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CRM and business automation guide

Sales Pipeline Setup Guide

A practical guide to designing and running a sales pipeline that reflects reality: eight stage definitions you can copy, entry and exit rules, stage automations, lost reasons, pipeline reviews and forecasting with worked examples.

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Read online: https://freetoolshelf.com/resources/crm/sales-pipeline-setup/

Contents

Information to check before relying on it

- Pipeline, opportunity and automation features (stage-change triggers, probability fields, stale-deal alerts) vary by CRM; check your platform's current documentation.

A sales pipeline is a shared picture of every potential job and where it stands. When it is set up well, anyone can open it and answer three questions in seconds: what is coming in, what is stuck, and what is likely to close this month. When it is set up badly, it becomes a graveyard of cards nobody trusts.

The difference is rarely the software. It is whether each stage has a clear definition, a clear way in, a clear way out, and an owner who acts on it.

This guide gives you a complete, copyable pipeline for a service business, explains how to adapt it, and shows how to keep it accurate. A free sales pipeline stages template contains every stage below with definitions, entry and exit criteria, owners, time targets and automation ideas.

Pipeline basics

Key terms

Term	Meaning
Pipeline	The ordered set of stages a potential sale moves through
Stage	A step defined by what has happened, not what you hope will happen
Opportunity (deal)	One potential sale, linked to a contact, with a value and an owner
Entry criteria	What must be true for an opportunity to enter a stage
Exit criteria	What must be true for it to move to the next stage
Time in stage	How long an opportunity has been in its current stage
Stale deal	An opportunity that has exceeded its target time in stage
Win rate	Won opportunities / (won + lost) over a period

The golden rule: stages describe events, not feelings

"Hot lead" and "Very interested" are feelings. They mean different things to different people. "Appointment booked" and "Quote sent" are events. Anyone can verify them. Build every stage around a verifiable event, and your pipeline becomes trustworthy.

How many stages?

For most service businesses, six to nine stages work well. Fewer, and you cannot see where deals stall. More, and people skip stages or leave cards in the wrong place. If two stages always happen together, merge them.

One pipeline or several?

Use separate pipelines only when the process is genuinely different. Examples:

- A **new customer pipeline** and a **repeat or maintenance pipeline** (repeat work often skips qualification and site visits).
- A **residential** and a **commercial** pipeline if commercial work involves tenders and multiple decision-makers.
- A **recruitment** or **partner** pipeline, which is not a sales process at all.

Do not create separate pipelines per salesperson or per lead source. Use owner and source fields for that.

A copyable eight-stage pipeline for service businesses

This pipeline suits businesses that quote before doing work: trades, renovations, cleaning contracts, landscaping, detailing packages, professional services and similar. It matches the downloadable template.

Stage 1: New lead

- **Definition**: a person has enquired and a contact and opportunity exist in the CRM.
- **Entry criteria**: form submitted, call logged, message received, or lead manually added with source recorded.
- **Exit criteria**: a team member has had a two-way conversation (call, text or email reply) with the lead.
- **Owner**: assigned salesperson or front desk.
- **Target time in stage**: under 1 business hour.
- **Automation ideas**: instant acknowledgement text and email; create call task; notify backup if not contacted within 15 minutes; start follow-up sequence if no contact.

Stage 2: Contacted

- **Definition**: two-way contact has happened, but the lead is not yet qualified.
- **Entry criteria**: a logged conversation with the lead.
- **Exit criteria**: qualification questions answered (service fit, location, timing, decision-maker), or lead disqualified.
- **Owner**: salesperson.
- **Target time in stage**: 2 business days.

- **Automation ideas**: stop the new-lead sequence; create a qualification task; send helpful information if requested.

Stage 3: Qualified

- **Definition**: the lead needs a service you provide, in your area, within a reasonable time frame, and you are speaking with someone who can decide.
- **Entry criteria**: qualification fields completed on the record.
- **Exit criteria**: appointment, site visit or consultation booked.
- **Owner**: salesperson.
- **Target time in stage**: 3 business days.
- **Automation ideas**: send booking link; offer two specific times by text; task reminder if not booked in 48 hours.

