

HOW TO BUILD A REMARKABLE BUSINESS BY FOCUSING ON THE --- **TOTAL CUSTOMER EXPERIENCE** ---

7 mini case studies
guide the way to
using The Marketing
Hourglass process
to turn your focus
squarely on the
customer

Written by John Jantsch



The Simplest Way To Explain the Marketing Process

Many marketers have been taught the concept of the marketing funnel. The idea being that you bring leads into the top of the large opening in a funnel and push the ones that become customers through the small end. The problem I've always had with that is all the focus is on the chase.

I happen to think that real payoff in marketing comes from expanding and focusing your thinking on how to turn a lead into a real advocate for your business.

Long ago I started using the concept of The Marketing Hourglass as a key component to the Duct Tape Marketing System. The top half indeed resembles the funnel concept, but the expanding bottom half, to my way of thinking, adds the necessary focus on the total customer experience that ultimately leads to referrals and marketing momentum.

When you overlay my definition of marketing – “getting someone who has a need to know, like, and trust you” with the intentional act of turning know, like and trust into try, buy, repeat and refer, you get the entire logical path for moving someone from initial awareness to advocate.

At a recent workshop an attendee came up to me and said about this diagram, “I’m an engineer by trade and this marketing stuff never made sense to me, now it finally does.” – I guess that’s the ultimate test.

The goal for me in writing this white paper is to help you recognize and understand how your customers go through the marketing hourglass in order to make your marketing more effective.

Sincerely,



- John Jantsch
Duct Tape Marketing



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Before the Hourglass

“Far too many business owners try to go directly from the ad to the sale and wonder why it’s so hard.” - John Jantsch

Before the Hourglass

Phase 1: Know

Phase 2: Like

Phase 3: Trust

Phase 4: Try

Phase 5: Buy

Phase 6: Repeat

Phase 7: Refer

Before the Hourglass

Look at your current practices. How can this model come to life in your business?

If you’re just getting started, you may find it quite easy to adopt this new way of thinking. Businesses that are deeply rooted in highly wired or highly engaged practices, however, often find it difficult to change how they look at their customer relationships and marketing tactics.

I’ve developed the Marketing Hourglass as a tool to demonstrate the way a prospect becomes a customer, and that customer becomes a referral source. Following the phases breaks the transition for a converged business into some practical steps.

There are seven stages of referral development and corresponding touch points along the customer life cycle. The key is to systematically develop touchpoints, processes and product/service offerings for each of the 7 phases of the hourglass.

Let’s break down what you are currently doing to get your customers to know, like, trust, try, buy, repeat and refer.



Before the Hourglass

Before the Hourglass

Phase 1: Know

Phase 2: Like

Phase 3: Trust

Phase 4: Try

Phase 5: Buy

Phase 6: Repeat

Phase 7: Refer

Before the Hourglass

Far too many business owners try to go directly from the ad to the sale and wonder why it's so hard. By creating ways to gently move someone to trust, and perhaps even creating low cost offerings as trials, the ultimate progression to buy gets so much easier. In order to start your thinking about the hourglass concept and gaps you may have, ponder these questions:

- *What is your starter offering?*
- *What is your free or trial offering?*
- *What is your core offering?*
- *What is your members-only offering?*
- *What are your add-ons to increase value?*
- *What is your "make it easy to switch" offering?*
- *What are your strategic partner pairings?*



The Duct Tape Marketing Hourglass™



7 Phases of the Hourglass



Know

Your ads, articles,
and referred leads



Like

Your website, reception,
and email newsletter



Trust

Your content, social media participation,
white papers, and sales presentations



Try

Seminar, evaluations, audit,
and nurturing activities



Buy

Fulfillment, new customer orientation,
delivery, and transaction processes



Repeat

Post customer survey, cross sell
presentations, and quarterly events



Refer

Results reviews, partner introductions,
peer 2 peer webinars, and community
building

Phase 1: KNOW

“It’s essential that you have narrowly defined what an ideal customer looks like for your business.” - John Jantsch

Before the Hourglass

Phase 1: Know

Phase 2: Like

Phase 3: Trust

Phase 4: Try

Phase 5: Buy

Phase 6: Repeat

Phase 7: Refer

Phase 1: KNOW

This is the initial introduction to your company, and while it is commonly conveyed through your advertising messages, it is also the point at which a referred lead discovers you.

