



When times get tough, marketing budgets are often the first things companies cut. But experts say resisting that urge could mean the difference between gaining and losing market share—now and when good times return.

“Times are very tough out there, but the last thing companies should be doing is thinking about pulling back their marketing,” says Bob DeStefano, president of SVM E-Business Solutions, a consulting firm that specializes in online marketing strategies. “What I think they should do is figure out how to do more with less. They need to make sure every single dollar they invest in marketing is producing a return.” And that’s where online strategies come in.

SARAH CRONIN/ISTOCK

KEEPING YOUR MESSAGE

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RESIST THE URGE TO SCALE BACK YOUR MARKETING PROGRAM THIS YEAR BY INVESTIGATING ONLINE STRATEGIES THAT ARE MEASURABLE AND COST-EFFECTIVE

By Victoria Fraza Kickham, *Managing Editor*

DeStefano says the Internet has dramatically changed marketing, making it more of a science and less of an art than ever before. Not only can companies reach out to customers and prospects in new ways, but they can track the end result of their marketing message with more precision. Did it turn into a lead, or better yet, a sale? More specifically, did the customer or prospect visit your Web site and request information? Did they make a purchase? Did they call to speak to a sales rep? Did they sign up for your e-mail newsletter? Companies can harness all of this information with little more than the click of a mouse and a modest investment of cash.

Industrial distributors and manufacturers are waking up to the importance of online marketing strategies. According to DeStefano, 70 percent of industrial companies say they'll become increasingly less competitive if they don't conduct business online, and 66 percent say investing in online marketing is essential to their long-term financial success. The findings come from SVM's 2008 *E-Business Trends in Industrial Marketing* report, released last year. Preliminary results for the 2009 report, released in January, showed that while more than 70 percent of industrial marketers expect to be hurt by tough economic times this year, they are optimistic about

the future and are leveraging e-business and online marketing tactics to get ahead.

In light of these statistics, DeStefano and others say there's no time like the present to develop an online marketing strategy. And the first step is to make sure that you view marketing as an investment, not an expense.

"[Distributors] are outlaying these dollars [because] they're trying to produce a measurable result—new business," DeStefano explains. "They should take a look at every dollar they're spending and figure out whether or not it's producing a return. Then, get rid of the marginal investments."

Where to begin? DeStefano makes the following recommendations:

Evaluate your Web site

Your Web site is the most public face of your company, so use it well, advises DeStefano. The first step is to evaluate your site through your customers' eyes. Is it user-friendly? Can customers easily find information about your products and services? How quickly can they get in touch with you if they have questions? These issues should be addressed right away.

"More people will visit your Web site than will ever visit your offices, view your catalog or talk to your salespeople,"

DeStefano says. "Make the most of this marketing channel by transforming your Web site into a lead-generation machine."

He recommends providing customer-focused content and features that address customers' business needs. This will not only help attract customers and prospects to your site, but it can keep them coming



Bob DeStefano,
SVM E-Business
Solutions

back—provided the information is timely and updated often.

Marketing consultant John Graham echoes those sentiments, noting that this is a great way to take advantage of your in-house expertise.

Why not tap your employees' knowledge by offering monthly articles or

newsletters focused on their area of expertise? Perhaps your IT person could offer advice on electronic invoicing or inventory management. If you serve the construction market, do you have someone on staff who could offer advice on job-site safety? Maybe you have a "green" expert who can share thoughts on energy-saving products, solutions or tactics. The point is

W L I V E



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to take advantage of the in-house expertise you've worked years to develop.

“Every distributor has expertise, but there's only one person that doesn't know it—and that's the customer,” explains Graham, president of Quincy, Mass.-based Graham Communications. “Use [your employees'] knowledge. Interview someone in your company who can offer helpful information to customers and then put it on your site and send it out in a newsletter.

“Inside every company there is helpful information. You need to use it. It shows that you're not just selling 'stuff,' but that you have a level of expertise that's worth having around.”

It also shows that you're customer-focused, not just product-focused, DeStefano says.

“Make sure your Web site is not just an online brochure, [but] that it is customer focused,” he explains. “Your customers and prospects are not visiting your site to kill time. They are trying to find a solution. They're looking for answers.”

Taking the next step

That brings the next key point: Once a customer or prospect has found you online, how easy is it for him to take the next step? Can he locate your phone number easily? How quickly can he get answers to questions via e-mail?

“The key question is, are you inviting customers to reach out to you?” DeStefano asks. “Instead of relying on your 'contact us' page, I would rather see calls to action on every page.”

He says each page of your Web site should contain your phone number and a form customers can fill out for more information. Forms should be as short as possible, DeStefano says, and should be responded to in as close to real time as possible.

