

Sales Funnel & Conversion

Finding where prospects are lost, which journeys convert differently and where commercial changes could improve progression.

THE BUSINESS PROBLEM

A headline conversion rate hides where prospects drop out and why. Funnel analysis breaks the journey into meaningful stages, compares progression across segments and channels, and helps teams focus on the points where removing friction or improving qualification can have the greatest impact.

Three questions guide the analysis

01

Where do prospects drop?
Measure stage-to-stage conversion rather than only final conversion.

02

Which journeys differ?
Compare channels, products, markets or customer types consistently.

03

What should change?
Prioritise friction, qualification or follow-up opportunities that are testable.

What evidence could we use?

Lead	Source	Qualified	Proposal	Won
L021	Organic	Yes	Yes	Yes
L106	Paid	Yes	No	No
L244	Partner	No	No	No

Illustrative data only. The exact variables, definitions and observation windows should be determined by the business decision and available evidence.

How the analysis works

1

Define stages
What milestones represent real progression?

2

Build funnel
How many prospects reach each stage?

3

Segment
Where do conversion patterns differ?

4

Diagnose loss
What explains high-friction transitions?

5

Test change
Does the intervention improve incremental conversion?

Possible analytical approaches

Stage conversion	Measure transition rates between funnel steps.
Cohort analysis	Compare funnels for time-based groups.
Journey segmentation	Contrast source, product or customer pathways.
Experimentation	Test changes to messaging, process or experience.

From Analysis to Business Action

The analytical output is only useful when it changes a decision, can be interpreted responsibly and has a measurable outcome.

WORKED EXAMPLE

The example below is illustrative rather than a claim about a real dataset. It shows how analytical output can be translated into business interpretation and action.

Illustrative funnel

STAGE	PROSPECTS	STEP RATE
Leads	20,000	100%
Qualified	9,600	48%
Proposal / checkout	4,320	45%
Converted	1,728	40%

Illustrative results only. Definitions, thresholds and recommendations should be validated in the context of the organisation, decision and available data.

Potential business applications

ACQUISITION Improve source quality, not just lead volume.	QUALIFICATION Reduce effort on low-fit prospects.	EXPERIENCE Remove friction at high-loss stages.	FOLLOW-UP Improve timing and relevance of commercial contact.
---	---	---	---

How success should be measured

Stage conversion	Which transitions improve after intervention?
End conversion	Does the full journey generate more completed outcomes?
Economics	Does improvement increase margin or revenue efficiently?

DELIVERABLES

Analysis framework · Business interpretation · Prioritised actions · Measurement approach

APPLICABLE ACROSS INDUSTRIES

B2B · SaaS · E-commerce · Banking · Insurance