

THE INTELLIGENT INDUSTRIAL MARKETER™

White Paper Series

ALIGNING
YOUR
ONLINE
MARKETING
STRATEGY

WITH
YOUR
BUSINESS
PLAN

The Business Challenge

Do you know where your prospects are? Ten years ago, they were attending trade shows, reading trade magazines, reviewing product catalogs, and even reading their mail. Some of them are still there today of course, but the overwhelming majority of them – more than 90% – are looking for products and taking the first steps in the buying process online.¹ They are searching for products online, reading about products online, and downloading product literature and technical illustrations. In some cases, they are asking questions online – filling out forms and even chatting with customer reps in interactive forums. And some of them are even taking steps to design their own products – making drawings and completing “configurators” that allow them to specify their needs in detail.

You know that industrial marketing is moving online, but do you realize how nearly complete the transition is? 93.4% of industrial buyers reported² are on the Internet to make buying decisions. More significantly, these users expect to be able to find out all the information they need to decide whether or not to buy your products – technical specifications, engineering drawings, configuration information, and more. These potential buyers expect to find this information or they will move on – 91% of them will seek out another supplier if they don't find the information they need on a website.³

But while you may know that the Internet is important and that you “need to have a website,” you may not fully appreciate yet that the Internet is indeed central to your marketing needs. Or perhaps you do understand how central your website is, but you are not sure how to bridge the gap between the website you have today and the website you imagine would be more supportive of your company's marketing and sales efforts. **Recently, only about half of industrial marketers surveyed⁴ reported thinking that their website is the powerful marketing tool it needs to be. And they are not standing still about it:**

- **78% plan to increase spending on their company's website this year**
- **75% plan to enhance their current website in the next 12-18 months**
- **83% believe their website marketing will become more effective over the next three years**

But is comprehending that the Internet is important – and perhaps redesigning a website – the same as treating online marketing as core to success? It seems not, as it's clear that most companies don't think their websites are the strategic marketing resources they should be.

¹ThomasNet / Google Survey, 2005

²ThomasNet / Google Survey, 2005

³Thomas Publishing Company, 2003

⁴SVM e-Business Trends in Manufacturing Report, 2007

Does Your Website Support Your Business Plan?

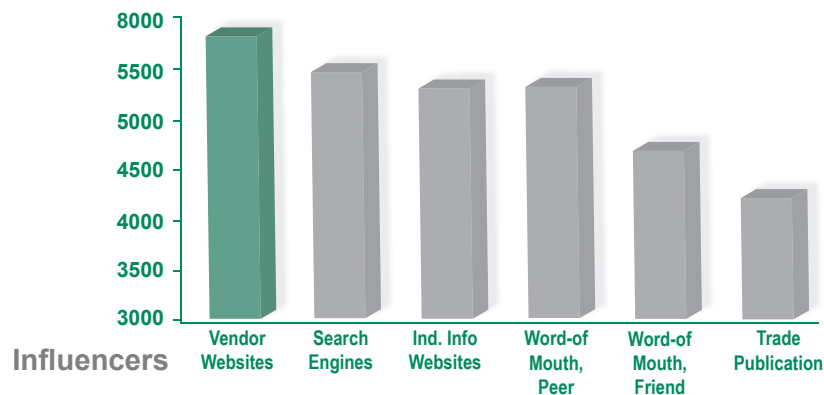
The questions that you as an industrial marketer should ask yourself about the Internet and your business are fundamental ones:

- What are your company's major business objectives, and how can online marketing support those objectives?
- Are you planning to expand into new markets? Are they new markets in the U.S. or overseas?
- Are you looking to up-sell or cross-sell new products or services in current markets with current customers?

Whatever the major objectives might be, your role in this process is clear – to make your online marketing strategy align with these objectives. A successful online marketing strategy directly ties your main business objectives to your website – making your website the central focal point for all marketing initiatives.

A recent B2B Survey conducted by search engine marketing company Enquiro found that **an industrial vendor's website is "the #1 influencing factor in a buying decision."**

Top Influencers of B2B Buying



Other influencing factors include search engines and industrial information websites, as well as traditional ones such as word-of-mouth and trade publications.

Without a doubt, prospects for your products and services are using the Internet as their main sourcing tool when they're looking to buy or specify your products or services. Your marketing strategy needs to engage these prospects precisely where and when they're looking for you, and draw them to an information-rich website that presents your products and services in convincing detail.

The Reality of Industrial Marketing Today

Some industrial marketers don't realize how much the Internet has changed the nature of buying and selling.

Ask Yourself:

How has the Internet changed your buying habits?

