

Map customer acquisition process

In the previous step, we determined “who” needed to make the decision to buy our product. In this step, we will determine “how”. Specifically, in this step you will map out the process by which a customer decides to purchase your product.

In the process of doing this, we will identify the key variables, understand what drives those, and also estimate a very important variable going forward: The length of the sales cycle for your product. You will also identify any budgetary, regulatory, or compliance hurdles that would slow your ability to sell the product. This is also known as mapping the DMP (Decision Making Process), but this description is less precise than the current title, the Customer Acquisition Process (CAP).

By creating a map of the process to acquire a paying customer and identifying the fundamental drivers of the length of the sales cycle, you will build the foundation for the Cost of Customer Acquisition calculation.

Key benefits from this exercise will include identifying hidden obstacles that will inhibit your ability to sell your product and get paid, and also to be able to show your potential lenders and/or investors that you understand the customer’s buying process, which for many is a prerequisite to investing in your business.

Mapping the Process

By mapping the process to acquire a paying customer, you will capture more detail about each of these items especially now considering the DMU, as well as map out the internal purchasing mechanisms of your target customer.

Create a table or diagram with the following items from the Full Life Cycle Use Case (Step 6), which will be the backbone of your customer acquisition process:

- ☐ How customers will determine they have a need and/or opportunity to move away from their status quo and how to activate customers to feel they have to do something different, i.e., purchase your product;
- ☐ How customers will find out about your product;
- ☐ How customers will analyze your product;
- ☐ How customers will acquire your product;
- ☐ How customers will install your product;
- ☐ How customers will pay for your product.

Detail the Process Map

For each step in the process, add the following information:

- ☐ Who are the key players from the DMU that will be involved in this step? What is their influence on the step or overall process?
- ☐ How long will it take to complete this step? Put it in temporal sequence noting any that can run in parallel. Are there any governmental or quasi-governmental regulations that impact this step?
- ☐ What are the inputs and outputs of this step?

Detail budgetary factors

A key factor in each step is to identify the budgeting/purchasing authority and levels of each individual involved in that component of the process as appropriate. One common limit you will find is that an individual can only purchase items up to a certain dollar amount, such as \$5,000, without approval from a more senior person.

Sometimes, this approval comes directly from one decision maker, while at other times, it kicks off a long and involved process with the purchasing department and its regulations.

- ☐ Identify budgeting/purchasing limits for each key player in the DMU involved in the process.
- ☐ Identify the approval chain.
- ☐ Understand the budgeting process.
- ☐ Understand whether payment will come from the yearly operating budget or the longer-term capital budget, and even the specific budget.

Example

Here is one example that could be helpful but use a format that is appropriate for your situation and do not feel constrained by this example. Note that while this is a good example overall, it does not complete the cycle and clearly document how long it takes to get paid. You need to understand how the cash will flow to your new venture because cash is like oxygen to your new organization. Without it, you die.

MWFS DMP Example

Description of the acquisition process

New project

- Contact CIO to get approval and gain access to internal company specialist
- Contact internal company specialist / green czar / Corporate Facilities Manager to influence Engineer
- Contact design engineer to work together in definition of water system, give specifications, and have them prescribe MWFS
- Contact general contractor and Purchasing to ensure purchase and proper installation

Retrofit

- Contact Facilities Manager and help himself to Data Center Manager
- If necessary, contact CIO to get approval and gain access to Data Center Manager and internal company specialists
- Contact Facilities Manager / Data Center Manager/ Purchases to ensure purchase of our product and proper installation

New project

Lead generation	Access to influencers	Access to design engineers	Design phase	Construction phase: actual sale to contractor	Installation
1-2 months	2-4 months	2-4 months	6-12 months	12-15 months	1 month

Retrofit project

Lead generation	Access to facility manager	Access to influencers	Negotiation with Purchases and Budget Owners	Installation
1-2 months	4-6 months	2-4 months	2-3 months	1 month

Conclusion

Mapping out this process is important because you will need to navigate the same process over and over to sell to more customers; so understanding this process will pay dividends later, when you can more easily acquire new customers. Upload your process map or diagram here, for further reference (use a link to an image uploaded online or on Dropbox).

[Dashboard \(/projects/40742\)](/projects/40742)[Previous step \(/projects/40742/steps/12\)](/projects/40742/steps/12)[Next step \(/projects/40742/steps/14\)](/projects/40742/steps/14)

