



# **Trends in Industrial Marketing 2011:**

How Manufacturers are Marketing Today



## Contents

---

GlobalSpec Industrial Marketing Trends Survey.....	3
Highlights from the Survey Results.....	3
Conclusions .....	4
Recommendations .....	5
Marketing Goals and Challenges .....	6
Marketing Channels and Programs.....	8
Marketing Budgets and Sales Expectations .....	14
The GlobalSpec Advantage .....	16
About GlobalSpec, Inc. ....	17

## Graphs

---

What is your primary marketing goal in 2011?.....	6
Choose your top three marketing challenges for 2011 .....	7
Which of these marketing channels do you plan to use in 2011? .....	8
Which of the following social media applications is your company currently using?.....	9
Which of the following social media applications is your company planning on using? .....	9
For what purpose do you currently use social media applications?.....	10
Compared to 2010, how will you spending on the following marketing channels change in 2011?..	11
Check the top three sources of leads for your business. ....	12
Which of the following features/functionality do you have on your company Web site? .....	13
How does your 2011 marketing budget compare to 2010? .....	14
What percent of your 2011 marketing budget will be spent online? .....	14
How does your 2011 online marketing budget compare to 2010?.....	15
Compared to last year, do you expect your company sales to be up, down or flat this year? .....	15



## GlobalSpec Industrial Marketing Trends Survey

During the first quarter of 2011, GlobalSpec conducted its annual Industrial Marketing Trends Survey of marketing and sales professionals in the manufacturing sector. The survey addressed the marketing trends, challenges, and expenditures within the engineering, technical, manufacturing and industrial communities. This white paper analyzes the results of the survey and offers recommendations to marketers to help them allocate their marketing budget and plan marketing programs more effectively.

### Highlights from the Survey Results

Of the 384 survey respondents, 78% hold management positions in sales or marketing and 10% indicate they are a President/CEO. This group represents a variety of company sizes, with annual marketing budgets ranging from under \$50,000 to over \$1 million.

#### Highlights of the survey responses include:

- 87% of companies anticipate an increase in sales compared to 2010, a strong indicator of a better industrial economy.
- For the second year in a row, marketing budgets are recovering after a down year in 2009. 38% are spending more in 2011 than in 2010.
- 71% stated that customer acquisition or lead generation is their primary marketing goal in 2011. These have been the top two marketing goals for the past three years.
- The top three marketing challenges in 2011 are not enough quality leads, having too few resources, and the need to drive more customers to the company's Web site.
- 50% of companies are allocating more of their marketing budget to online programs in 2011. 49% of companies spend more than a third of their marketing budget online.
- 3 out of 4 sources for leads are online marketing channels, with company Web sites being the number-one source of leads.
- The top three channels where industrial companies will increase spending in 2011 are video, social media, and search engine optimization (SEO).
- For the first time, the majority of companies (57%) plan to use social media applications in 2011.
- The most-used social media applications are LinkedIn (69%), Facebook (53%), and Twitter (44%).



## Conclusions

### 1. Sales for manufacturers are increasing, along with marketing spend.

87% of companies expect sales to increase in 2011 over 2010 levels. This is the second year in a row where a strong majority of companies anticipated increased sales. Only 3% expect sales to be down this year. Another sign the economy is better is that marketing expenditures are going up. 38% of industrial companies are increasing marketing, a growth of seven percentage points over 2010 and a healthy 22 percentage points over the economic lows of 2009.

### 2. Manufacturers face the same marketing challenges and goals year over year.

For the second consecutive year, topping the list of manufacturers' biggest marketing problems is not generating enough high quality leads for sales. 52% selected this as one of their top three problems. Rounding out the top three were too few resources for marketing, and the need to drive more customers to their Web site. At the same time, customer acquisition and lead generation remain the top two marketing goals for the fifth year in a row. 19% of companies reported brand awareness as their primary marketing goal, up from 13% in 2010, indicating the increasing importance of being noticed and recognized in crowded and competitive markets.

### 3. Emerging marketing channels are taking hold in the industrial sector.

Significantly more companies (57%) are using social media as a marketing channel in 2011 than in 2010 (24%). LinkedIn, Facebook, Twitter, video and blogs are all seeing increased usage in 2011 over 2010, with LinkedIn the most popular social media application, now used by 69% of companies. 63% of companies are increasing their spending in social media; 64% of companies are increasing spending in video; 47% of companies are spending more on online events. One common thread of these emerging marketing channels: they are all online.