Stage 4: Appointment booked

- **Definition**: a site visit, consultation or assessment is scheduled.
- **Entry criteria**: appointment exists on the calendar linked to the opportunity.
- **Exit criteria**: appointment attended (move to Needs assessed) or no-show or cancelled (move back to Qualified with outcome recorded).
- **Owner**: salesperson or estimator.
- **Target time in stage**: until appointment date (typically under 7 days).
- **Automation ideas**: confirmation and reminder sequence; preparation checklist to the customer; on no-show, start recovery messages. See the appointment automation guide.

Stage 5: Needs assessed

- **Definition**: the appointment happened and you know enough to quote.
- **Entry criteria**: appointment marked attended; scope notes and photos recorded.
- **Exit criteria**: quote or proposal sent.
- **Owner**: estimator.
- **Target time in stage**: 2 business days.
- **Automation ideas**: task to prepare quote with due date; alert manager if quote not sent within 48 hours.

Stage 6: Quote sent

- **Definition**: the customer has a written quote or proposal with a price.

- **Entry criteria**: quote sent and its value entered on the opportunity.
- **Exit criteria**: customer accepts, declines, or asks for changes (move to Negotiation).
- **Owner**: salesperson.
- **Target time in stage**: 7 days.
- **Automation ideas**: quote follow-up sequence on day 1, 3 and 7; notify owner when quote is viewed (if your tool tracks this).

Stage 7: Negotiation or revision

- **Definition**: the customer is engaged but wants changes to scope, price or timing.
- **Entry criteria**: customer requests changes.
- **Exit criteria**: revised quote accepted or declined.
- **Owner**: salesperson or manager.
- **Target time in stage**: 5 days.
- **Automation ideas**: task to send revised quote; manager notification for discounts beyond an agreed threshold.

Stage 8: Won

- **Definition**: the customer has accepted and committed (signed quote, deposit paid, or confirmed booking for the work).
- **Entry criteria**: acceptance recorded; deposit or signature captured if your process requires it.
- **Exit criteria**: this is a closed stage. Hand over to delivery or job management.
- **Owner**: operations.
- **Automation ideas**: welcome message with next steps; create job in delivery system; after completion, review request and rebooking reminder.

Lost (closed status)

- **Definition**: the opportunity will not proceed.
- **Entry criteria**: customer declined, chose a competitor, went silent after the full follow-up sequence, or was disqualified.
- **Required**: a lost reason from a picklist.
- **Automation ideas**: stop all sales sequences; optionally add to a long-term nurture list if consent allows; for "timing" losses, create a reminder task for the month they mentioned.

Many CRMs treat Won and Lost as statuses rather than columns. Either works, as long as every closed opportunity has one or the other.

The pipeline at a glance

#	Stage	Exit event	Target time
1	New lead	Two-way conversation	Under 1 business hour
2	Contacted	Qualified or disqualified	2 business days
3	Qualified	Appointment booked	3 business days
4	Appointment booked	Attended or no-show	Until appointment
5	Needs assessed	Quote sent	2 business days
6	Quote sent	Accepted, declined or revision requested	7 days
7	Negotiation	Revised quote accepted or declined	5 days
8	Won	Handed over to delivery	Closed
	Lost	Lost reason recorded	Closed

Adapting the pipeline to your business

Businesses that book directly without quotes

Salons, clinics, fitness studios and similar businesses often go straight from enquiry to booking. A shorter pipeline suits them:

1. New enquiry
2. Contacted
3. Booked
4. Attended (first visit)
5. Rebooked or member (won)
6. Lost

The focus here is on booking, attendance and rebooking rather than quoting. Pair it with strong reminders and no-show recovery.

