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# FORGET THE FUNNEL. ENTER THE LOOP.

AN EVOLUTIONARY APPROACH TO  
RELATIONSHIP-BASED MARKETING & DIGITAL STRATEGY  
FOR PROFESSIONAL SERVICES FIRMS

BY JOHN SIMPSON AND KALEV PEEKNA

**ONE|NORTH**

**Disruption.** In modern business, much has been made of that word. But has the fanfare been warranted? We've certainly seen a rapid pace of change; new technologies, new channels and new models have allowed us to reach our customers in ways never before imagined. But what if disruption is the wrong word? The wrong idea? After all, disruption conjures notions of noise and confusion. Disruption distracts, prevents us from seeing strategy clearly.

Instead, consider the idea of **evolution**. The world around us is changing and evolving every day, if only incrementally, in ways we can't yet even see. We're all familiar with the concept of survival of the fittest. Well, in business, it's no different. Evolution forces us, as businesses, to consider our strengths and what makes us unique. It forces us to regard, and cultivate, those things that set us apart from our competitors, so that we can do more than survive, but thrive.

This is particularly interesting in the world of Professional Services—where differentiation is critical, but difficult. How do we find our strengths? And, from there, how do we nurture the evolution of our strategy? We decided to take a deep-dive and gain a better understanding of the DNA of a professional services firm and how that DNA points us to a unique **relationship-based business model**. We'll see that, in a relationship, a continuous process of listening, responding, adjusting, measuring and listening all over again—**The Relationship Cycle**—must take place across channels, especially across digital channels. We'll explore how technology has also evolved, and how the new realities it's created, coupled with a new framework for relationship development, should influence and affect your firm's **digital strategy**.

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# Forget The Funnel. Enter The Loop.

# Forget The Funnel. Enter The Loop.

Who hasn't crossed paths with the ubiquitous marketing funnel? More to the point, how many of us actually have applied it to our businesses? It's easy to visualize, easily understood and fairly intuitive in depicting a large audience of prospects narrowing down to a small audience of clients or customers. All in all, it's an extremely useful construct.

But, here's the thing: it's also more than a century old. It was first conceived in 1898, along with the venerable concept of AIDA (attention, interest, desire, action). This acronym is well taught, well learned and well loved, and for good reason. It has stood the test of time. Even today, any of us could apply that model to our own purchasing decisions.

However, as a model, it does not hold up for professional services firms, which are built on long-term client relationships. The funnel speaks FROM the marketer TO the customer, without listening, adjusting or responding in return. Its greatest shortcoming is that it is best for one-way communication.

One-way communication is the last thing professional services firms should contemplate. The funnel has never made sense for a relationship-based business, for so many reasons:

- Sometimes reaching the right audience trumps reaching a large one.
- Buying decisions don't represent the end game of marketing and business development's contribution. More often, it's only the beginning.
- There's no room in the traditional funnel for loyalty, which marks the difference between a "repeat customer" and a true client or partner.
- Buying decisions aren't just driven by the messages you deliver to clients. They're also driven by what clients say to you, and to each other.

Devising a new model means abandoning the funnel and rethinking your approach to marketing and business development from the ground up. Any successful new model must not only center on your client relationships, it must also put those relationships into context with today's digital communication habits. What we need is a loop.



## SECTION HIGHLIGHTS

- **The one-way marketing funnel is impractical for relationship-based businesses.**
- **More fitting is a loop: a repeating process that allows communications to flow from one party to another and back again.**
- **Introducing the Relationship Cycle: an evolutionary shift in perspective.**

# Our DNA: Why Relationship-Based Businesses Are Different

We've introduced the term relationship-based business. But what exactly does that mean? Don't all companies have a relationship with their customers, even those selling toothpaste or peanut butter?

HERE'S THE SIMPLE DEFINITION:

*A **relationship-based business** is one that is driven almost entirely by whom you know or, more importantly, by who knows you. Both new deals and ongoing revenue come primarily from networks, connections and referrals.*



Without question, the business model of any professional services firm depends on relationships. Not just a transactional relationship, but also a long-term, ever-changing relationship that

encompasses non-transactional activities. For example, you know that winning new business depends on what your clients have to say about you within their professional networks. Their advice and recommendations to friends and colleagues can make or break the reputation of your firm.