### 4. Online marketing is manufacturers' number-one area of marketing investment.

The top eight channels for increased marketing spend in 2011 are all online—from social media and SEO, to Internet banner advertising networks and online newsletter sponsorships and more. In addition, companies spend an average of 38% of their marketing budget online and 50% report that online marketing is a bigger percentage of their overall marketing budget in 2011 than in 2010. Although industrial companies are increasing their online marketing investments, they should do more—the industrial audience has largely migrated online to search for products, suppliers, and services. Online marketing programs can precisely target this audience and results are measurable.



## Recommendations

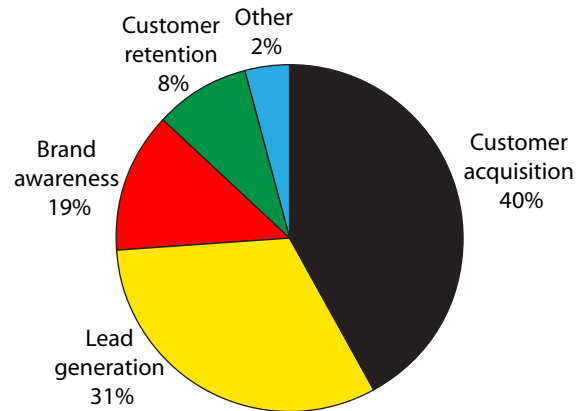
- **Work with media partners who can help solve your marketing problems.** Three of the top concerns for manufacturers are generating more high quality leads, driving more customers to their company's Web site, and too few resources. The right online media partner will offer a portfolio of tailored marketing programs that will send qualified traffic directly to your Web site, through banner ad networks, online newsletter sponsorships, online searchable product catalogs, 'buy now' buttons, and other proven tactics. Companies report their best leads come through their Web site. However, to generate more of these leads they must implement a comprehensive online marketing program that increases their visibility to their target audience and drives more qualified traffic. The right online media partner can help.
- **Stay abreast of developments in social media and other emerging strategies.** If you aren't using social media yet, it may be time to evaluate these tactics. If you are currently using social media, you should track your results in terms of visibility, conversions, and ROI. Although many industrial companies are now implementing social media, make sure you understand the specific reasons and goals for your own social media strategy. For example, the top reasons industrial companies use social media are branding and lead generation, yet only 3% of companies state that social media is one of their top three sources for leads. At this point in the maturation of the social media market, increasing brand awareness is the outcome most effectively achieved.
- **Choose targeted online programs that offer both lead generation and branding.** 71% of industrial companies chose lead generation or customer acquisition as their primary marketing goal, but this year branding is increasing in importance. 19% of companies selected branding as their primary marketing goal, up six percentage points from 2010. The best way to achieve multiple goals is to choose targeted online programs that deliver quality leads with contact information, as well as offer branding opportunities by making your company, products, and services highly visible to your target audience at all times during all phases of the buy cycle. Programs such as online searchable catalogs, online events, e-newsletter sponsorships, and ad networks all offer lead generation and branding opportunities.

If you have any questions about this survey, please contact us at 800.261.2052.