10 years ago you may have never ordered a book or CD online, whereas today you might buy all your books online – and download all your music. In 1997, only a few percent of travel bookings were done online, growing steadily to almost 50% in the past year. And, of course, such change has tangible results offline, with far fewer bookstores, music stores, and travel agencies in 2007 than there were in 1997.

Your buyers and prospects have likely experienced this very same kind of change in habits as you, in both their personal buying and their work-related buying.

Many companies set up websites but don't manage them as a strategic asset.

Many first-generation websites were set up for the purpose of simply having a website. However, they have not been kept up-to-date or redesigned to match buyers' needs for information. Many companies' websites don't provide the detailed technical information or the search and navigational capabilities that would help buyers find the information they need to make a buying decision.

Ask Yourself:

- **Is your website designed with your prospective buyers' needs in mind?**
- **Could they find the detailed information that they need to do business with you?**
- **What changes could you make to your website so it can act as a 24/7 sales channel for your business?**

Some companies don't have clear roles and responsibilities for managing their website.

Small companies are often challenged to provide the manpower and focus for a website. Can company management answer basic questions like, "What is it we want the website to do for the business?" and "How does the website support our business objectives?"

Ask Yourself:

- Is one person in your organization held accountable for the strategy, performance, and measurement of your website?
- Who would be the best person or people in your company to align your website with your marketing plan?

Some companies worry about revealing too much information to competitors.

Some industrial marketers have come to appreciate how much information prospective buyers expect to see, but still worry about sharing information that might help their competitors.

Some companies don't want to make their CAD drawings downloadable from their websites – for fear that someone will be able to copy their products. They don't want to publish their prices for fear that the competition will see it, or they will be eliminated from a job based on price alone. Or they make custom products and don't want to limit themselves to listing just the products they've made so far – because they can do so much more.

Ask Yourself:

While some of these concerns are perhaps well-founded, isn't the bigger concern that prospective buyers will simply see the lack of information on your website and walk (or click!) away?

The prospect who might be inclined to tabulate prices of various vendors will likely find your pricing information anyway, and the unethical competitor who wants to copy your products will find another way. The custom product example is a good one, but consider the problem from another point of view – shouldn't your website help prospective buyers fully understand your customization capabilities – by giving them real-world examples of the products you've created up until now?

Truth or Fallacy?

In such a fast-changing world, the business models have fundamentally changed. In the relatively short span of a decade, online has become the dominant communication channel for you to reach industrial buyers. But the change, as Enquiro's B2B Survey results show, is even more fundamental. It is not a matter of leveraging online marketing as the dominant channel; instead, it is treating your website as the centerpiece of your overall marketing strategy. Consider the following statements – are they still true today, or is some fallacy at work?

Truth or Fallacy?

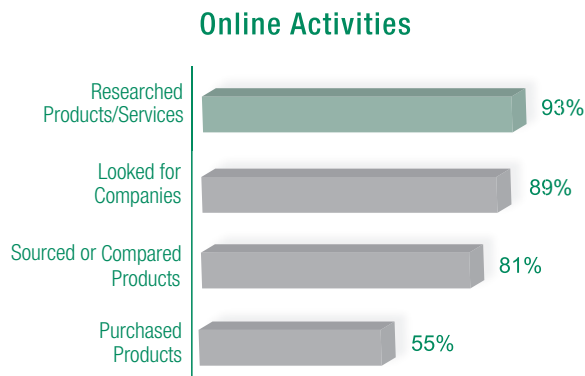
“Most industrial buyers will call me if they don't find what they need on my website.”

– Fallacy

The Truth:

93.4% of industrial buyers use the Internet to research buying decisions, and 91% of them will seek out another supplier if they don't find the information they need at a website. They will simply click the Back Button and move on to the next website.

Studies show that industrial buyers spend 8 hours a week looking for products and services online. Consider this breakdown of sourcing activities by industrial buyers and specifiers who participated in the ThomasNet / Google Survey.



Nearly all industrial buyers research products and services and search for companies online, and more than 55% of buyers compare products and go so far as purchasing online.

Truth or Fallacy?