The cliché “You only get one chance to make a good impression” applies here. The best way to start the relationship is to communicate a clear brand or point of differentiation that is designed to attract your ideal customer and your ideal referral sources.

It’s essential that you have narrowly defined what an ideal customer looks like for your business. That way you can speak as directly as possible to that customer in all of your communications.

As you get started you may find it helpful to create a touch point map to identify every potential customer (touch point) and a corresponding marketing tactic related to that contact. In many cases you will be identifying tactics and touch points that may not exist yet, so this map can become an important guide for future marketing development.

As you create your map and each contact point, keep the important concepts of content, context, connection, and community—and ultimately convergence—firmly in mind.

Look very closely at the messages contained in your advertising, media kits, and marketing materials.



Phase 1: KNOW

Before the Hourglass

Phase 1: Know

Phase 2: Like

Phase 3: Trust

Phase 4: Try

Phase 5: Buy

Phase 6: Repeat

Phase 7: Refer

Case Study: Take a look at Old Spice Deodorant, a product from Proctor & Gamble

As a men's care product it would make sense to target men as the ideal customers, however, research suggested otherwise. It was mostly women were doing the actual purchasing of their product so they shifted their marketing campaign to target women. By introducing Isaiah Mustafa as 'the man your man could smell like' Old Spice caught the attention of their current buyers and sales increased. By knowing who their ideal customer was, Old Spice could speak more directly.



Phase 2: LIKE

“Without a defined process for getting to know more about your company without any commitment...prospects tend to hold back from becoming customers.” - John Jantsch

Before the Hourglass

Phase 1: Know

Phase 2: Like

Phase 3: Trust

Phase 4: Try

Phase 5: Buy

Phase 6: Repeat

Phase 7: Refer

Phase 2: LIKE

Once a lead is aware of your company, they can and should be led to dig a little deeper, to see what's behind the ads. This is often the point when your Web presence or physical presence (store, offices, marketing materials, etc.) set the tone for a deeper connection.

Without a defined process for getting to know more about your company without any commitment, without the opportunity to lurk and learn a little before pulling out a credit card, prospects tend to hold back from becoming customers.

Take a walk around your office:

- *Does it send the right message?*
- *What about your logo, store design, uniforms, trucks: Do they invite prospects to move forward?*
- *What message does your Web site send?*
- *What happens when a prospect in this phase Googles you?*
- *Are you sending educational messages and contacts via tools such as an online newsletter?*