## Marketing Goals and Challenges

### What is your primary marketing goal in 2011 ?



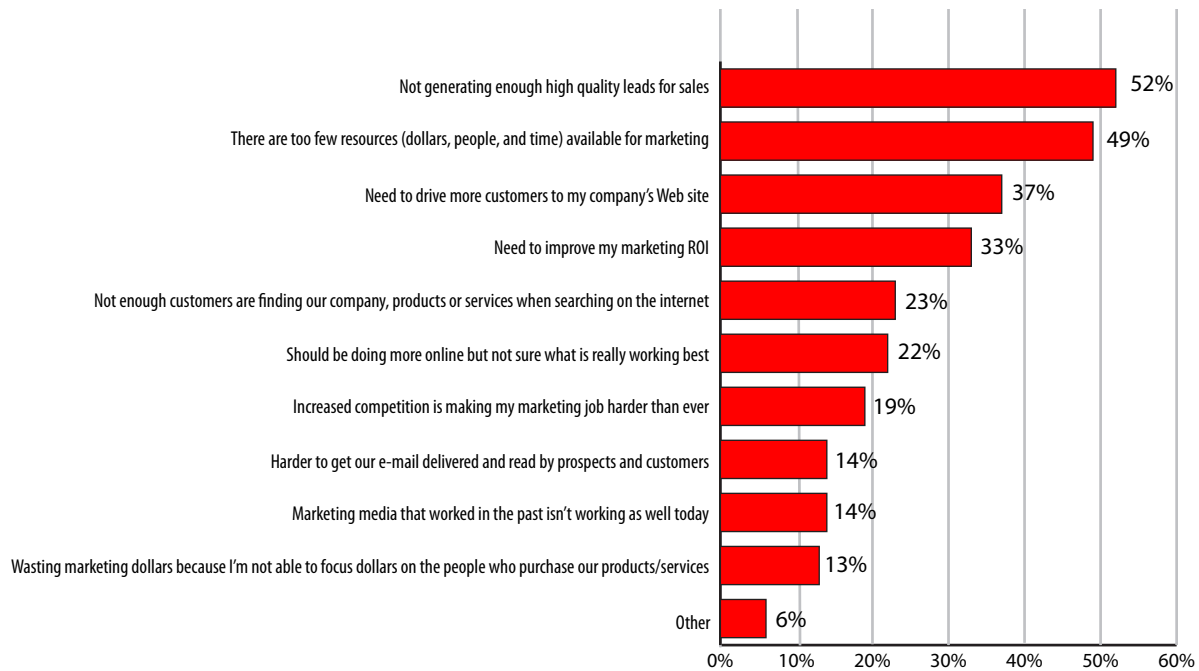
71% stated that customer acquisition or lead generation is their primary marketing goal in 2011.

© GlobalSpec, Inc.

**GLOBALSPEC®**



### Choose your top three marketing challenges for 2011



The top three marketing challenges are not enough high quality leads, too few marketing resources, and the need to drive more customers to the company Web site.

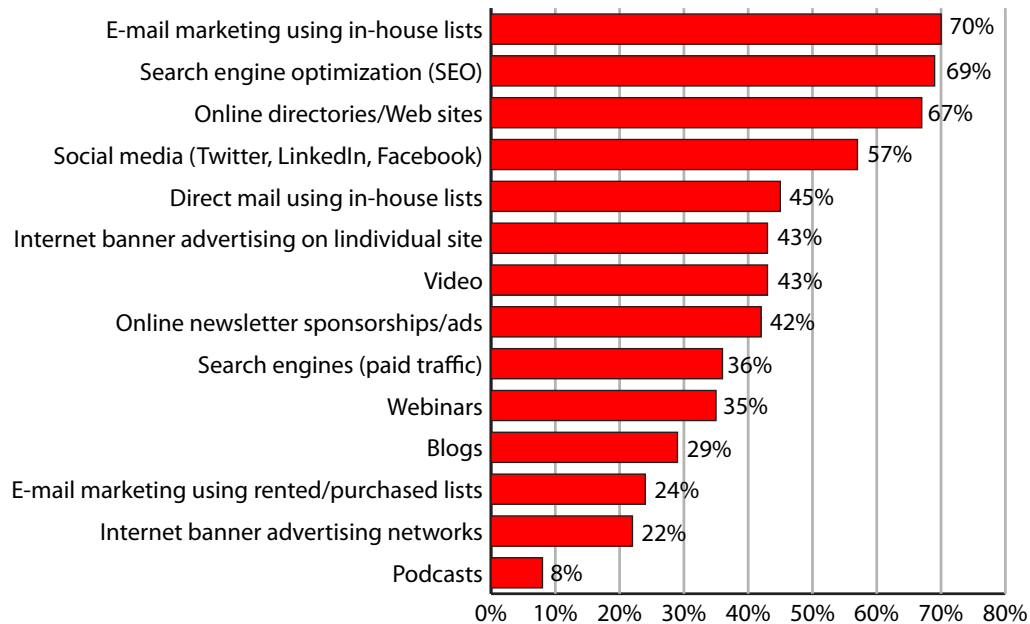
© GlobalSpec, Inc.

**GLOBALSPEC**



## Marketing Channels and Programs

### Which of these marketing channels do you plan to use in 2011?



The top three online marketing channels that companies are using in 2011 are e-mail marketing to in-house lists, SEO, and online directories/Web sites.

