

B2B Content Marketing 2010:

# Manufacturing/ Processing Industry Report

# FOREWORD

In September 2010, Junta42 and MarketingProfs in conjunction with the Business Marketing Association (BMA) and American Business Media (ABM), released the largest study to date, **2010 B2B Content Marketing Benchmarks, Budgets and Trends**, showing how B2B marketers are using content within their marketing mix. This report takes a more granular look at how marketers from the manufacturing/processing industry are using content marketing.

Compared to other industries, manufacturing companies are differentiated in a number of ways:

## They have firmly embraced new marketing tactics

Manufacturing firms have some of the highest adoption rates for new marketing tactics, including posting articles (80%), social media (73%) and video (48%).

## They're focused on building brand awareness

As with marketers across all industries, 82% of B2B manufacturing respondents indicated that they rely on content marketing to build brand awareness – with the overall average being 78%. The importance of this organizational goal for manufacturers is somewhat surprising given that “brand awareness” as a tactic doesn't directly generate leads and sales, which is usually the top marketing goal of most B2B companies, including manufacturing firms.

## They're experiencing a disconnect between goals and measurement

Manufacturers listed their top content marketing goals as building brand awareness, customer retention / loyalty and lead generation, yet 58% of respondents said their number one tactic for measuring these goals is web traffic, and 51% of respondents said they use qualitative feedback.

What is most interesting about these data points is the disconnect between manufacturing's content marketing goals and how they measure them. First, the Internet has changed the B2B buying cycle: prospects looking for goods and services evaluate manufacturers through the online search process. If a manufacturer passes muster, the prospective customer then takes the next step in the sales process.

Because B2B manufacturers are focused on developing content that builds brand awareness, they're missing a crucial objective of content marketing: developing content that helps drive the conversions that move prospects along the sales cycle. Secondly, they're measuring the effectiveness of brand awareness in one of least effective ways, i.e., by looking at web traffic.

I hope this report helps you better understand how B2B marketers in the manufacturing/processing industry are executing on content marketing.

## Dianna Huff

Principal

DH Communications, Inc.