What else in the DNA of relationship-based businesses sets us apart from other kinds of businesses? What are the specific conditions of our survival that must be met in order to profit, prosper and evolve? For starters, in a relationship-based business:

- Revenue generation is not transactional.
- The buying decision is a long process—sometimes taking weeks, months or even years of mutual evaluation.
- Your value to clients isn't easily or quickly replaced.
- Client relationships are complex, involving multiple touch points between several individuals.
- Current clients are an important source of new revenue, often more important than new clients.
- Buying decisions are collective and collaborative. There are multiple decision makers and influencers.
- What your clients feel about (and say about) your business strongly impacts the decisions of other clients.

The relationship perspective also allows comparisons between many types of professional services firms. Just as there are connections between species of the same genus in the natural world—cats and dogs are both mammals, for example—professional services firms may find themselves looking outside of their own categories for new learning and new ideas. A law firm may find intriguing and unexpected links to an advertising agency or architecture practice. A consulting firm may draw parallels to a financial services firm. The relationship-based business model provides both greater focus and more inspiration.

# The Relationship Cycle: A Model Built Especially For Relationship-Based Businesses

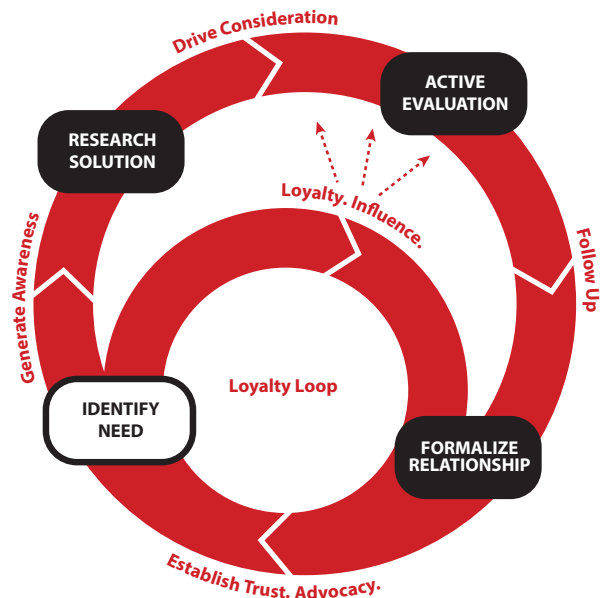
So, you may have taken the first step and can now embrace the fact that your business is relationship-based. But, this realization is only helpful if you can connect it to your marketing and business development activities and (even more importantly) to how your clients make buying decisions. This brings us to a new, two-way model.

As mentioned previously, what we need is a loop. A loop implies a repeating process that allows communication to move from one party to another party and vice versa. It also implies a cycle that has no end. It simply begins again, always working to nurture the relationship.

Recent McKinsey & Company research points to this cyclical process. The model that emerges is called the Consumer Decision Journey.<sup>1</sup> The Relationship Cycle is our adaptation of this model, specifically tuned to the perspective of relationship-based businesses.

In the diagram, we see how your firm's interests and business development activities meet your clients' needs and objectives. The Relationship Cycle directly connects your goals to each stage of your clients' decision-making experience. It provides a comprehensive view of how your interactions can help influence and strengthen your connection with those you partner with, and how those relationships impact the development of your business:

## THE RELATIONSHIP CYCLE



*One North Interactive's Adaptation of the McKinsey & Company Consumer Decision Journey*