High-value projects with multiple decision-makers

Commercial contracts or large renovations may add:

- **Proposal presented** (a meeting to walk through the proposal)
- **Decision pending** (awaiting board, partner or finance approval)

- **Contract sent** (legal paperwork out for signature)

Add stages only if they reflect real, verifiable events that take meaningful time.

Adaptation checklist

- ☐ Each stage names a verifiable event
- ☐ Every stage has written entry and exit criteria
- ☐ Every stage has an owner role
- ☐ Every stage has a target time
- ☐ Won and Lost are clearly defined
- ☐ Lost reasons are a picklist, not free text
- ☐ Separate pipelines exist only for genuinely different processes
- ☐ The team has reviewed and agreed the definitions

Opportunity data that makes the pipeline useful

Each opportunity needs a small set of fields:

Field	Type	Required?	Purpose
Opportunity name	Text	Yes	Service, last name, location for easy scanning
Contact	Link	Yes	Links to the person
Value	Currency	Yes from Quote sent	Pipeline value and forecasting
Owner	User	Yes	Accountability
Stage	Picklist	Yes	Position in pipeline
Lead source	Picklist	Yes	Marketing attribution
Service type	Picklist	Yes	Reporting and routing
Next step and due date	Text and date	Yes while open	Prevents stalled deals
Lost reason	Picklist	Yes when lost	Learning
Expected close date	Date	Optional	Forecasting

The CRM data fields template includes these alongside contact and appointment fields.

A lost reason picklist to start with

- Price too high
- Chose a competitor
- Timing (not now; follow up later)
- No response after full follow-up
- Outside service area
- Service not offered
- Did not qualify (budget, scope)
- Duplicate or spam

Review lost reasons monthly. If "Price too high" dominates, examine your quoting, positioning or lead sources. If "No response" dominates, look at speed to lead and follow-up. Our lead capture and follow-up tutorial covers both.

Stage-based automations

Automation should remove admin, not replace judgement. The table below maps useful automations to stage events.

Trigger	Automation	Why
Opportunity created in New lead	Instant acknowledgement; call task; start follow-up sequence	Speed to lead
Moved to Contacted	Stop new-lead sequence	Avoid irrelevant messages
Appointment booked	Move to Appointment booked; start reminders	Keeps pipeline in sync with calendar
Appointment marked no-show	Move back to Qualified; start no-show recovery	Recover the booking
Moved to Quote sent	Start quote follow-up sequence (day 1, 3, 7)	Consistent follow-up
Time in any open stage exceeds target	Notify owner; flag as stale	Prevents deals going cold
Moved to Won	Stop sales sequences; send welcome; create job	Clean handover
Marked Lost with reason "Timing"	Create reminder task for chosen month	Future revenue

A quote follow-up sequence you can copy

Day 1 (email):

> Subject: Your {service} quote from {business_name}
>
> Hi {first_name}, I wanted to check the quote came through and answer any questions. The quote covers {scope_summary}. If anything is unclear or you'd like to adjust the scope, just reply. To go ahead, you can {acceptance_method}.
>
> {staff_name}

Day 3 (SMS):

> Hi {first_name}, {staff_name} here. Any questions on the {service} quote I sent? Happy to talk it through.

Day 7 (call task, then SMS if no answer):

> Hi {first_name}, just following up on your {service} quote. Would you like to go ahead, make changes, or should I close it off for now?

If there is no response after day 7, keep the opportunity in Quote sent for up to one more week with a final check-in, then mark Lost with reason "No response".

Rolling out the pipeline to your team

A pipeline only works if everyone uses it the same way. A short rollout avoids most problems.

Step 1: Agree definitions in a meeting

Print the stage definitions from the template. Walk through each one with everyone who will move cards. Ask: "Can you think of a deal that would not fit these rules?" Adjust the definitions until nobody has a real exception.

