

Marketing for Manufacturers

MARKETING FOR MANUFACTURERS

A Guide for Niagara's Industrial Based Companies



"The world sure has gotten a lot smaller"

I heard this statement from a business owner at a gathering of manufacturers last year and I could picture most of our clients saying the same thing.

Because of technology, the world is smaller. Companies can compete world wide no matter their location. Size is even becoming less of an issue, as companies collaborate with businesses and provide specialized services and products.

So this means that marketing is even more important today than it has ever been. Today's manufacturer needs to compete locally and globally at the same time to stay relevant and competitive.

For the last ten years we've worked with a number of manufacturers and industrial companies and we've learned that for them marketing is very different, and it continues to change, so we wanted to share what we've learned.

There are five main areas a manufacturer must focus on to be competitive and to get access to local and world markets.

1. Lead generation
2. Database
3. Education
4. Consistency
5. Sales process

It should be noted that sales and marketing have become a "singular" focus and not two separate functions at today's top manufacturers.

This report will focus on how sales and marketing should be used together and how to get the most out of them.

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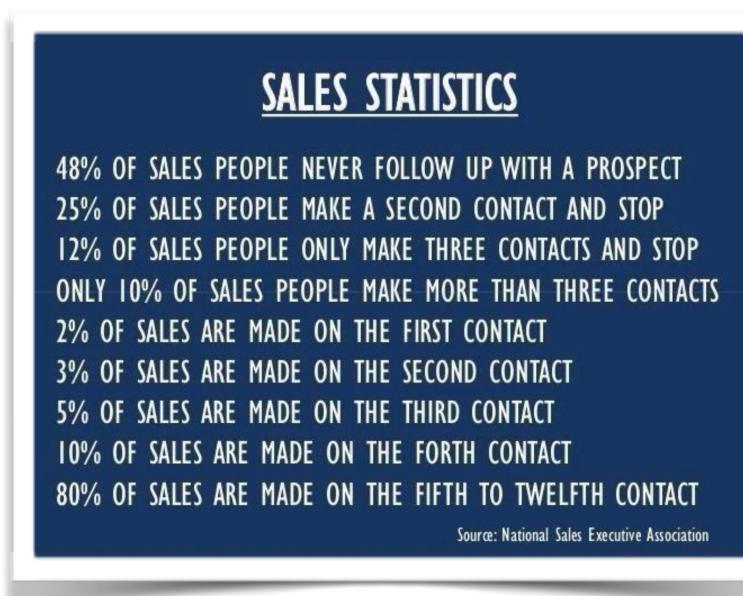
"Our study concludes that this is the percentage of our customers who will buy from us without any effort whatsoever on our part."

Leads...the life blood of any organization

One of the things we argue about with sales people is “what is a lead”? Many sales people believe a lead is someone they have made contact with that has shown some interest.

That's not a lead, that's a prospect.

Our definition of a lead is “an individual that has the authority to make a purchase decision that has been qualified and are interested in taking action by making a purchase within the next 90 days”.



The two key words are “qualified” and “action”. That's the difference between a lead and just a prospect.

So the real question is - do you have a repeatable system for generating leads?

In a recent study of Canadian manufacturers 68% report struggling with lead generation, primarily due to a lack of a formal process.

In addition, the same study reports that 78% of leads generated from marketing never convert into sales due to a lack of lead nurturing.

So what does a formal lead generation process look like?

Here are four steps to get started:

Easy to use website

Your website needs to be light on text, easy to use navigation, mobile friendly and focused on how you can help the visitor, not on your history and services.

Educational content

Good content educates and inspires people to want to make a change in what they are currently doing. Good content is not about you and your products and services.

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Sign up

Ask people to do something; join your newsletter, download a report, attend an event or watch a video. Your website and marketing materials need a strong call to action.

Multiple touches

The typical buying cycle has increased significantly from weeks to months and even years. Prospects can also have their buying cycles interrupted by events that are beyond their control and force them to slow or even stop the process.

Your goal is to keep your company and its message in front of them on a consistent basis. You need to be there when they start the buying process again or another new opportunity comes up.