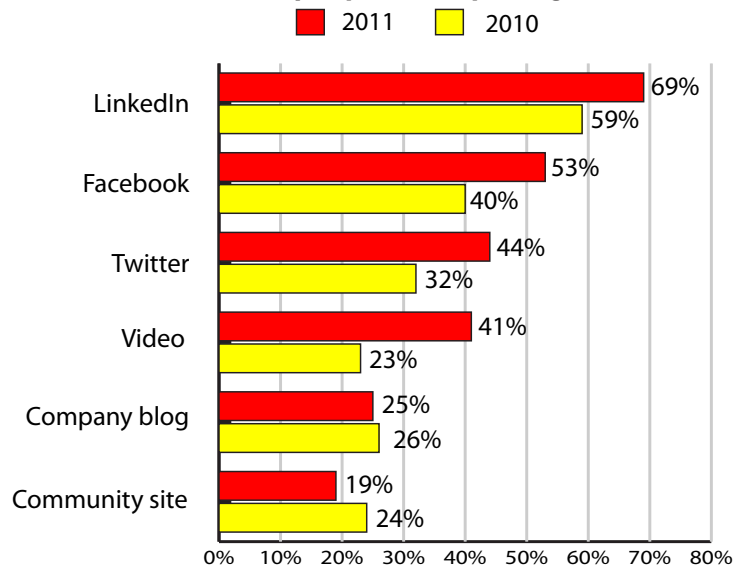
© GlobalSpec, Inc.

**GLOBALSPEC®**





### Which of the following social media applications is your company currently using?

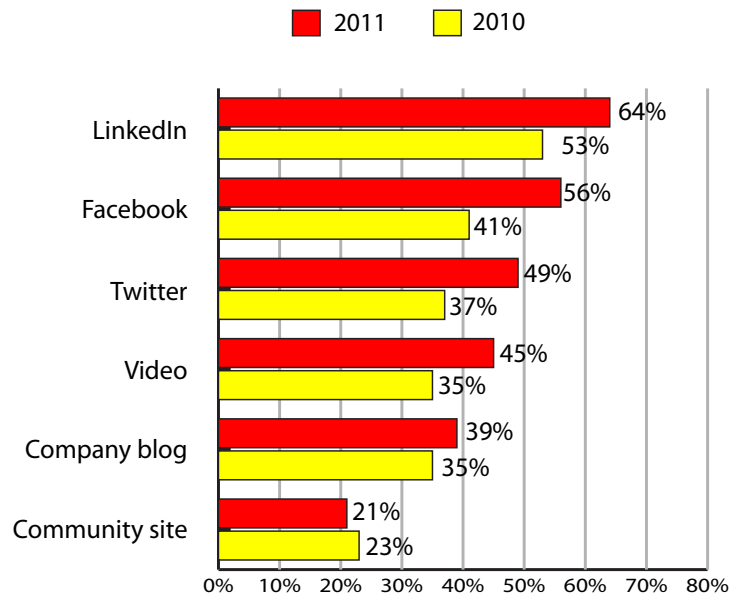


© GlobalSpec, Inc.

**GLOBALSPEC®**

LinkedIn and Facebook are the most popular social media applications currently being used. The largest increase in usage from 2010 to 2011 is video, jumping 18 percentage points.

### Which of the following social media applications is your company planning to implement?



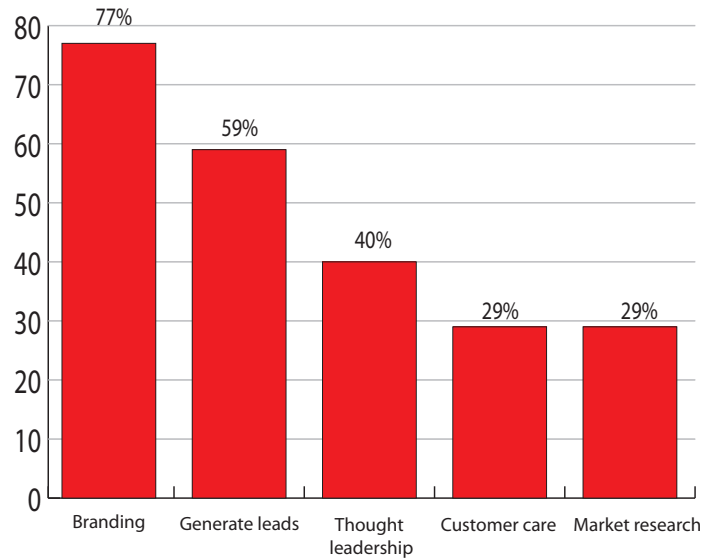
© GlobalSpec, Inc.