### What Your Client Does (in boxes)

- Identify Need
- Research Solution
- Active Evaluation
- Formalize Relationship

### What Your Firm Does (in red)

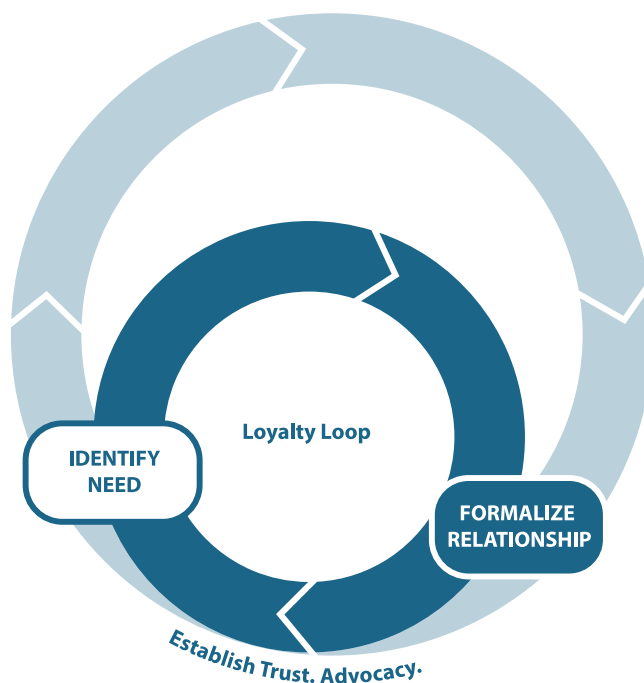
- Generate Awareness
- Drive Consideration
- Follow Up
- Establish Trust & Advocacy

<sup>1</sup>Consumer Decision Journey is available at: [www.mckinsey.com/insights/marketing\\_sales/the\\_consumer\\_decision\\_journey](http://www.mckinsey.com/insights/marketing_sales/the_consumer_decision_journey)

## SECTION I: FORGET THE FUNNEL. ENTER THE LOOP.

The diagram also illustrates the idea of balance between what you want your clients to do and what they want you to do. It's important to understand both, to meet in the middle and to acknowledge shared goals. The dimension of time is also critical because all relationships evolve over time. Your experience with each client will be different, depending on how and where you make initial contact, your contact's level within the company and other factors. Your job is to guide your client through the Relationship Cycle and, ultimately, to its inner circle. This is the Loyalty Loop, and this is where your relationships truly start to evolve. It's easy to see how positive experiences can fast-track future buying decisions for your existing clients.

What is sometimes less obvious is how those same positive experiences can influence the purchasing decisions of other clients. This is about more than just reputation. Your clients have never been better equipped to share specific details about their experiences across their entire professional and social network. For better or worse, the most effective marketers of a relationship-based business are your clients. And the Internet only amplifies this impact. Now the collective experiences of those you've served in the past very easily and frequently make their way to future buyers as they embark on their own journey of organic discovery. Google calls this the Zero Moment of Truth<sup>2</sup>, and marketers are now doing everything in their power to ensure they're delivering the right content—testimonials and case studies, for example—in the right places, at the right time.



**The Relationship Cycle is that evolutionary shift in perspective that can keep your firm surviving and thriving in the post-digital world.**

Navigating this journey with each client is more challenging, requires more care and thoughtfulness, more constant visibility and more responsiveness within your marketing and business development efforts than ever before. It puts a new emphasis, even a priority, on cultivating relationships with existing clients. Though the search for new clients remains important, the Relationship Cycle exists to bring your current relationships to their full potential.

<sup>2</sup>Zero Moment of Truth (ZMOT) is available at: [www.thinkwithgoogle.com/collections/zero-moment-truth.html](http://www.thinkwithgoogle.com/collections/zero-moment-truth.html)

# The Interactive Influence: A Simultaneous Evolution

# The Interactive Influence: A Simultaneous Evolution

There's no doubt that the relationship-based nature of professional services organizations inspired us to ditch the funnel and instead adopt the Relationship Cycle as our evolutionary framework for relationship and business development. But a funny thing called technology was also rapidly evolving and quickly influenced both the impact and the possibilities a model like this could provide professional services marketers in their quest to form meaningful connections with clients and prospects.



The truth is, digital now pervades so much of our everyday lives

and relationships that an experience lacking even the smallest interactive component feels foreign or backwards, almost untrustworthy. We've even started making jokes about the difference between digital natives and digital immigrants. Ultimately, those who choose to ignore digital in this day and age will be left behind.

Fortunately, many marketers have come to recognize the importance of digital experiences. According to Accenture's CMO Insights 2014<sup>3</sup>,

more than one-third of the global senior marketing executives surveyed believe digital budgets will account for more than 75% of the marketing budget within the next five years, with mobile alone accounting for more than half of the marketing budget. And though only one in five CMOs surveyed believe their company will be known as a digital business within the next five years, 49% understand the importance of triggering or encouraging that transformation.

### SECTION HIGHLIGHTS

- The onset of digital has permanently altered the marketing landscape.
- Social media empowers customers to discuss their experiences with your firm among their own networks.
- Mobile affects the context of your interactions with clients, providing an opportunity to prioritize the content and messages you're delivering.