The challenge with lead generation is that it takes time. You can't simply send out a single email to your database and then be flooded with business. You need to be consistent, helpful and interesting.

At the same time, today's companies are making do with what they have longer. While you may have a targeted list of companies that could use your services, they will only pay attention to your message when they are actually in need of what you offer.

This means that you have to be there all the time, because you can never truly know when that right moment will come.

If your business isn't learning it's dying

Most manufacturers today have a database of customers, unfortunately they are mostly just lists with no learning attached to it.

You have a unique opportunity today to constantly learn about your customers. From details about their size and scope of business to who they compete against and what they're planning for the future. You can develop a comprehensive understanding of your customers and what's important to them.

The more aligned you can be to your customers the better you can be prepared to be their primary supplier. Too often we learn of opportunities once they're underway and we can't react fast enough. We end up losing out on the work and on building the relationship.

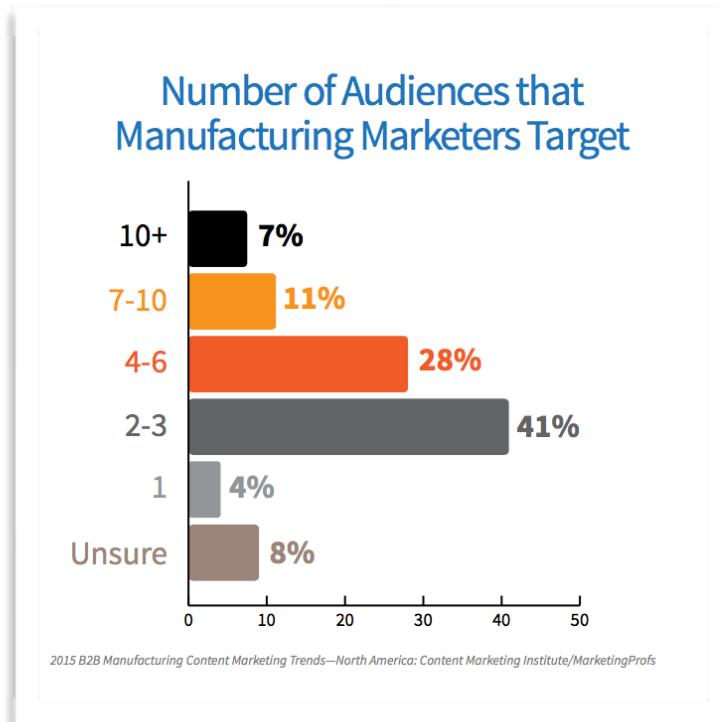
Today's leading manufacturers use a Customer Relationship Management tool (CRM) to help collect, store and manage all of the customer intelligence gathered.

This type of tool allows you to record all interactions (phone, email and visits) as well as any responses. You can also plan out additional touches (direct mail, email, phone or visits).

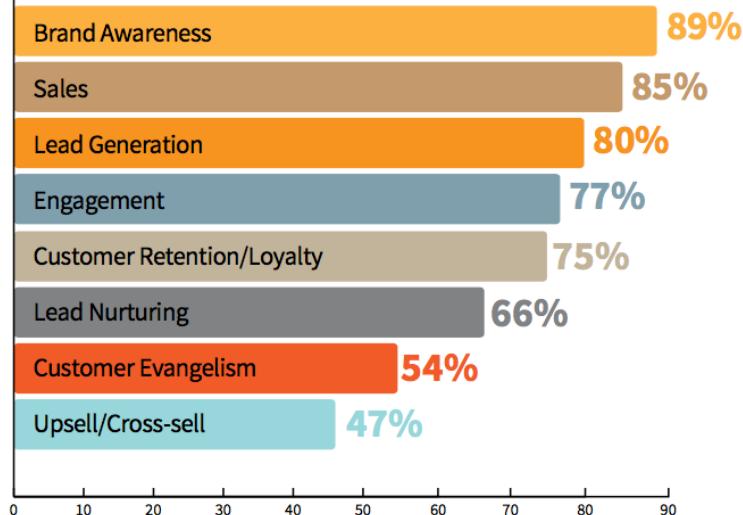
Regardless of the type of CRM you use, there are some critical pieces of information that should always be collected.