**GLOBALSPEC®**

Companies are planning additional investments in almost all social media applications.



### For what purpose do you currently use social media applications?



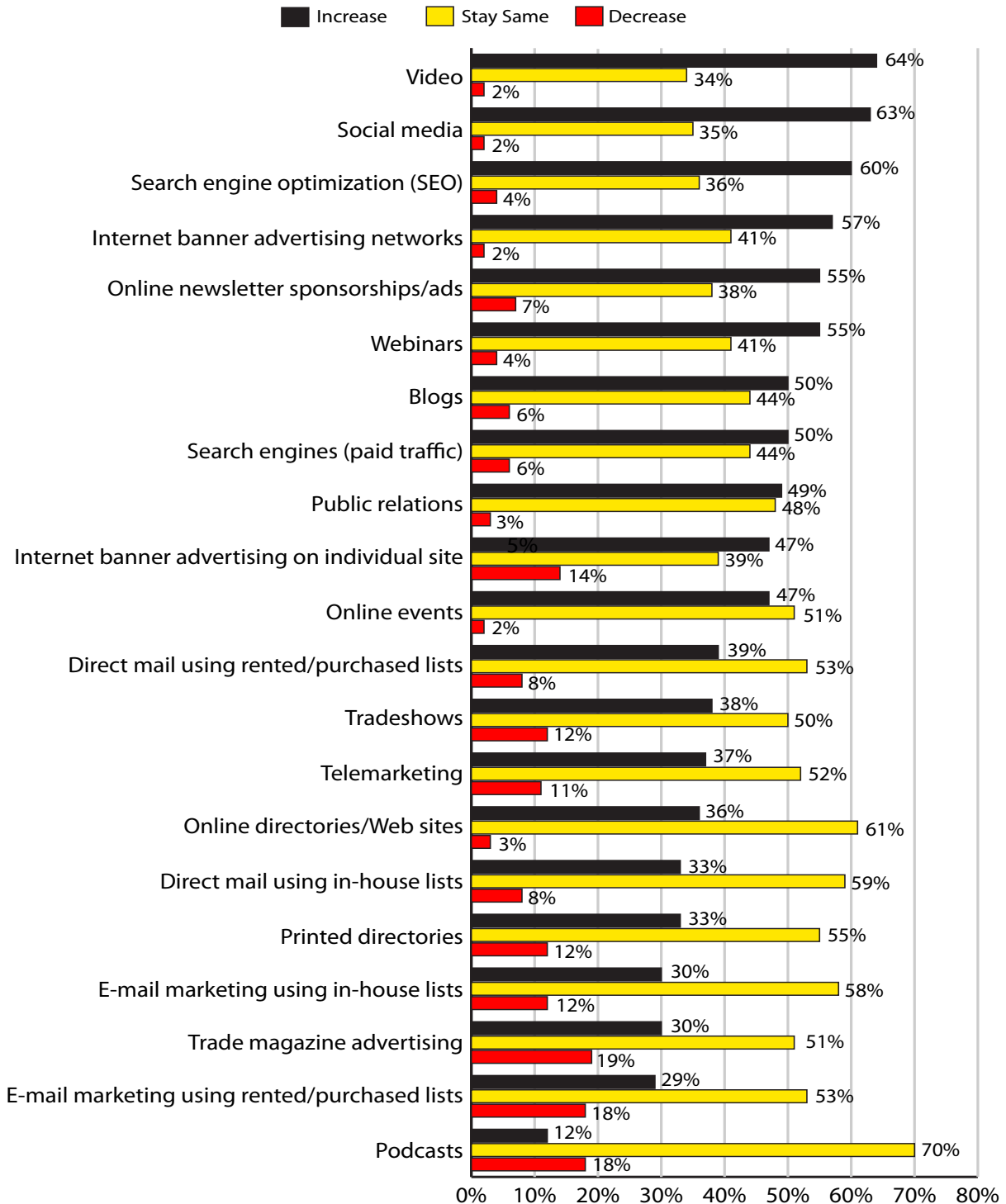
© GlobalSpec, Inc.

**GLOBALSPEC**

Branding and lead generation are the two primary purposes for implementing social media applications.