Phase 2: LIKE

Before the Hourglass

Phase 1: Know

Phase 2: Like

Phase 3: Trust

Phase 4: Try

Phase 5: Buy

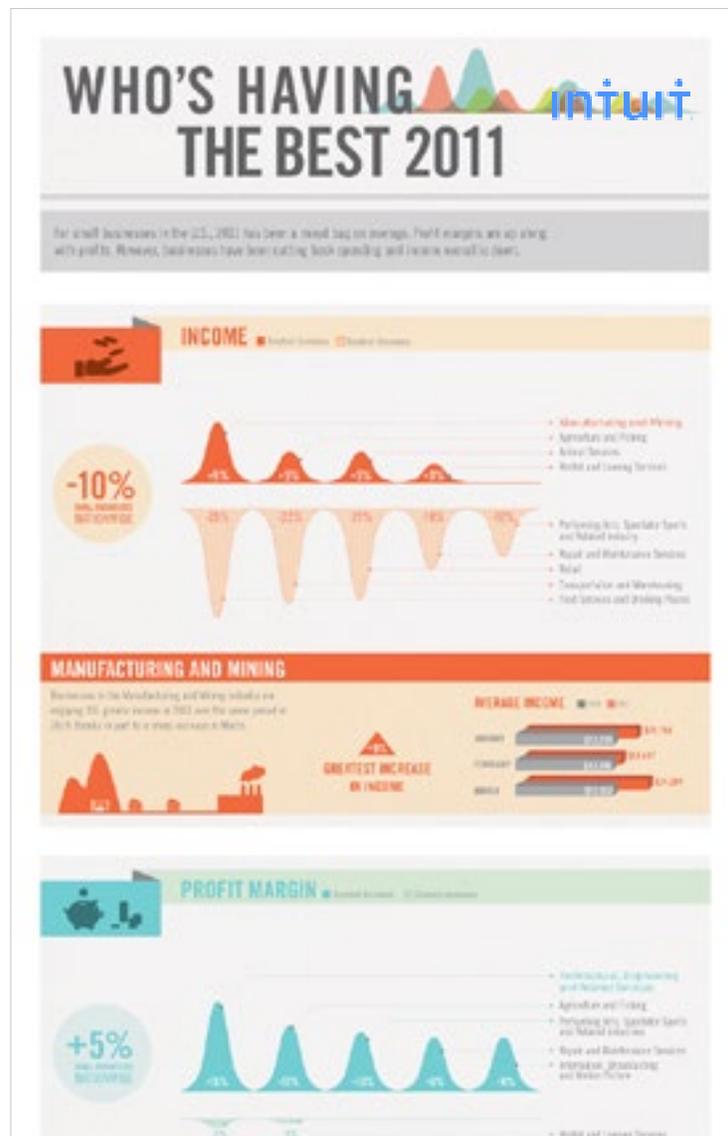
Phase 6: Repeat

Phase 7: Refer

Case Study:

Consider the small business team at Intuit

The small business team at Intuit tracks trends for the industry and reconfigures them into infographics that are both accessible and interesting. By taking facts and figures and reproducing them into a more preferred visual medium, Intuit causes their customers to really pay attention and dig deeper.



Phase 3: TRUST

*“Repetition builds trust; trust builds the brand.”
- John Jantsch*

Before the Hourglass

Phase 1: Know

Phase 2: Like

Phase 3: Trust

Phase 4: Try

Phase 5: Buy

Phase 6: Repeat

Phase 7: Refer

Phase 3: TRUST

When a prospect is ready to learn more (this may be by agreeing to a face-to-face meeting or signing up to receive your biweekly newsletter), you are approaching the trust hurdle. This is, for some, the trickiest spot.

When a lead is referred to your business, you borrow some trust from the referral source, but you can easily lose that trust if your initial attempts to engage the prospect don't connect. You can't simply assume that because Uncle Bob referred a friend, that friend is ready to buy from you.

Your marketing materials and sales presentations must be designed to communicate your core message of differentiation with complete clarity. During the trust-building phase your prospect may need to be nurtured for a time.

What kinds of educational opportunities, such as free reports, “how-to” checklists, and information-rich seminars can you offer?

Everyone in the company who comes into contact with a customer or a prospect is performing a trust-building or -eroding practice. Can everyone on the organization deliver your core message in a confident and consistent manner?



Phase 3: TRUST

Before the Hourglass

Phase 1: Know

Phase 2: Like

Phase 3: Trust

Phase 4: Try

Phase 5: Buy

Phase 6: Repeat

Phase 7: Refer

Case Study: Hubspot develops internet marketing software, their blog develops trust

Hubspot develops internet marketing software but their blog helps them develop trust. By producing educational content on better business blogging, regardless of what platform you use, they build credibility. Their tips and tricks work on all services so people liked them before they even tried them. It's proof that Hubspot understands blogging beyond their own service, making them a whole lot easier to buy into.