1. Up to date contact information
2. Multiple points of contact within the company
3. Dates with notes of all interactions (phone, email, visits)
4. Copies of all materials sent
5. Any news gathered via other sources (trade publications, social media and the customers website, etc.)
6. A schedule of up coming touches (remember most sales don't happen until after the fifth touch)

Many sales people are resistant to a CRM as they feel it eats up too much of their time inputting data and some feel like they're being watched by big brother.



Manufacturers' Organizational Goals for Content Marketing



2015 B2B Manufacturing Content Marketing Trends—North America: Content Marketing Institute/MarketingProfs

What you need to remind them of is that you both have the same goal; to win new business and long term customers. The only way to do that in today's competitive business climate is to be smart by joining sales and marketing into one cohesive strategy.

I didn't know you did that

Marketings role is no longer to just promote, it's now about education.

Every one of us, including your customers, is exposed to over 3000 promotional messages a day, so our brains have developed a way to block out 99.9% of it or we would all go mad.

That means your marketing has to work that much harder. So what we need to do now, is to move from boring self promotion to education, help, and information.

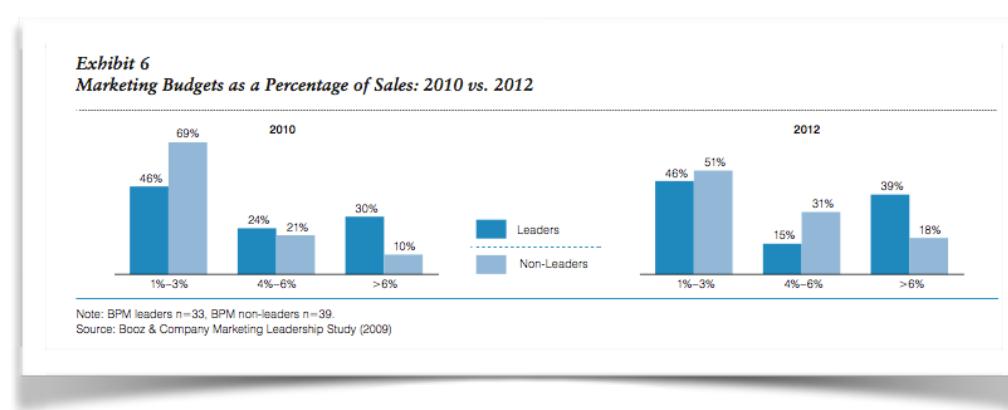
Marketing today is about helping customers learn. Learn new methods, ideas, resources and, tools to not only better their businesses, but better their jobs.

Here's your challenge. Human beings will not change what they do until it becomes too painful to continue with it. We're stubborn that way.

We will make do and find ways to work around things until we no longer can.

This is why you need to have a consistent and comprehensive marketing strategy that keeps your company in front of your customers, so when they're ready, you're ready.

One of the questions we get asked the most by manufacturers about marketing is "where should I put my money"?



Unfortunately there is no silver bullet. There are literally dozens of ways for you to put your message in front of your market.

When we work with a manufacturer we recommend

that you have a minimum of five tactics for reaching your market. What you choose should be based on the following criteria:

- Your ability to create the content (in-house or outsourced)
- Your budget
- The size of your target audience
- The sophistication of your target audience (technology users vs. old school)
- The length of your sales cycle
- The size of your sales team

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When choosing the specific tactics you will use there are dozens of choices. We've narrowed them down into five main categories:

Traditional

- Trade publications
- Broadcast media (TV or radio)
- Outdoor
- Sales collateral (brochures, business cards, folders)