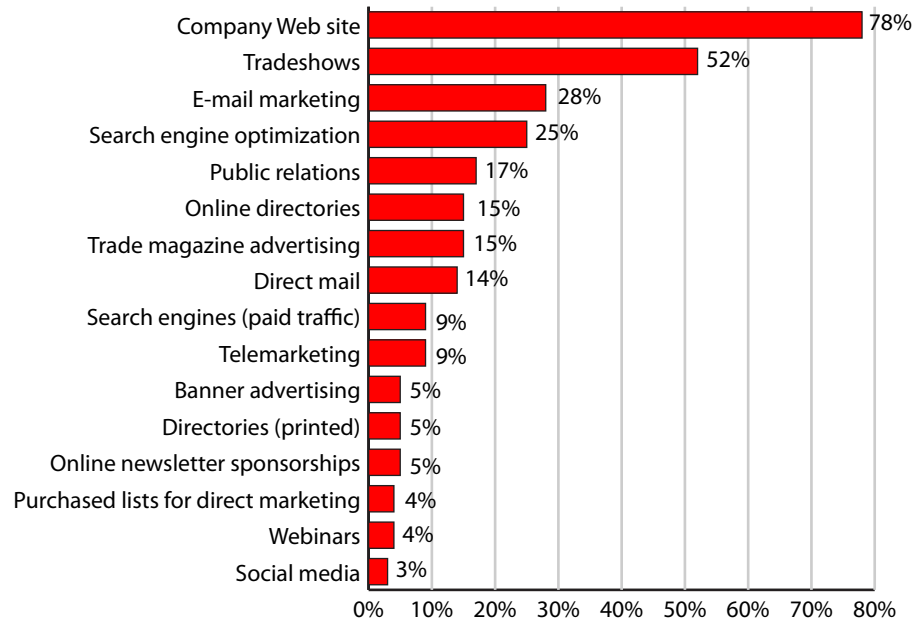
## Compared to 2010, how will your spending on the following marketing channels change in 2011?



The three channels where industrial companies will increase spending the most over 2010 are video, social media, and SEO. The top eight areas for increased spending are all online channels.



### Check the top three sources of leads for your business.



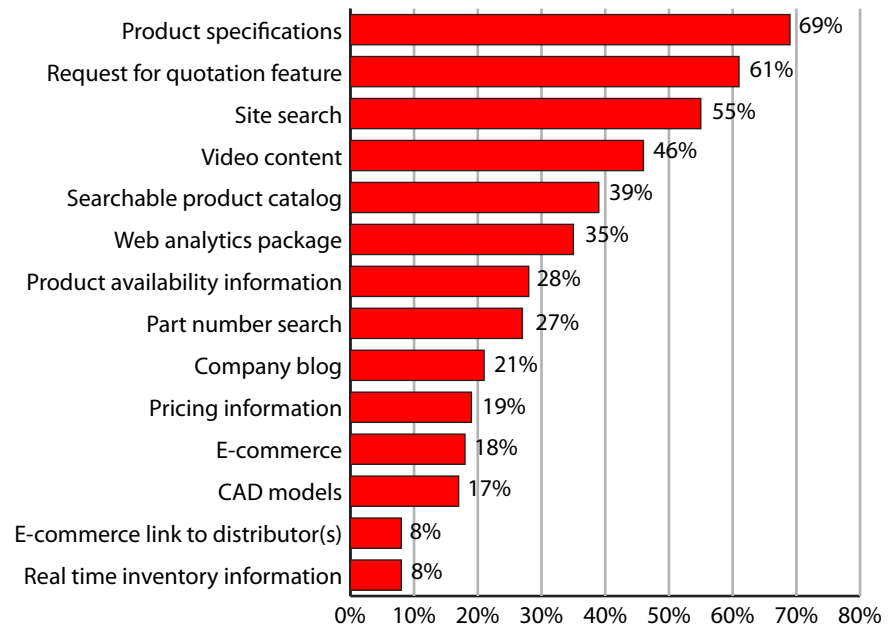
Three of the top four sources of leads are online channels, including company Web site, e-mail marketing, and search engine optimization.

© GlobalSpec, Inc.

**GLOBALSPEC®**



### Which of the following features/functionality do you have on your company Web site?



69% have product specifications on their Web site, one of the key features that customers and prospects want. 49% now have video content.