Phase 4: TRY

“...create a way for your customers to sample your business and in turn give your business the opportunity to sample the customer.” - John Jantsch

Before the Hourglass

Phase 1: Know

Phase 2: Like

Phase 3: Trust

Phase 4: Try

Phase 5: Buy

Phase 6: Repeat

Phase 7: Refer

Phase 4: TRY

One of the best ways to ensure that every customer relationship evolves into a referral relationship is to create a way for your customers to sample your business and in turn give your business the opportunity to sample the customer. The purest path to referral momentum is one that leads every prospect to determine, beyond the shadow of a doubt, whether your company has the answer or, and this is equally important, whether it does not—an educated yes or no is the answer we are after.

If the only path a prospect can take is directly from sales pitch to buy, then a third option creeps into the mix—indifference. Indifference is what leads to customers who come and go for price, make unreasonable demands, and push you outside of your core value proposition. Fail to serve a customer like this—and you will—and they will certainly tell ten friends not to hire you.

The use of trial offers, seminars, evaluations, guarantees, and any type of activity that provides a prospect with the ability to sample your products and services effectively before making what may be a costly purchase can make a customer much more comfortable and allow you to demonstrate how you work.

Providing lower-priced products and services to support and supplement your core service is a great way to reach markets that may not be ready to buy or simply don't have enough experience with your company to determine if they should go with you. This is often a significant problem when you compete with better-known organizations. By offering the low-risk trial you can gain the upper hand.



Phase 4: TRY

Before the Hourglass

Phase 1: Know

Phase 2: Like

Phase 3: Trust

Phase 4: Try

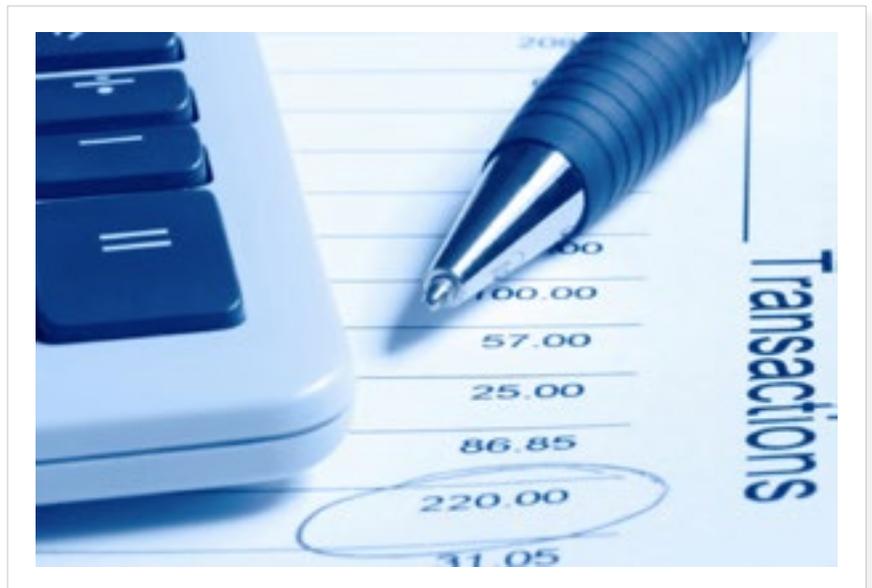
Phase 5: Buy

Phase 6: Repeat

Phase 7: Refer

Case Study: An architect who created a feasibility audit and a real advantage

I once worked with an architect who created a \$499 feasibility audit that builders and property owners could employ to get a quick opinion of the potential zoning issues, regulatory snags, and rough per-foot building costs before they invested in a full-fledged set of plans or proposals. The money that customers paid was barely enough to cover the architect's time, but it gave them a real advantage if a project was to move forward—who do you think started making the short list for projects they performed the audit service on?