# DETAILED FINDINGS

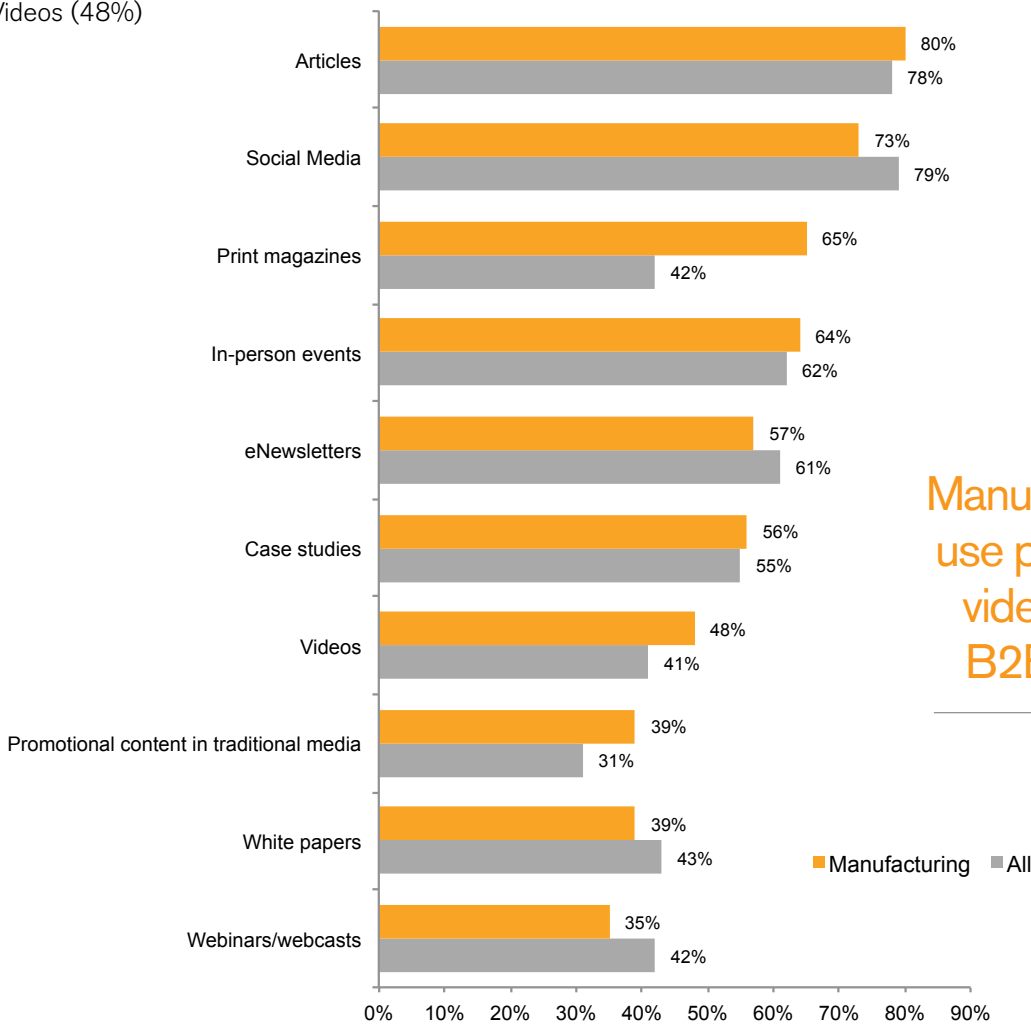
## ► USAGE AND EFFECTIVENESS

### Content Marketing Tactics Used

In line with other B2B marketers, **84% of manufacturers are using content marketing**. They rely on a core group of marketing tactics that include a mix of the traditional (in-person events) and the new (social media), as well as offline (print magazines) and online (videos). The top seven content marketing tactics used by manufacturers are:

- Articles (80%)
- Social media (73%)
- Print magazines (65%)
- In-person events (64%)
- eNewsletters (57%)
- Case studies (56%)
- Videos (48%)

**Top 10 Content Marketing Tactics Used**



Manufacturing marketing use print magazines and videos more often than B2B marketers overall.

Source: B2B Content Marketing 2010: Manufacturing/Processing Industry Report

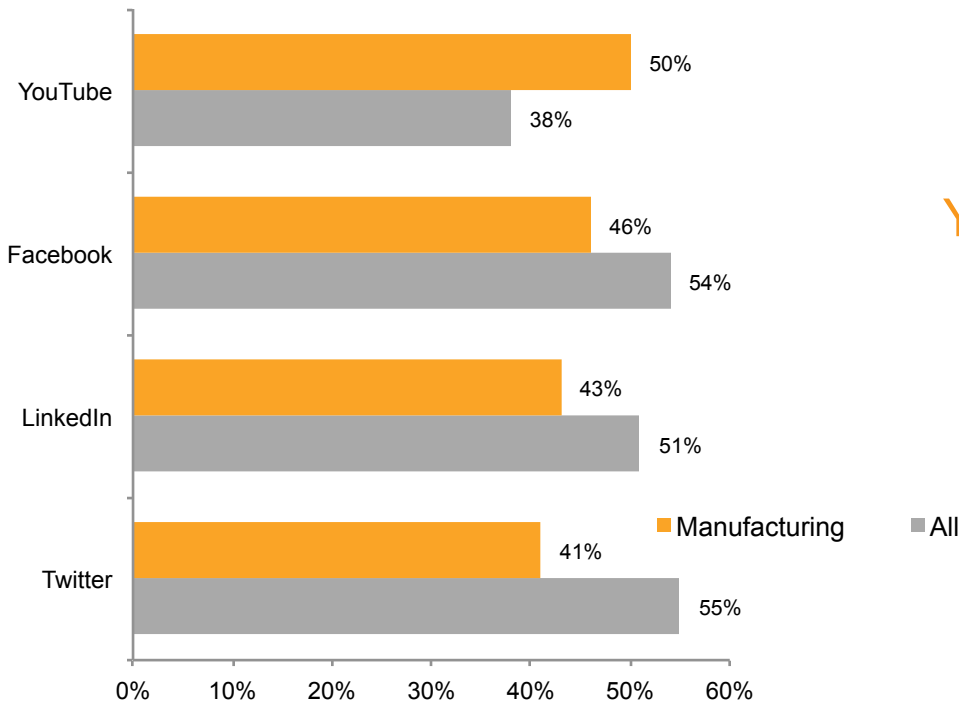
**Manufacturing marketers use white papers less often than B2B marketers overall (39% versus 43% respectively), with video (48%) surpassing other digital tactics (podcasts, virtual conferences and e-books) by a wide margin.**

## ► SOCIAL MEDIA DISTRIBUTION CHANNELS

Because B2B manufacturers use video as one of their top marketing tactics, it's no surprise that **their top social media distribution channel is YouTube**, with 50% of respondents indicating the site as their top channel – more than all marketers combined (38%).

**With the exception of YouTube, manufacturers are using social media to distribute content far less than their peers.** This is in line with the overall findings that manufacturers have adopted social media at a lower rate than their peers but video at a higher rate.

