

How digital marketing and e-commerce benefit organizations

Introduction to the marketing funnel

Attract and engage potential customers

Video: The top of the funnel: Awareness and consideration

4 min

Reading: Case study: How MERSEA structures its marketing funnel

20 min

Video: Measuring success at the top of the funnel

4 min

Practice Quiz: Test your knowledge: The marketing funnel

6 questions

Discussion Prompt: Reflect on memorable campaigns

10 min

Drive sales and build brand loyalty

Review: The customer journey and the marketing funnel

## Case study: How MERSEA structures its marketing funnel

Previously, you learned about the different stages of the marketing funnel. In this case study, you'll learn the marketing strategies that the Lenexa, Kansas based e-commerce company, **MERSEA**, uses to attract potential customers, turn them into paying customers, and eventually repeat customers. This process represents MERSEA's approach to the marketing funnel.

There is no standard approach to building a marketing funnel. The various marketing funnel models often share similar strategies and structures, but vary based on the needs of the business.



### Company background



In 2013, Lina Dickinson and Melanie Bolin founded **MERSEA**, a lifestyle brand located in Lenexa, Kansas, offering clothing, accessories, and home fragrances. MERSEA's products are rooted in the joy of travel and the tranquility of seaside escapes. Initially, Lina and Melanie focused on selling through retail partners, placing MERSEA in over 1,200 stores.

### The challenge

After having a solid presence in retail stores, MERSEA's founders wanted to increase their e-commerce sales. The challenge MERSEA faced is like many other e-commerce businesses: acquiring new customers online and turning them into repeat customers. This is the core of its marketing funnel.

Imagine the perspective of a business owner. You have a functional online store. But, how can you get potential customers to visit the online store? And, after attracting customers, how can you encourage those customers to revisit the store and become repeat customers?

### The approach

To get the MERSEA brand and product offering in front of its ideal customers, Lina and Melanie used a mix of marketing strategies such as online paid advertising, email marketing, social media marketing, and text messaging.

It's important to note that MERSEA is not implementing all these strategies with its own employees. They hired an outside marketing company to assist with Google Ads. Working with a marketing company outside of the business allows the founders and its employees to focus on what they're best at, creating outstanding products.

For busy business owners, it may be beneficial to hire outside of the company to complete tasks, particularly for marketing strategies that require more technical skills. For example, Google Ads requires a knowledge of its platform and how to interpret its metrics.

Organized by marketing funnel stages, here are some marketing strategies MERSEA uses:

#### Awareness

For the awareness stage, MERSEA uses online ads including Google Ads and Facebook Ads.

There are several types of Google Ads MERSEA uses. For example, the company uses Search ads for brand name and product searches. It also uses Shopping ads for specific types of products, such as "kimono sweater." For the Facebook Ads, MERSEA advertises to potential customers from lifestyle-based targeting.

Both of these ads help get the MERSEA brand and products in front of those searching and interested in their type of products.



#### Consideration

During the consideration marketing funnel stage, MERSEA continues to apply online advertising, and also uses social media marketing and email marketing.

For online advertising, a marketing strategy MERSEA uses is delivering ads to people who previously visited their website. This is called remarketing. After the customer visits the website, they then receive ads specifically for the products they viewed. This type of advertising is in the consideration stage because the remarketing ads build interest in the potential customer.

For social media marketing and email marketing, MERSEA tells stories about products and introduces potential customers to the brand.

#### Conversion

MERSEA is continually working to improve the conversion stage of its marketing funnel. One strategy it uses is following up with customers who have abandoned their carts. An abandoned cart is when a customer adds an item to their cart in an online store but does not make a purchase. If the customer enters their email during the checkout process, but doesn't make a purchase, MERSEA automatically sends follow up emails reminding the customer about the product in their cart. This follow-up leads to an increase in the conversion rate.

#### Loyalty

During the loyalty stage, MERSEA turns its paying customers into repeat customers.

After making a purchase, the customer receives emails about additional and newly released products they may be interested in. These emails are typically sent twice a week: one during the week and another during the weekend.

In addition, one unique strategy MERSEA uses to build loyalty is through text messaging. It has success with sending text messages for order delivery confirmation and updates. When done well, this texting strategy creates a more personal relationship with customers.

### The results

While MERSEA's success starts with its quality and fashionable products, its well-functioning marketing funnel approach contributes to its success. Within two years of focusing on e-commerce and building an online marketing funnel, MERSEA increased its online sales from 10% to 45%.

Additionally, because of the satisfied customers and the well-developed loyalty stage of its marketing funnel, around 50% of MERSEA's customers are returning customers.

### Conclusion

There is no one correct way to structure a marketing funnel. A key to a successful funnel is trying and testing new ideas. MERSEA has been successful with its online marketing efforts because it didn't simply set up an e-commerce store. MERSEA built a marketing funnel to complement it.

A well-made product is important, but a well-rounded marketing approach helps sell the product. A mix of the right marketing strategies drives customers through the funnel. The customers go from unaware of the brand to interested to first-time customers to repeat customers.

#### Mark as completed