Direct

- Phone
- Email
- Face-to-face visits

Online

- Website
- SEO
- Social Media

Events

- Trade shows
- Seminars
- Open houses

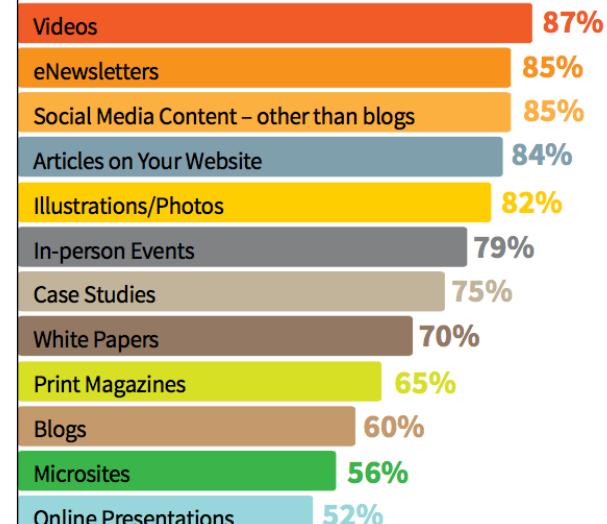
Content

- Blog
- Video
- White papers

No matter what your mix of tactics are, make sure you have a consistent look to all of your pieces as well as a consistent message.

Another great tool is a communications calendar. This allows you to put all of your tactics, budget, execution dates and who is responsible in one document.

Manufacturers' Content Marketing Tactic Usage



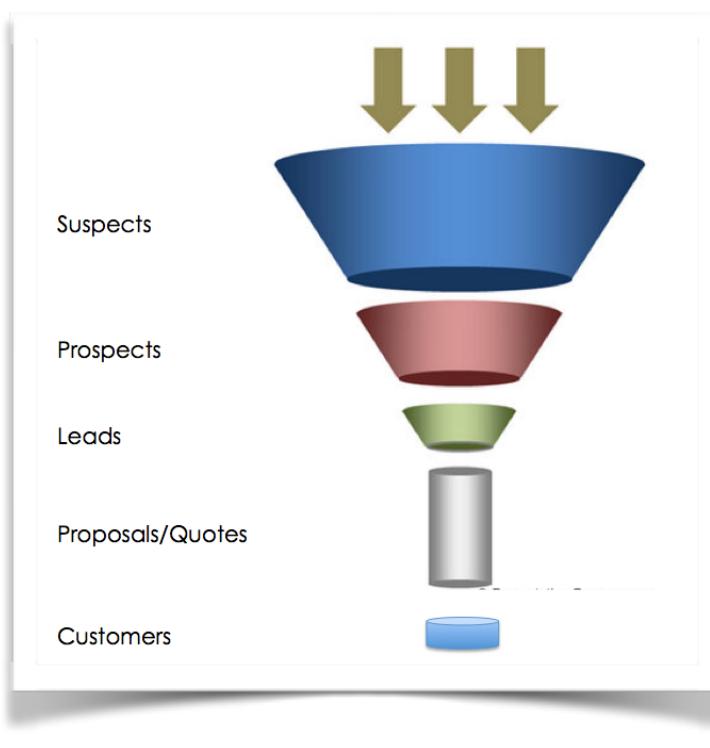
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Communications Plan		Size	Creative	Media cost	2015											
Line	Item				Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2	Communications Plan															
3	Budget \$70,000															
4	Tactics															
5	Traditional Media															
6	Outdoor	10'x10'	3 boards	\$797 per board	X	X	X	X	X	X	X	X	X	X	X	X
7	Production and Installation			\$500 per board	X	X	X	X	X	X	X	X	X	X	X	X
8	Print Ads	4 col x 100 full color	\$465.60 per ad		X	X	X	X	X	X	X	X	X	X	X	X
9	Creative and Copy Writing															
10	Total Traditional Media				\$600											
11	Direct to Members															
12	Line of Credit	Letter	\$360												X	X
13	Statement Ad creative	Postage	300 members	\$0.52 ea										X	X	X
14	Mortgages	Letter	\$360	\$0.52 ea	X	X	X	X	X					X	X	X
15	Statement Ad creative	Postage	500 members	\$0.52 ea	X	X	X	X	X					X	X	X
16	Loans	Letter	\$360	\$0.52 ea						X	X	X	X	X	X	X
17	Statement Ad creative	Postage	1000 members	\$0.52 ea						X	X	X	X	X	X	X
18	Credit Card	Letter	\$360	\$0.52 ea						X	X	X	X	X	X	X
19	Statement Ad creative	Postage	1000 members	\$0.52 ea						X	X	X	X	X	X	X
20	Total Direct to Members				\$200											
21	Online Social Media															
22	eNewsletter	Creative and copy writing		\$500 per												
23				\$30 per 1000	X	X	X	X	X	X	X	X	X	X	X	X
24	Facebook Group Page - create a better CSMU Strategy			\$100 per hour	X	X	X	X	X	X	X	X	X	X	X	X
25	LinkedIn Maintenance			\$25 per hour	X	X	X	X	X	X	X	X	X	X	X	X
26	Total Online Social Media															
27	In-Breach			\$2500 per						X	X	X	X	X	X	X
28	Total In-Breach															
29	Contingency															
30	Contingency				\$ 4,800											
31	Total Contingency															
32	Next Communications Plan															
33																