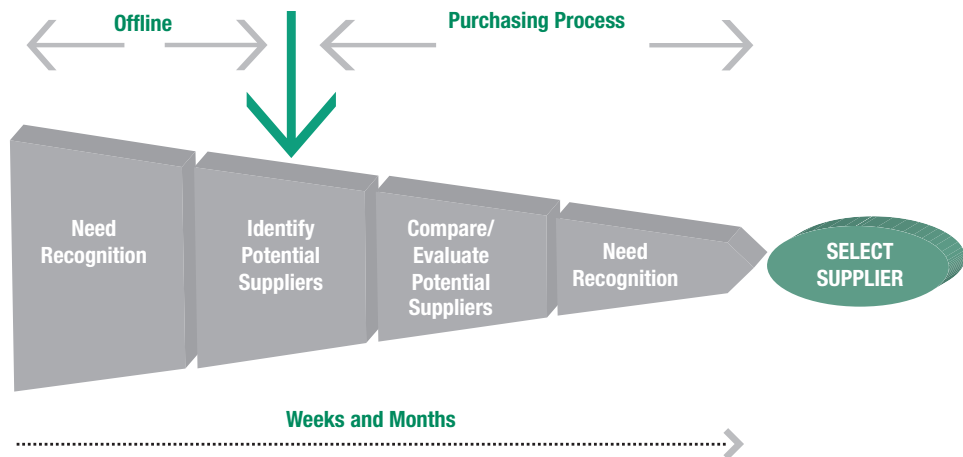
“My products/services aren’t meant to be sold on the Internet. I do a lot of custom work and I can build to a customer’s specifications – so they do need to talk to me.”

– Fallacy

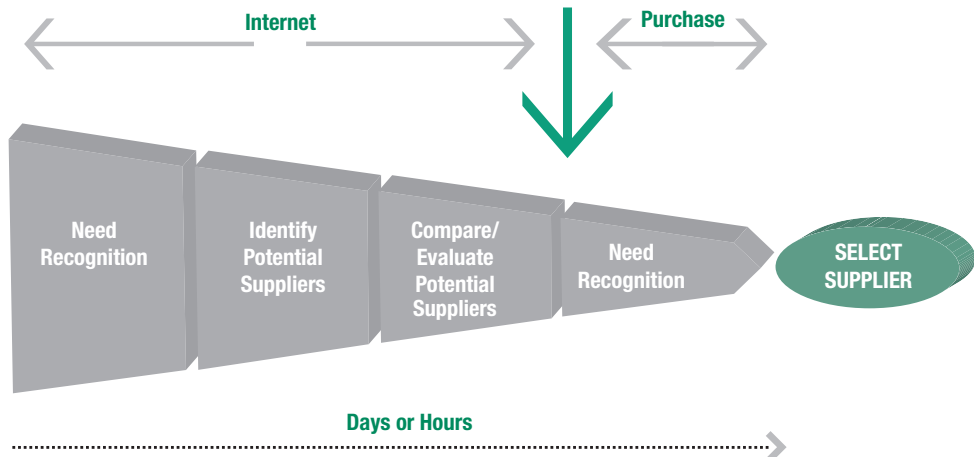
The Truth:

The Internet has made buyers even more independent, allowing them to do much more gathering of information for a potential purchase, identifying suppliers, even comparing and evaluating competitors – all before they pick up a phone.

Traditional sourcing brought potential buyers to the marketer’s doorstep much earlier in the process.



The sourcing process has evolved from one that was largely offline and collaborative to one that is largely online and independent – and one that used to take weeks and months to one that now can happen in days or even hours.



Truth or Fallacy?

“I can’t afford to set my website up like the big companies.”

– *Fallacy*

The Truth:

Building a new and useful website does not have to be an expensive undertaking. By choosing a Web vendor that has experience building websites and working with industrial companies, you have the opportunity to create a highly professional website that meets the needs of your potential customers and helps you increase sales. With a professional, industrial look and feel, your website might look deceptively expensive, but it could get built for less than \$15K.

But cost is only one part of the return on investment. Consider the opportunities for new business the improved website will give you. As you will read on the next page, companies that have invested in an improved, information-rich website can point to specific and significant sales from the new site.

Truth or Fallacy?

“I am undergoing a re-design now so...I’m not looking to make more changes to my site right now.”

– *Fallacy*

The Truth:

Creating a website is not a project that you do once and forget about, or even once every few years. It’s a core part of your business that you need to be fine tuning on an ongoing basis.

If your new website does not answer all the questions your potential customer needs to decide to do business with you, it might be worth taking a moment and checking if your website puts your company’s best foot forward and is aligned with your marketing plan.

View your website as a strategic asset that requires continuous focus, analysis, and investment. As the centerpiece of your marketing initiatives, your website needs to fully represent your company and its latest products, and capabilities.

The Opportunity: All Roads Lead To Your Website

The opportunity for marketing industrial products online is enormous. Your prospective buyers are there, and their requirements are crystal clear – they want you to have a website that provides rich information about the products and services you offer.

Your website should be the focal point to all marketing, including branding, advertising, public relations, and lead generation – both domestically and globally. The goal should be to have a website that supports all of these activities with detailed product information that acts as a 24/7 salesforce.