<sup>3</sup>CMO Insights 2014 is available at:  
[www.accenture.com/us-en/Pages/insight-cmo-digital-transformation-summary.aspx](http://www.accenture.com/us-en/Pages/insight-cmo-digital-transformation-summary.aspx)

# Opening New Doors, Channels And Contexts

Digital has opened up endless opportunities to truly engage and build relationships with your audiences. For one thing, the experiences you share along the Relationship Cycle can now be just that – experiences. Marketers have never been better equipped to network and connect, interact with and/or reach their audiences, even outside of the typical 9-to-5 workday.



## **New Doors—Two-Way Streets and Interconnected Networks**

Gone are the days of “spray and pray,” hoping your one-way communication blasts somehow make an impression on your audiences (think TV or print ads). Social media has done much to open the floodgates, allowing audiences to talk both with you and about you.

This can have a powerful impact on how clients move along the Relationship Cycle, especially within the Loyalty Loop. Clients now have the ability to promote their experiences with your firm, with or without your knowledge, within their own networks. This allows you the potential to reach and be considered by new prospects or markets when shared experiences are positive. However, it’s important to keep in mind that negative experiences are just as easily shared and influential. Understanding the power of two-way communication and adding value at every stage of the Cycle can help you shape the messages in your favor, even when you aren’t writing or sharing them yourself.



## **New Channels—Keeping Communications Social & Customized**

Social media and email marketing are two digital communication tools that help open the doors and allow you to listen and cater to the specific interests of your audiences. Whether it’s tracking trending hashtags or following clients on Twitter, joining the conversations happening on LinkedIn or boosting SEO by engaging on Google+, you can gain great insight into what your audiences are talking about, searching for or wishing

they knew more about by taking advantage of these new digital channels. Email blasts demonstrating you can provide valuable insight into what they’re looking for can help build awareness, drive consideration and continuously provide additional value.

Analyzing engagement levels (retweets, shares, opens, clicks, etc.) can help provide real-time feedback on the effectiveness of your efforts, and guide you in adjusting your content or commitment to a particular trend or channel in order to make communications more relevant.



## **New Contexts—Reaching Users Beyond Their Desks**

Mobile adds an entirely new layer to digital in that it very much affects the context of your interactions with clients. Not only can it help you reach your audiences during windows of time outside of the standard workday, say during their commute, but its condensed nature also provides an opportunity to prioritize the content and messages you’re delivering. This again adds relevancy, but it also demonstrates how dedicated you are to being a true partner, one that understands not only what your audiences want to hear or learn, but also how they want to do so.

The possibilities are endless and exciting ... but it’s important to realize they may not all work for your business, or for all audiences you’re trying to reach. Having a plan in place for utilizing these tools and channels in a smart way can help to add some clarity to the booming, sometimes fuzzy, digital realm.



# A Strategic Shift: How The Relationship Cycle Transforms Your Approach To Digital

Here's what you know so far:

- You are a relationship-based business.
- Your firm's success depends heavily on its reputation, expertise and ability to provide an exceptional client experience.
- When those positive experiences make it out into the market—and trust us, they will—they have the ability to influence the purchasing decisions of others within and outside of your own network.
- The rapidly changing technology landscape has transformed the way these networks work, how your messages make it to clients and how messages about you make their way to prospects.

You also know that interactive solutions provide you with a unique toolset for amplifying

the experience you provide as you move your clients along the Relationship Cycle. This admittedly can be a little overwhelming. One of the major challenges—and opportunities—facing marketers today is how to best create a brand experience in this new reality, where clients continuously interact with your organization across multiple digital and offline channels.

How do you ensure you're always taking advantage of the right channels for the right audiences and influencing the right people to grow your business? Well, for starters, you need a strong digital strategy in place—one that is built on a foundation of understanding, drives engagement that positively influences all involved and is constantly measured, analyzed and improved.

## SECTION HIGHLIGHTS

- **Businesses need to shift to a more cyclical approach to digital strategy that allows for continual evaluation and alignment.**
- **What are the components of an effective digital strategy? We outline them here for you.**
- **Making the shift to a relationship-based model for marketing, business development and digital strategy is an evolutionary process.**

# The Importance Of Starting At The Finish Line

Before you can develop a strategy and identify the right tools and tactics to use, it's important to again consider the dimension of time. We already know that relationships evolve over time. If we look more closely, we can see that our goals for particular relationships also evolve and change over time. We need to plan our digital investment keeping this in mind as well.