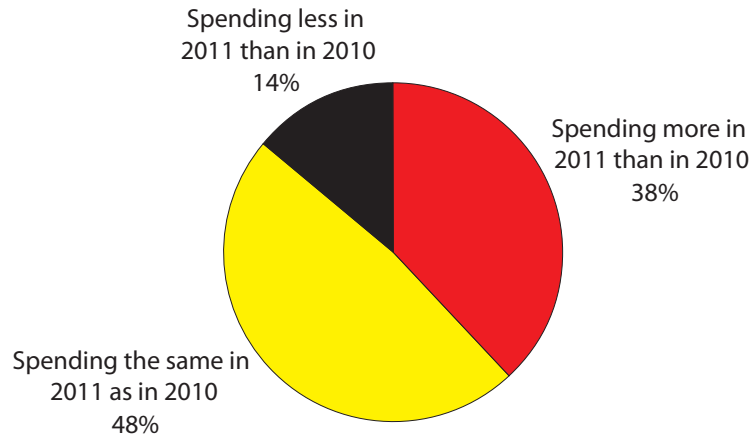
© GlobalSpec, Inc.

**GLOBALSPEC®**



## Marketing Budgets and Sales Expectations

### How does your 2011 marketing budget compare to 2010?

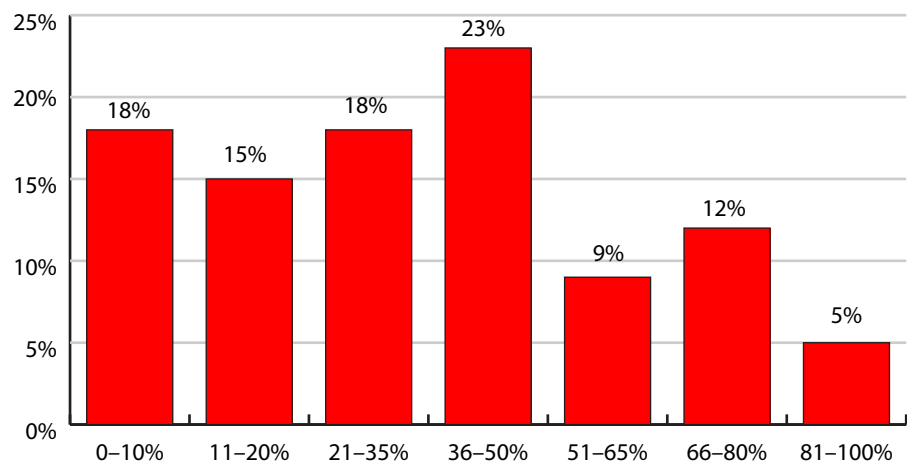


38% of industrial companies are spending more on marketing in 2011 than they did in 2010.

© GlobalSpec, Inc.

**GLOBALSPEC®**

### What percent of your 2011 marketing budget will be spent online?



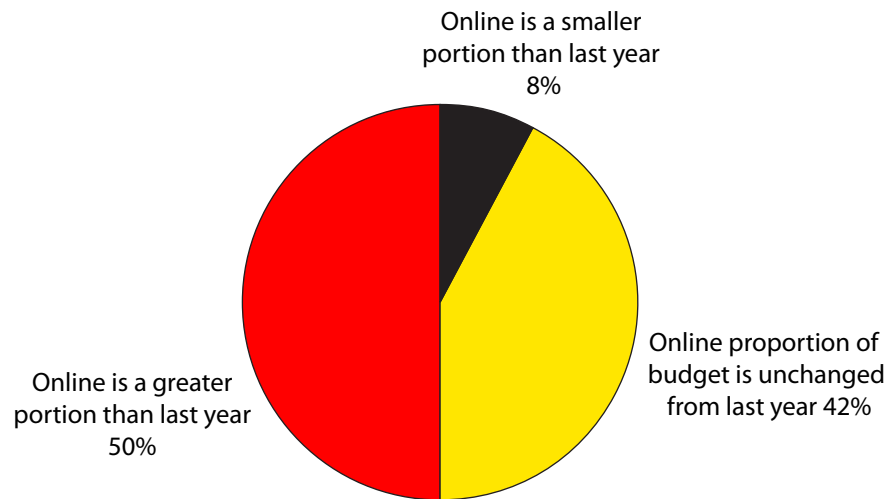
49% will spend more than one-third of their 2010 marketing budget online.

© GlobalSpec, Inc.