Phase 5: BUY

“No matter what you think is good or bad, if it’s not what the customer expected, it can raise a red flag.” - John Jantsch

Before the Hourglass

Phase 1: Know

Phase 2: Like

Phase 3: Trust

Phase 4: Try

Phase 5: Buy

Phase 6: Repeat

Phase 7: Refer

Phase 5: BUY

Finally, we get to sell the primary products and services. Yes, it’s essential that you have a product or service that people like, deliver as promised, and gets people talking. But from a referral standpoint, it’s the process of becoming a customer that needs the work. How you orient your customer once they say yes is a referral marketing touch point. How you fulfill the order, how you deliver the order, how you communicate throughout the process, how you communicate after the project, and how you ask to be paid for the work are all elements that determine whether you are referral-worthy or not in the eyes of your customer.

In this stage, expectations are everything. No matter what you think is good or bad, if it’s not what the customer expected, it can raise a red flag. For example, you might be rather haphazard about getting your bills out and think, “Well, the customer won’t mind if I don’t bill them as promptly as promised.” To the customer this can signal sloppiness on your part (not to mention disaster from a cash-flow standpoint).

Do you have an orientation process? A kit of information that explains everything and identifies everyone the new customer needs to know in case of problems or in order to move forward? Is there a clean process by which a project is handed from the sales team to the service team? (Even if that’s the same person, it’s a process that’s important.)



Phase 5: BUY

Before the Hourglass

Phase 1: Know

Phase 2: Like

Phase 3: Trust

Phase 4: Try

Phase 5: Buy

Phase 6: Repeat

Phase 7: Refer

Case Study: Zappos, the online retailer, often commended for its customer service

Zappos, the online retailer, is often commended for its customer service--with reason. By referring to themselves as a service company that happens to sell shoes they put their customers first. They've made the buying process virtually painless for their customers a couple different ways: free shipping both ways, a 24/7 service hotline, 365-day return policy, they even refer customers to competitors websites. Zappos pays such keen attention to the process of becoming a customer that when it comes time to purchase it just feels natural.



Phase 6: REPEAT

“...make certain that your customers are getting the most value possible from your products and services.” - John Jantsch

Before the Hourglass

Phase 1: Know

Phase 2: Like

Phase 3: Trust

Phase 4: Try

Phase 5: Buy

Phase 6: Repeat

Phase 7: Refer

Phase 6: REPEAT

If you do a good job with the previous stage, you are halfway toward tapping the repeat phase for all the power it's worth. The key factor in creating repeat sales, expanded product sales, and long-term loyalty is to make certain that your customers are getting the most value possible from your products and services.

When someone buys your product or service, commit to teaching them the proper way to get the most from it. You can teach them over time how to do this. You can teach them how to move up to the next level of your product or service. You can teach them the secret hacks, the under-the-hood tips, and you can even expose them to the best practices of your other customers.

Far too often we sell a product or service and just assume our customers are getting the results they desired or were promised. By creating a systematic set of “how-to” materials, we can help them be more successful, use more of the features, and ultimately experience greater value.

And that's what generates referrals. Finally, it's essential that your customer-fulfillment process also contain a step that forces you to ascertain and review with your customer the value they received from your product or project. This is a great way to fix gaps in service with specific customers and gain invaluable research on how to get better at every stage.



- *Do you have a results review process?*
- *Do you have routine continuing education to point out advanced features or cross-sell other products and services?*

Phase 6: REPEAT

Before the Hourglass

Phase 1: Know

Phase 2: Like

Phase 3: Trust

Phase 4: Try

Phase 5: Buy

Phase 6: Repeat

Phase 7: Refer

Case Study: Consider Apple's continued sales as the 5th generation of iPhones nears

As the 5th generation of iPhones nears, how does Apple continue to sell this product? With available software updates to older generations customers lose very little in terms of user experience. Apple gets repeat buyers, however, through their commitment to teaching. By focusing on how to make each new generation of the iPhone more accessible to users than the last they enhance their product tenfold. By creating a systematic set of "how-to" tutorials and offering in-store classes, Apple makes sure their customers are getting everything they can out of their product.