“You've got to invite people to take the next step,” he adds, offering the following examples:

- Let them request a quote or purchase online.
- Include a “call me now” feature or online chat option that puts prospects

in touch with a sales rep immediately.

- Allow them to order free samples.
- Include registration forms for company-sponsored seminars, webcasts or other events.
- Include a form for requesting access to premium content on your site (white papers, articles, etc.).
- Offer e-mail newsletter subscriptions.
- Include a prominently displayed phone number on every page.

The last point is particularly important, DeStefano says, because more than half of Web site visitors prefer to pick up the phone and call rather than complete an online form.

Try search engine marketing

One of the most cost-effective ways to market your company online is through search engine marketing, or SEM. In a nutshell, SEM helps online shoppers find

your company's Web site through search engines such as Google or Yahoo.

“It's a very cost-effective way to attract extremely motivated prospects to your Web site at the very moment they're searching for what your company has to offer,” says DeStefano.

For just a few hundred dollars a month, distributors can begin driving targeted traffic to their Web sites with SEM. DeStefano says companies' SEM efforts should focus on Google because it has the largest market share of all online search volume. For the industrial, business-to-business audience, he says Google's market share is close to 85 percent. Most importantly, SEM is affordable. With a little bit of legwork, you can develop your own SEM program, ensuring that you're using highly searched keywords throughout your site—keywords that online shoppers

FOUR KEYS TO ONLINE MARKETING

The economy isn't great, but that's no excuse to cut back your marketing program. Online marketing techniques make it easy to keep your name alive in the marketplace—for the purchases customers have to make now and for the business they'll be able to send your way when times improve. Online marketing expert Bob DeStefano suggests taking the following four steps to create or enhance your online marketing program:

- 1. Evaluate your Web site.** Look at your site from your customers' perspective. Is it simply a static, online brochure with an e-commerce option? Or do you demonstrate your expertise with customer-focused content that answers questions, provides solutions and invites responses?
- 2. Help customers take the next step.** Customers and prospects aren't visiting your site for fun; they're looking for answers. Make sure your phone number is on every page of your site and include an online chat option so prospects can connect with customer service reps quickly and easily.
- 3. Give SEM a try.** Search engine marketing, or SEM, is an inexpensive, measurable way to reach out to customers and prospects. Start by investigating the tools and programs available from Google, www.google.com, which has the largest market share of all online search volume.
- 4. Measure everything.** With online marketing, tracking your efforts and monitoring their progress has never been easier. Install a Web analytics software package (Google offers one for free, www.google.com/analytics) to find out how visitors arrived at your site, what they looked at while they were there, and what features and benefits they took advantage of.

use when looking for your products and services.

And when it comes to advertising on search engines, unlike traditional marketing methods in which you pay for exposure, with SEM you pay for results. SEM's pay-per-click model means that you only pay when a qualified prospect clicks on your ad and visits your Web site.

"[SEM] is one of the most compelling marketing opportunities to come around in a very long time," says DeStefano.

Measure, measure, measure

Finally, make sure you measure all of your online marketing efforts. And according to DeStefano, it's not a difficult task. The first step is installing a Web analytics software package that tracks all activity on your site, including where visitors came from, what content they viewed and what features or offers they took advantage of. Google offers its own Web analytics program, called Google Analytics, for free at www.google.com/analytics.

You can also use the Web to measure your other marketing efforts, such as print advertising and direct mail campaigns. You can track where leads came from by assigning unique, toll-free phone numbers and Web addresses to every marketing activity—both online and off. SVM E-Business Solutions offers a program called Marketing Meter that pulls all of this together for its clients (www.svmsolutions.com).

Once you know what's working and what isn't, you'll be able to cut those investments that aren't bearing fruit—a far better way to reduce costs in today's environment than the traditional method of drastically cutting marketing activities until good times return.

For the most part, distributors understand the power of the Web in driving new growth. Forty-nine percent of respondents to INDUSTRIAL DISTRIBUTION's 62nd Annual Survey of Distributor Operations, released last summer, rated advertising/marketing programs as very important to their growth in 2008.

What's more, 47 percent said that improving or re-designing their Web sites would be a key part of that strategy and 40 percent said driving traffic to their sites is vital for future growth. The trick is using this new-found enthusiasm for the Web to

best present your company to the world.

"In general, I think distributors spend too much time on e-commerce and not enough on information. They don't put enough emphasis on their expertise," DeStefano says. "There are riches in niches, that's what we tell people."

"And there are some very, very creative ways to market those niches. ... Tried and true marketing strategies still need to be created and implemented, but we choose to work online because it is a very cost-effective way to produce measurable results." ■

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