Many firms take a bimodal approach to digital strategy. For example, they often set out to build or redesign a website. They go through the planning phase, the build phase and the launch phase. Then, the site exists without further examination for several years until the process of re-launching starts all over again.

But with relationships, technologies, goals and objectives changing, often simultaneously, with time, these firms are bound to get left behind if they don't shift to a more cyclical approach to their digital strategy. They need a process in place for continual evaluation and alignment.

Consider Amazon. The familiar shopping site has gone without a major release for years, if not decades. Yet the site is constantly evolving. The point is: a digital platform should be enduring, but

it can't sit by itself for three or four years. It has to be used to support goals, and adjusted in response to the ways clients are interacting with it.

So, before we can build the platform, we have to understand the business goals we hope to achieve by building it. There are macro goals—expanding geographically, expanding into a new industry or vertical or boosting the bottom line, for instance. There are also micro goals—targets for each geographic area, each line of business, for each professional in the organization, even for each publication on a website. In effect, we need to start at the finish line, with the overall goals that the firm needs its digital platform to support and achieve. Micro goals roll up to macro goals, and as individual goals are attained (or not attained), the strategy is adjusted and new tactics follow.

## SIDEBAR: CREATING SUCCESSFUL PERSONAS—THREE HELPFUL STEPS

What is the single most important consideration before laying out how you will start communicating and connecting with your audiences? Well ... it's your audiences. In order to unlock the true power of digital, you must have a complete grasp on how to leverage interactive solutions in different ways for different users. Doing so starts with identifying who your different users are and what makes them tick.

Anticipating the needs and interests of your partner is a key component of any successful relationship; it's no different in the business world. Begin by mapping out the demographics of your users, their professional role and relationship to your organization. Know their pain points – what challenges or frustrations are you uniquely suited to help them solve? Finally, work to discover the details of their digital habits and practices. Are they active on social media? If so, what channels do they prefer? At what times of the day are they most likely to engage with you? What kind of devices do they typically use to access the Internet? How long do they spend online? How do they search for information online? *continued on pg. 12*

# What Does A Comprehensive Digital Strategy Look Like?

No two digital strategies are alike because each one relies on a solid understanding of an individual firm's unique goals, its clients' objectives and their information consumption habits. Think of it as a firm's digital fingerprint.

A digital strategy typically includes, but is not limited to, the following efforts:

## 1 Research and Discovery:

Gain a mutual understanding of an organization, its markets and how well current efforts connect with audiences. Identify guiding principles and goals. Gather quantitative and qualitative data on audience needs, preferences and information consumption habits.

- Goals and hypotheses
- Interviews – internal and external
- User survey
- Secondary research
- Competitive benchmarking

Having a thoughtful strategy allows you to plan and control the overall experience you are creating for your audiences—from choosing the

## 2 Relationship Design:

Define and prioritize the firm's most important relationships. Investigate and analyze the expectations and opportunities in those relationships. Describe how relationships change and develop to enable the organization's success.

- User persona portfolio
- User content strategy
- Social media strategy

## 3 Experience Design:

Design the firm's online brand experience. Maintain focus on audiences and how they will interact with the firm. Identify forward-leaning technology and tools to bring the vision to life.

- Experience scenarios
- Content ecosystem map
- Technical architecture
- Digital brand expression
- Metrics design

right channel and delivering the right content to building the right technical platform and creating the optimal brand experience.

## SIDEBAR (CONT.): CREATING SUCCESSFUL PERSONAS—THREE HELPFUL STEPS

Customizing your interactions with users can't be done if you don't understand what kind of information they're looking for, where they go to get it and how often they come back for more. User personas can help you identify important groups and patterns and serve as the foundation of a proactive and successful digital strategy.

WHEN EMBARKING ON THE PROCESS OF CREATING PERSONAS, HERE ARE THREE THINGS TO KEEP IN MIND:

### 1. Start with the big picture.

Begin by setting high-level goals for each target audience. Goals may cut across several audiences, or hone in on one particular area of opportunity. This is also a good time to form hypotheses to help guide user research, which is the next step on the road to building a successful persona.