Step 2: Migrate open deals carefully

Move each currently open deal into the new stage that matches its last verifiable event, not where someone hopes it is. For each one, add a value, owner and next step. Deals with no activity for more than twice your normal sales cycle should usually be closed as lost with a reason, then re-opened only if the customer responds.

Step 3: Set permissions

Decide who can create, move, edit values and delete opportunities. In many small teams everyone can move cards, but only managers can delete them or change closed deals.

Step 4: Run the first review after one week

Look for cards in the wrong stage, missing values and missing next steps. Correct them together, so everyone sees how the rules apply in practice.

Step 5: Lock in the habit

Make the pipeline the single source of truth: if a deal is discussed in a meeting, open its card. If a manager asks for a status update, point to the pipeline rather than asking for a separate report.

Running a weekly pipeline review

A pipeline is only accurate if someone reviews it. A 20 to 30 minute weekly review keeps it honest.

Agenda

1. **New leads**: is every lead from the past week contacted? Any without an owner?
2. **Stale deals**: list every opportunity past its target time in stage. For each, agree a next step or close it.
3. **Quotes out**: what is the total value of open quotes? Which need a call this week?
4. **Won and lost**: what closed last week, and what were the lost reasons?
5. **Actions**: each person leaves with named next steps and dates.

Pipeline hygiene rules

- Every open opportunity has a next step and a due date.
- No opportunity sits in New lead for more than one business day.
- Quote values are entered when the quote is sent.
- Lost opportunities always have a reason.
- Nobody moves a card backward without adding a note.

Weekly review checklist

- [ ] All new leads have an owner and have been contacted
- [ ] Stale deals reviewed and either progressed or closed

- ☐ Every open deal has a next step and due date
- ☐ Open quote value checked and follow-up calls assigned
- ☐ Lost reasons recorded for all lost deals
- ☐ Actions assigned with dates

Metrics and forecasting

Stage conversion rates

Stage conversion shows where deals drop out. Calculate it for each stage over a period (for example, the last 90 days):

Stage conversion = opportunities that reached the next stage / opportunities that entered this stage

Worked example: a 90-day funnel

Illustrative figures for a renovation company over 90 days:

Stage	Entered	Moved to next stage	Conversion
New lead	300	240	80%
Contacted	240	150	62.5%
Qualified	150	105	70%
Appointment booked	105	90	85.7%
Needs assessed	90	84	93.3%
Quote sent	84	30 won	35.7%

Checks: 240 / 300 = 0.80. 150 / 240 = 0.625. 105 / 150 = 0.70. 90 / 105 ~ 0.857. 84 / 90 ~ 0.933. 30 / 84 ~ 0.357.

Overall lead-to-won rate: 30 / 300 = 10%.

The biggest proportional drop is between Contacted and Qualified (62.5%). That suggests looking at lead quality from each source, or at how qualification questions are asked. You can model the effect of improving one stage with the lead conversion calculator.

Weighted pipeline forecast

A simple forecast multiplies each open deal's value by the historical probability of closing from its stage. Using the example above, the probability of winning from each stage is the product of the remaining conversion rates. From Quote sent it is 30 / 84 ~ 35.7%. From Needs assessed it is 30 / 90 ~ 33.3%. From Appointment booked it is 30 / 105 ~ 28.6%.

Illustrative open pipeline:

Stage	Open value	Win probability	Weighted value
Appointment booked	$60,000	28.6%	$17,160
Needs assessed	$45,000	33.3%	$14,985
Quote sent	$120,000	35.7%	$42,840
Total	$225,000		$74,985

Checks: 60,000 × 0.286 = 17,160. 45,000 × 0.333 = 14,985. 120,000 × 0.357 = 42,840. 17,160 + 14,985 + 42,840 = 74,985.

This is a rough forecast. It is only as good as the historical rates and how accurately values are entered. Recalculate the probabilities each quarter from your own data rather than using default percentages from your software.