If you can't measure it, you can't manage it

Do you have a sales process? The reason I ask is because the process of selling today is not like it was 20 years ago. Today, sales is joined with marketing and includes multiple touch points with customers.

With the availability of customers to access information from multiple sources means they can come to you at different stages of their buying cycle. Some are coming at the beginning, some in the middle, and, some right before they make a decision. The challenge is that depending on the stage they are at, they require different information.



So you've done all of this great work to generate qualified leads, but now you have to manage them through the sales process and convert them from a lead to a customer.

This is where a sales process is critical.

A good sales process allows you to do two things:

Ensure the prospect is getting the right information at the right time. And two, helps to convert them from one stage to the next.

In the diagram to the left, we've simplified the sales process into five simple stages, typically called a sales funnel:

Suspects

Typically a list of companies from the target markets you've identified that may benefit from your products and services. No contact or qualifying has been done yet.

Prospects

This group has gone through some preliminary qualifying as in their website has been searched, as well as, LinkedIn and trade associations. You have been able to determine that they do indeed purchase what you make, but you have not as yet made contact to determine the urgency of that need.

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Leads

As we described earlier a lead is an individual that has the authority to make a purchase decision that has been qualified and are interested in taking action by making a purchase within the next 90 days. This means you have made contact with at least one individual at the company and determined their urgency and that they have the authority to make the decision.

Proposals/Quotes

While this seems like the natural stage to convert a lead to a customer, there are things to watch out for. Depending on when you met the client (the stage of their buying process) your quote could be used to justify another quote from a competitor. If you've done a proper job at qualifying and educating the prospect, your conversion rate should be in the 75%+ range.

Customers

You are after customers, not just sales. A sale is a transaction and typically focused on price. By cultivating customers, you build relationships, repeat business and open the dialogue to much more than just a price conversation.

You will want to measure your conversion rates between stages. How many suspects become prospects? How many prospects become leads and etc. As the prospect moves along the sales process your success rate should increase if you've properly qualified and educated them along the way.

Your conversion numbers are how you know if your sales process is working or not. If your lead generation system is bringing in enough prospects, but you're not converting them to leads and proposals/quotes then you need to make adjustments.

Larry Anderson Consultants

We love small businesses.

In fact, they're the backbone of the country. 98% of businesses in Canada have fewer than 100 employees. But the problem is, less than half of them will make it past five years.

And that's why we love them. How can you not love working side by side with people that despite the odds, are so passionate about something that they are willing to make it their sole (soul) purpose.

That's something pretty awesome to be a part of.

Our goal has always been to help small business owners overcome problems they've had trouble solving on their own. So the real question is not what we do, but what problems we solve.

The companies we work with are great at what they do, but sometimes they get bogged down. From slow or declining sales to internal communication issues or the need to find the right employee, there are always things that creep in and get in the way of success.

But the one thing that always comes up is the need to help small business owners overcome their own limiting thinking.

So if you're ready to look at your business differently, we'd love to help you get there.

Give us a call and let's get started.



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