### 2. Reflect key user insights.

Test your hypotheses regarding what users are looking for with respect to digital interactions. Conduct qualitative and quantitative research to better understand key insights and opportunities.

*continued on pg. 13*

# Putting It All Together: A Digital Blueprint

We've defined our user personas and we've come to know their digital habits, pain points and what makes them tick. But do we really know what they'll do once we set them free in the digital world? The answer is no; we can never know that with absolute certainty. But, we can set ourselves up with proactive strategies and plans for guiding the experience.

## These strategies and plans should answer the following questions:

- How do we want each of our personas to interact with us online?
- How do we initiate that contact (or will the user initiate contact)?
- What do we want the user to do after they interact with us?
- What type of content is most valuable to audiences? How does our content help them as they make decisions?
- How can we use new technologies – like data personalization, responsive design, social integration and marketing automation – to optimize our content ecosystem and its relevance to our personas?
- How can we best express our brand in contexts like web, mobile, email and social media?
- How can we measure our success and make adjustments over time?

You must also keep in mind where your users are on the Relationship Cycle, what types of interactions you might be able to engage in to help encourage their movement along the Cycle and how those experiences can help shape

the interactions you have with those who have yet to enter the Cycle.

An example of a great digital strategy at play can be seen through Founders Workbench.<sup>4</sup> This digital experience was created to meet the unique needs of entrepreneurs, specifically those in the early stages of founding a business or launching a new innovation. Law firm Goodwin Procter LLP, anticipating the needs of this important group, developed a digital presence rich with valuable-content—from free legal documents to capital calculators and a dictionary to help translate the legal jargon they'll encounter as they start their new business. Recognizing that its audience is mobile and tech-savvy, the site is fully responsive and offers a variety of unique and useful web apps. The firm amplifies the site with a visible and strong social media presence that provides pertinent news updates as well as thoughtfully curated, entrepreneur-specific content. Perhaps most important, Goodwin Procter LLP is constantly exploring ways to improve, innovate and expand the Founders Workbench digital footprint. It has proved to be an essential and evolving business tool for the firm.

## SIDEBAR (CONT.): CREATING SUCCESSFUL PERSONAS—THREE HELPFUL STEPS

During the qualitative phase, focus on your users' interests, what information they look for, where they find answers, where they find value and how they learn to trust professional information resources. It's also a good idea to talk with internal stakeholders to understand their perceptions of user wants and needs.

Web-based quantitative surveys can help gather more detailed information about digital consumption patterns, online habits and communication preferences. Here, you're looking for hard evidence that backs up your hypotheses and directs you down the path to developing effective tactics.

### 3. Know where they fall on the Relationship Cycle.

You need to understand where each persona is located today along the Relationship Cycle, and how you can shape interactions that encourage conversion and long-term relationship development. To do that, you'll need to define important touch points—content, functionality and interactions—that are critical to balancing goals, and understand where your current touch points are succeeding or falling short.

# CONCLUSION

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**As we said at the beginning of this paper,** making the shift to a relationship-based model for marketing, business development and digital strategy is an evolutionary process. Evolution is never finished, but continuously adapting, perfecting and adjusting.

When we as relationship-based businesses build our strategies around the things that make us what we are—expertise, insight, partnership, loyalty, advocacy—we end up with a platform that stands the test of time, furthers our goals and moves our relationships forward. There always will be a new technology, a new tactic, a new best practice. The right strategy is ready to incorporate all of the above because it depends not on the latest and greatest bells and whistles, but on the principles of exceeding our clients' expectations and understanding their needs.

If you like what you've read here and are interested in working with One North Interactive to build a digital relationship platform for your firm, contact [marketing@onenorth.com](mailto:marketing@onenorth.com).

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## ABOUT ONE NORTH INTERACTIVE

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**One North Interactive** is an agency dedicated to serving the creative, strategic and technological needs of complex, relationship-based businesses. Everything we do, everything we think and everything we create puts first the relationships you have with your clients, current and prospective alike. We've partnered with hundreds of professional services organizations to produce extraordinary experiences that make the most of every digital touch point. From user experience design and content strategy to websites, social media and SEO, we're committed to helping you develop a digital strategy that helps you impress your audiences and achieve your marketing and business development goals.

To learn more, visit **[www.onenorth.com](http://www.onenorth.com)**.

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