Worked example: fixing a stalled stage

Illustrative figures continuing the renovation example. The team notices that Needs assessed to Quote sent converts well (93.3%) but takes too long: the average time in Needs assessed is 6 business days against a 2-day target. Customers are getting quotes from competitors first.

The team changes three things:

1. The estimator blocks two hours each morning for quote writing.
2. A standard quote template covers the five most common job types.
3. An automation alerts the manager when any opportunity has been in Needs assessed for more than 2 business days.

After a quarter, average time in Needs assessed falls to 2 days. Suppose the Quote sent to Won rate rises from 35.7% to 40% because quotes arrive while the customer is still engaged. With 84 quotes a quarter:

- Before: 84 × 0.357 ~ 30 won
- After: 84 × 0.40 = 33.6 won
- Difference: about 3.6 extra jobs per quarter

At an illustrative average job value of $12,000, that is 3.6 × $12,000 = $43,200 of additional won work per quarter. The improvement in win rate is an assumption for illustration. The method is the point: find the stage with the worst time or conversion, change one or two things, and measure the same numbers again.

Stage time analysis

Alongside conversion, track the median time each opportunity spends in each stage. A table like this, refreshed monthly, shows where to focus:

Stage	Target	Median actual	Status
New lead	1 business hour	45 minutes	On target
Contacted	2 business days	3 business days	Slightly slow
Qualified	3 business days	2 business days	On target
Needs assessed	2 business days	6 business days	Needs attention
Quote sent	7 days	9 days	Slightly slow

Values in this table are illustrative.

Average sales cycle

Average sales cycle = total days from New lead to Won across won deals / number of won deals

If 30 won deals took 1,260 days in total, the average cycle is 1,260 / 30 = 42 days. This tells you how far ahead marketing needs to generate leads to fill a given month.

Linking pipeline to marketing economics

Pipeline data connects to your marketing numbers. With lead source on every opportunity, you can calculate cost per won customer by channel using the customer acquisition cost calculator, then compare it to customer value from the customer lifetime value calculator.

Common mistakes

1. **Feeling-based stages** ("Warm", "Hot") that mean different things to each person.
2. **Too many stages**, so cards get skipped or misplaced.
3. **No exit criteria**, so deals move forward before they are ready and forecasts inflate.
4. **Never closing deals.** Opportunities left open for months hide the true win rate.
5. **Missing values.** A pipeline without values cannot be forecast.
6. **No lost reasons.** You lose the most useful feedback you have.
7. **Pipeline per person or per source**, instead of using fields and filters.
8. **Automations that fight the team**, such as moving cards on events that do not reflect reality.
9. **Skipping the weekly review.** Accuracy decays within weeks without it.

Setup checklist

- [ ] Stage list drafted from the template and adapted to your process
- [ ] Entry and exit criteria written for every stage
- [ ] Owners and target times assigned
- [ ] Opportunity fields created, with value and next step required on open deals
- [ ] Lost reason picklist created
- [ ] Stage-based automations built and tested
- [ ] Stale deal alerts configured
- [ ] Quote follow-up sequence live
- [ ] Weekly review scheduled with a fixed agenda
- [ ] Quarterly recalculation of stage conversion and win probabilities scheduled

Want this to run automatically?

A CRM with built-in automation, such as GoHighLevel, can capture leads, send follow-ups and reminders, and track your pipeline in one place. Everything in this guide can also be done manually or with other tools. Some links on our site are affiliate links.

Read our GoHighLevel overview

Next steps

- Download the sales pipeline stages template and edit the definitions with your team.
- Feed the pipeline properly with the lead capture and follow-up tutorial.
- Reduce no-shows at the Appointment booked stage with the appointment automation guide.
- Fit the pipeline into your wider rollout with the CRM implementation guide and the CRM automation blueprint.
- Estimate the value of improving a single stage with the lead conversion calculator and the CRM ROI calculator.

Keep learning

Find the online version of this guide, related free tools and more guides at https://freetoolshelf.com/resources/.

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