

The Marketing/Advertising Plan

Designing an effective Marketing Plan assumes the basic concept that every seller of goods and services seeks to deliver maximum satisfaction to its customers. This requires producing a quality mix of products and/or services and making a product that the customer wants and needs.

Unlike manufacturers of consumer or mass market products, the industrial supplier aims to distinguish itself by promoting its goods and services to a specific “target market” within its industrial supply chain and culminating with the final manufacturer known as the “prime manufacturer.” These industrial goods are usually classified as raw materials, major equipment, minor equipment, component parts, process materials and operating supplies. Eventually, the product or service will become part of a final product that will be sold to the public, government or industry.

Industrial suppliers have different marketing needs than a manufacturer of consumer products. The company’s marketing plan should accommodate for these differences by setting well defined goals. These goals should be clear, realistically attainable and measurable as to their effectiveness, and should take into consideration the needs and cooperation of the sales department, marketing/advertising department, production and operating departments.

Well-defined goals determined by the company’s resource allocation for the promotional budget enable it to communicate effectively with its customers in several important ways:

- Defining the nature of the company’s products or services
- Differentiating the company from competitors by “branding” itself as the high-quality provider of choice with the most recognizable name
- Developing the company image to customers and financial markets (if the company is publicly traded) thereby communicating the company’s health and strength to customers and markets
- Maximizing the life cycle of the product from its introduction to the improvement, repackaging and rebranding of an aging product

Deciding the promotional mix of company activities needed to establish its brand and reach its objectives of getting inquiries, orders, increasing sales, providing leads and openings to customers for the sales force, and providing important information about the company or its products to its customers varies with each particular company’s individual circumstances. Perhaps its objective is to introduce a new company or change a negative attitude or opinion held by customers about a company’s performance or technology. The tools available for these purposes and their proportional resource allocation should include:

- Face to face meetings by sales staff with customers

- Press releases of important information to financial, trade press, and mass media
- An attractive, user friendly and informative website
- Trade show participation (effective displays)
- Professionally produced “Corporate Identity” graphic packages (logo marks and logotype, new stationery, signage etc.).
- Public Relations “special events” often hosted at the company’s office or factory and attended by corporate and local dignitaries and the press
- Advertising in Trade Journals
- Promotional Collateral such as sales videos, brochures, samples, corporate gifts, etc.

As previously mentioned, industrial goods have different promotional needs. For example, raw materials producers often have small to no differences in their products. Advertising for these types of materials is institutional in nature and designed to reach primary and specialized manufacturers.

Producers of major equipment usually require large capital expenditures by customers and thereby reaching the few decision makers that will decide on the eventual transaction is the company’s communications target. Advertising in the proper publications that reach a customer’s upper management is important.

Minor equipment such as small machines and equipment usually are purchased by buyers through middlemen. Frequent advertising in trade journals read by their customers becomes an indispensable marketing tool for producers of small machines and equipment.

Finished goods such as component parts made to custom specifications are subject to meeting the customer’s expectations that they are of a uniformly high-quality, reliable, produced within budget, and delivered on time. A component parts manufacturer must outshine its competition, and reinforce its good reputation and brand. Advertising is useful to the components manufacturer in that it can reinforce its brand to the manufacturer that uses its parts, and can also communicate to the general industry emphasizing the value of its technology and quality to the ultimate user of the finished product.

Process materials are materials that are purchased on standard specifications. These are materials such as, specialty chemicals, specialty alloys, or different types of composite prepreps that are used in varying end products from spacecraft to building materials. Customers are looking for good pricing, high-quality, and excellent service. Advertising should be aimed at reinforcing those customer needs as well as, promoting unique qualities or superlative technological capabilities.

Operating supplies are for maintenance, repair, and operations (MROs). They are consumed during the manufacturing process, but do not become part of the finished product. They are usually purchased from middlemen who often buy several

different brands of the same product. These products resemble consumer goods and require a more widespread advertising approach considering they are used in many different industrial applications.