Phase 7: REFER

“...your customers become such total advocates for your business that they operate as a form of uncompensated sales staff.” - John Jantsch

Before the Hourglass

Phase 1: Know

Phase 2: Like

Phase 3: Trust

Phase 4: Try

Phase 5: Buy

Phase 6: Repeat

Phase 7: Refer

Phase 7: REFER

The last stage of the customer referral life cycle is for your customers to become such total advocates for your business that they operate as a form of uncompensated sales staff. You know you have built a Referral Engine when this type of action becomes common within your customer base. The ultimate goal is to lead every customer to this place. Even if referrals are flowing freely into your lead system now, there are ways to stimulate and facilitate even greater amounts of referrals.

At this stage you should focus on making it very easy for your advocates to participate in your business, come together as a community, and tap your entire network. For example, you can create peer-to-peer discussion panels that allow some of your greatest customer fans to discuss solutions and challenges with prospects. Or you can create customer advisory and referral boards that allow them to participate in the formation of your marketing campaigns and business strategies. Hold events that focus on networking and referral opportunities. Develop educational seminars and systematically introduce your strategic partner network to your customers.



Phase 7: REFER

Before the Hourglass

Phase 1: Know

Phase 2: Like

Phase 3: Trust

Phase 4: Try

Phase 5: Buy

Phase 6: Repeat

Phase 7: Refer

Case Study: Dropbox, the web-based file sharing program referral program

Dropbox, the web-based file sharing program, implemented a successful referral program back in 2009 benefitting both old and new customers. Current users were given more Dropbox space when they shared a referral link with new customers who, upon signing up, also received more space than a standard sign up. This program was so successful that it permanently increased sign ups by 60%. Dropbox's current users had become a powerful tool for recruiting new users and even got something out of it.