**GLOBALSPEC®**



### How does your 2011 online marketing budget compare to 2010?

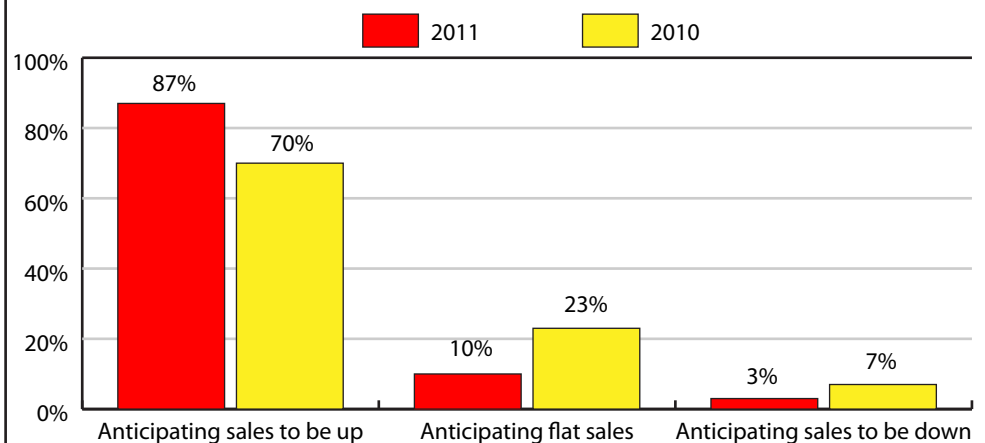


50% will spend more on online marketing in 2011 than they did in 2010.

© GlobalSpec, Inc.

**GLOBALSPEC®**

### Compared to the previous year, do you expect your company sales to be up, down or flat this year?



87% of industrial companies anticipate sales to be higher this year than last year.

© GlobalSpec, Inc.

**GLOBALSPEC®**



## **The GlobalSpec Advantage**

---

GlobalSpec offers valuable online advertising programs for business-to-business companies targeting the engineering, technical, manufacturing and industrial communities. We deliver a relevant audience—potential customers who are looking for your products and services and are ready to buy...right now!

### **Customers not clicks**

You deserve more than just blind traffic and anonymous clicks to your Web site, which your sales team can do nothing with. You need to know exactly who you're reaching with your online marketing. Because our targeted audience is made up of industrial professionals registered with GlobalSpec, we provide you with detailed contact information from qualified prospects—in real time.

### **Smart solutions you can count on**

Choosing the right online marketing solutions can be the difference between program success and failure. A broad range of options is available to complement your traditional marketing programs—including online searchable catalogs, e-newsletters, online events, banner ad programs, directory listings and more. All are highly targeted, smart solutions that expand your reach while generating relevant, measurable results.

### **Personalized, expert support**

With more than 13 years experience in the industrial marketplace, our online marketing experts are committed to your business success. We work to support your program every step of the way, strengthening your performance, offering one-on-one advice and saving you valuable management time.





## About GlobalSpec

GlobalSpec is the leading provider of online marketing programs for companies interested in reaching the engineering, industrial and manufacturing communities. This audience relies on GlobalSpec to search for and locate products and services, learn about suppliers and access comprehensive technical content. They read our e-newsletter publications, search our website, engage in our online communities and attend our online events.

For manufacturers, distributors and service providers, GlobalSpec offers a suite of marketing programs and services that provide measurable engagement and tangible results, delivering your message and product information to your target audience - online and in their inboxes - during all phases of their search, research, design and purchasing cycles. We provide highly filtered sales leads and marketing opportunities, branding and exposure for your company, its products and services, and qualified web traffic to your site via catalog and directory programs, more than 60 product- and industry-specific e-newsletters, banner ad networks, and online events that have drawn over 50,000 attendees.

The ability to find new customers... to tap into new markets or new regions that are actively seeking your products and services... to gain awareness and exposure among a targeted audience... to position your company as a thought leader... to strengthen your online presence with a comprehensive marketing program – this is the GlobalSpec approach. And it's why many manufacturers and suppliers choose GlobalSpec to meet their marketing needs and help their businesses grow.

For more information on GlobalSpec's comprehensive marketing solutions please call 800.261.2052 or visit <http://www.globalspec.com/advertising>.

© 2011 GlobalSpec, Inc. All rights reserved. GlobalSpec, the GlobalSpec logo, **DirectU2**, and SpecSearch are registered trademarks of GlobalSpec, Inc.

You are free to copy, distribute and display and create derivative works from this paper provided that you give GlobalSpec, Inc. proper credit as the source.