook post, for example), but if you want to succeed over the long run, you need to use long-term tactics like website development or creating an automated email marketing campaign.

A few different types of client acquisition tactics should be included in a customer acquisition plan, with an emphasis on long-term processes (and outcomes):

- Internet strategies like search engine ads, email marketing and social media promotion
- Offline strategies, like banners and boards

# 1 Product Confidence is Key

The customer should be assured that you are:

- Providing effective reverse logistics if a need arises.
- Selling what you say you are selling.
- Selling at the correct cost.
- Fulfilling orders in a proper manner and within a reasonable schedule.
- Accepting preferred payment methods.



## 2 UX and e-Commerce: Quantity and Quality in Traffic Generation

The majority of e-Commerce marketing specialists are aware of the need for site traffic, but they don't see an equivalent emphasis being placed on the type of visitors.

This is the reason why in the e-Commerce industry, hazy confidence in SEO is common. Some go so far as to promise that SEO is the most important factor in determining the success of an online firm.

However, you can't convince customers that your product is worth buying, they won't make a purchase, they won't come back, and they definitely won't spread the word.

### 3 The Goal is to Grow the Business

Examine an organization's success in the context of e-Commerce using the following lens:

- You might advertise disjointedly while still making sales online.
- You might advertise online but do the deal offline (i.e., your e-Commerce site is to a greater extent a handout website, not a transaction webpage).
- Online marketing and sales are possible, but disjointed (for example via telephone, or at a get counter on account of the snap and gather framework offered by Tesco.)

The aforementioned points highlight how e-Commerce transactions, advertising, and websites all belong to the larger business system.

## 4 Make Your Product Speak for Itself

The game is extremely different when you are selling digital things compared to when you are selling real stuff.

For instance, in the unlikely event that you sell art exhibitions, you can present samples at shows and sell them there.

You may claim that this isn't e-Commerce, yet this is where you can be seriously mistaken. The art fair may serve as a unique platform for your online store, taking your contact and presenting your website as your front-facing front.



## 5 Channel Planning

- Engage with customers on their preferred channels
- Customer Acquisition Through Networking

## 6 Revenue Generation

- **Acquire Clients Through Advertising: Run pay-per-click (PPC) Ads**

A strong marketing strategy will always include advertising. If you don't have any money set aside for marketing, your e-Commerce company's growth will be constrained. It will never expand past a particular size. The secret to a fruitful, effective advertising strategy is incorporating diversity and steady income into your advertising effort. A strong advertising campaign will show that an advertising effort is progressing and will propel the growth of your company.

- **Acquire Clients Through Advertising: Partner with Influencers**

Paying someone with an online following to promote your product or brand for you is one of the easiest methods, if you have a marketing budget, to get it in front of a relevant audience.

Online advertising through influencers (such as bloggers, YouTubers, Instagrammers, TikTokers, etc.) has grown in popularity and is now on par with recommendations from friends in real life.



## 6 Revenue Generation

- **Acquire Clients Through Advertising: Run Email Marketing Campaigns**

Creating leads is frequently the first step in acquiring customers. Gathering data from prospective clients enables you to nurture them or retarget them with adverts in the hopes that they will eventually become customers. This process is known as lead generation. After all, most first-time visitors to your website are unlikely to make an immediate purchase.

Because email marketing generates cash for businesses, gathering email addresses is considered one of the top lead-generation investments for acquiring customers.



## 7 Turn Loyal Customers into Ambassadors Through Referral Programs

People trust those they know, so when a friend tells them to check out a new product or brand, they listen.

To use referrals as a new customer acquisition strategy, it is up to the business owner to make it easier for those loyal customers to recruit their friends.

This can be achieved by setting up a referral program in which your existing customers are rewarded each time they get someone new to purchase from your business.

E.g. Glovo, Uber eats, The Body Shop, Yves Rocher, etc.

## How to Calculate Customer Acquisition Cost (CAC)

It is possible to evaluate the efficacy of your customer acquisition techniques by knowing how to calculate your client acquisition costs (CAC).

Your customer acquisition cost is calculated by dividing the total cost of marketing by the number of customers attained.

Imagine that you spend €500 on content generation and 50 people visit your Instagram page each month. One new customer would set you back €10 in total.

**Marketing cost (€500) / new customers (50) = CAC (€10 per customer)**

**Tools to track:** Google Analytics, Shopify Reports, and other tracking/reporting tools.



# Thank You