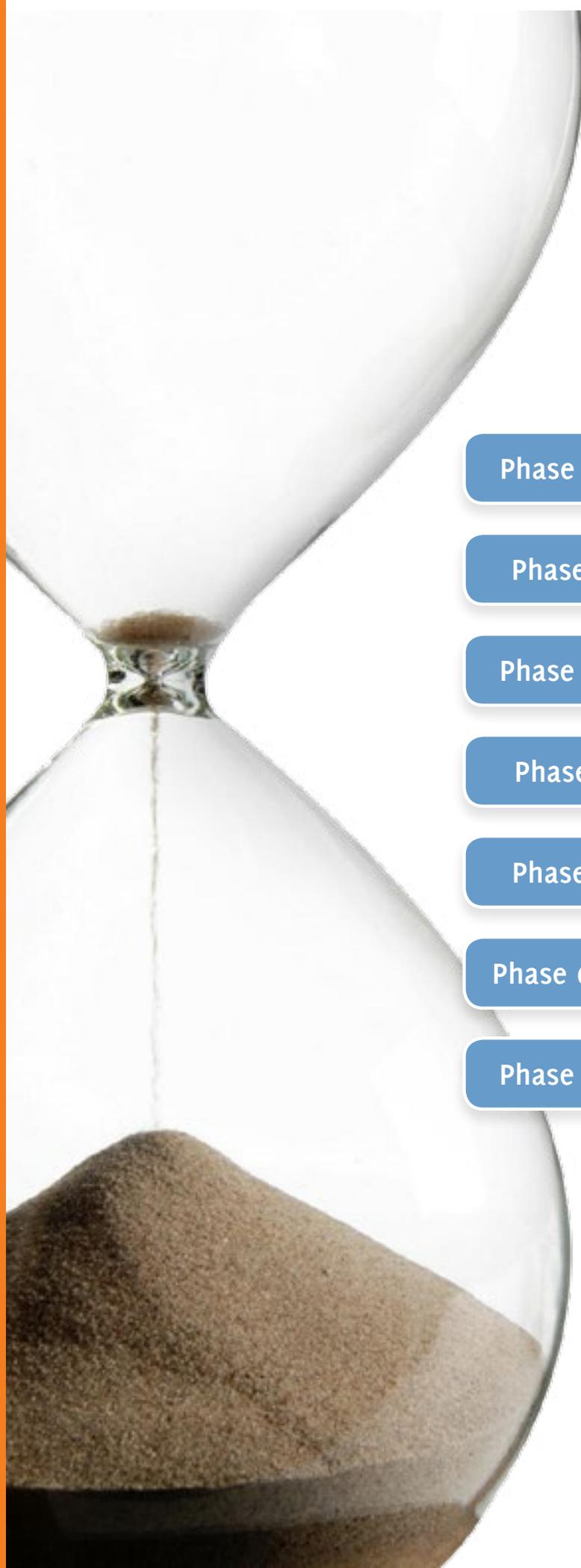


Invite your friends to Dropbox!

For every friend who joins and installs Dropbox, we'll give you both 500 MB of bonus space (up to a limit of 16GB)! If you need even more space, [upgrade your account](#).



The Duct Tape Marketing Hourglass™



Phase 1: KNOW

Phase 2: LIKE

Phase 3: TRUST

Phase 4: TRY

Phase 5: BUY

Phase 6: REPEAT

Phase 7: REFER

The Duct Tape Marketing Hourglass™

Before the Hourglass

Phase 1: Know

Phase 2: Like

Phase 3: Trust

Phase 4: Try

Phase 5: Buy

Phase 6: Repeat

Phase 7: Refer

Now that you have a better idea of The Duct Tape Marketing Hourglass™, I suggest you sit down and map out your marketing system. Take a moment to understand what touch points fall into each phase and which phases you are missing or could use improvement.

Take it phase by phase: *know, like, trust, try, buy, repeat, refer.*

When you overlay my definition of marketing – “getting someone who has a need to know, like, and trust you” with the intentional act of turning know, like and trust into try, buy, repeat, and refer you get the entire logical path for moving someone from initial awareness to advocate.

The key is to systematically develop touchpoints, processes and product/service offerings for each of the 7 phases of the hourglass.





About The Author

John Jantsch is a marketing consultant, speaker and best selling author of Duct Tape Marketing, Duct Tape Selling, The Commitment Engine and The Referral Engine.

He is the creator of the [Duct Tape Marketing System](#) and [Duct Tape Marketing Consulting Network](#) that trains and licenses small business marketing consultants around the world.

His blog was chosen as a Forbes favorite for marketing and small business and his podcast, a top ten marketing show on iTunes, was called a “must listen” by Fast Company magazine.

Huffington Post calls him one of the [top 100 “Must Follow”](#) on Twitter and Forbes named Duct Tape Marketing on of the [100 Best Websites for Entrepreneurs](#).

To find out more about John and Duct Tape Marketing visit <http://www.ducttapemarketing.com/>.



FIND OUT IF YOUR MARKETING IS CURRENTLY ON TRACK

Have you ever wondered if the marketing you are doing currently is effective? Would you like someone to evaluate those activities – and make recommendations to tweak and make those activities more effective?

We’ve created a “Marketing Checkup” to give you the opportunity to tell us about your business and your marketing.

Our consultants will review the information you provide – research it – compare it to your competitors – and share their findings with you. Our consultants are trained to help you:

- *Gain control of your marketing to generate more leads and close more sales*
- *Get the strategy right so that you can implement targeted marketing tactics that get real results.*
- *Integrate a total online presence into your overall marketing plan above and beyond activating social media.*

This process is completely free – it gives both parties the opportunity to work together and determine if we are a good fit to work together on a larger project.

Start your marketing check up today:

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