Companies that have taken this approach can point to significant success – impressive growth in existing markets, dramatic expansion to new markets, and whole new ways of interacting with prospects and current customers. Consider Ohio-based **Riten Industries (www.riten.com)**. Riten manufactures workholding devices that serve as shafts for different kinds of machines and equipment, with applications ranging from hydraulic cylinders to propeller shafts for aircraft carriers. They provide a capability on their website for prospects to draw their own products, and the typical result is a prospect that is ready to buy. Executive Vice President Travis Horton reported in a recent talk, “The customer has already designed what he wants. He is just submitting a purchase order. I don’t have to do anything – just take the order and put a part number on it.” This extends to current markets, as well as new markets including overseas. Riten, for example, has also seen significant growth in international sales with an online catalog (from 2-3% of sales up to 10%). And this

Executive VP of Riten Industries Travis Horton believes that 50% of their recent growth comes from customers “finding our website and having a great buying experience.”

international growth is a natural outcome of their website, and is part of truly impressive growth in the last few years. They have grown threefold in five years. Horton believes that 50% of their recent growth comes from customers “finding our website and having a great buying experience.” Riten advertises in magazines with the headline, “A Website You Can Really Use,” and also uses tradeshow and other marketing activities to promote the website.

Consider also New Jersey-based plastics manufacturing packager **Flex Products (www.flex-products.com)**. They have grown their business significantly over the past few years with an online catalog – and no sales force. Areas of growth include international sales (now 5-6% of the company’s sales up from zero) and growth in hidden markets – inquiries that originate online for products that had not yet been developed. In recent months, Flex Products has received inquiries through their website that resulted in significant orders for them to develop a range of new packaging products.

Flex’s experience is instructive. The right website, with the right detailed information, will bring prospective buyers well along the buying process, even with highly specialized and unique requirements. This reinforces again how critical it is to center your marketing around an information and feature-rich website that anticipates and answers your prospects’ questions.

What You Can Do Today: Strategy

Here are some strategies for aligning your online marketing with your business plan:

- If you don't have one, draft an online marketing plan.
- Facilitate a discussion among key managers to ensure your online marketing plan aligns with your core business objectives.
- Develop key metrics for the marketing plan such as gross sales revenue, cost per sale, and ROI by marketing program. See the April 2007 Issue of *The Industrial Marketer* at www.thomasnet.com/industrial-marketer
- Consider developing a SWOT (Strengths-Weaknesses-Opportunities-Threats) analysis for your company. See the September 2006 Issue of *The Industrial Marketer* at www.thomasnet.com/industrial-marketer
- Brainstorm online marketing strategies for building international traffic if appropriate for your business.
- Facilitate a discussion among key managers about how the website can be better measured and evaluated.
- Create a high-level timetable for developing your next-generation website.
- Interview outside professionals who can help with the design and development of your new website.
- Consider promoting your website to your clients and prospects with e-mail marketing and e-newsletters – so all marketing activities lead to your website.

What You Can Do Today: Tactics

Understanding what your buyers want from you is key to everything you do on your website. Here are some ways to find out your buyers' needs:

- Would your prospective buyers learn everything they need to from your website? Would navigation on the website help them probe for more information? Would they leave frustrated? Perform this kind of invaluable analysis and document it.
- Survey your customers, even if it's informally via sales reps and customer service reps, about their needs and expectations for your website.
- Do prospects typically request specification sheets? Make them available online.
- Would prospects reach a buying decision faster if they had CAD drawings of your products? Give them a mechanism for downloading the drawings.
- Look at your website and imagine it as an online salesperson who can answer the immediate questions that a buyer formerly called you about.

For Future Reference

Online

- **ThomasNet Press Room** – Download additional white papers from ThomasNet.
www.ThomasNet.com/pressroom
- **The Industrial Marketer** – Subscribe to this free monthly e-newsletter designed to share best practices and help marketers learn how to achieve a greater ROI from their Internet marketing investment.
www.ThomasNet.com/industrial-marketer
- **The U.S. Small Business Administration (SBA)** – Get expert tips for writing business plans.
www.SBA.gov
- **Marketing Sherpa** – Get practical advice and information about all aspects of B2B marketing.
www.MarketingSherpa.com
- **eMarketer Daily** – Subscribe to this daily e-mail newsletter focused on new e-business and Internet marketing trends.
www.emarketer.com

Books

- ***Marketing Plans, Sixth Edition: How to Prepare Them, How to Use Them***
by Malcolm McDonald
- ***The Successful Marketing Plan: A Disciplined and Comprehensive Approach***
by Roman G. Hiebing and Scott W. Cooper



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