### Percentage of Marketers Who Use Various Social Media Sites to Distribute Content



With the exception of YouTube, manufacturers are using social media to distribute content far less than their peers.

Source: B2B Content Marketing 2010: Manufacturing/Processing Industry Report

## ► CONTENT MARKETING EFFECTIVENESS

In addition to asking survey respondents to indicate which content marketing tactics they currently employ in their companies, respondents were also asked to rate the effectiveness of each of these tactics in their marketing efforts on a scale of one (low effectiveness) to five (high effectiveness).

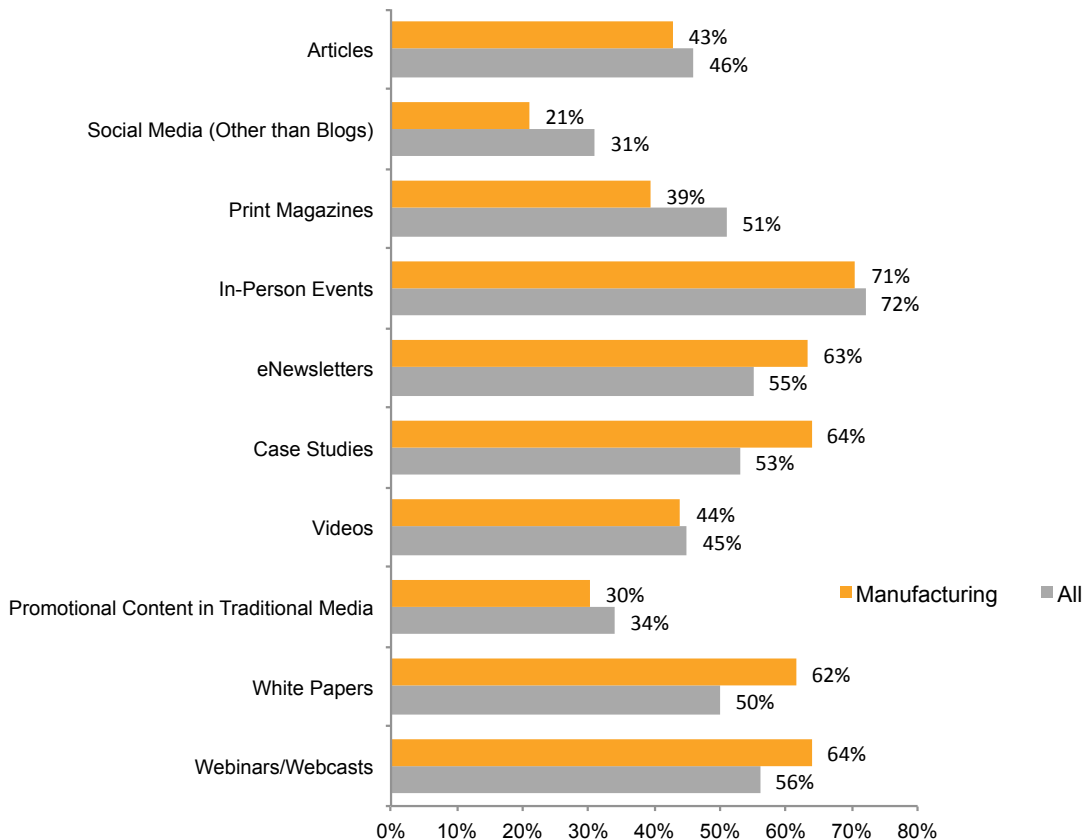
When considering the adoption rates of each tactic measured against its perceived effectiveness among those who use that tactic, we find a “confidence gap.” That is, while companies may be invested in a number of content marketing tactics, they don't feel confident in how they're using these tactics.

While it's unclear if this lack of confidence is due to true ineffectiveness of any given strategy or simply the inability to measure effectiveness, this gap exists across all industries and company sizes.

The effectiveness ratings for the five tactics that manufacturing marketers use the most often are:

- Articles: 43% effectiveness (80% usage)
- Social media (excluding blogs): 21% effectiveness (73% usage)
- Print magazines: 39% effectiveness (65% usage)
- In-person events: 71% effectiveness (64% usage)
- eNewsletters: 63% effectiveness (57% usage)

### Effectiveness Ratings: Top 10 Content Marketing Tactics Used in Manufacturing Organizations



Source: B2B Content Marketing 2010: Manufacturing/Processing Industry Report

#### Other noteworthy observations include:

- Although manufacturers have adopted print magazines more so than the average marketer (65% versus 42%), they consider them to be less effective (39% effectiveness versus 51%).
- While manufacturers use white papers, case studies, eNewsletters and webinars at similar rates as other marketers, they consider them more effective.

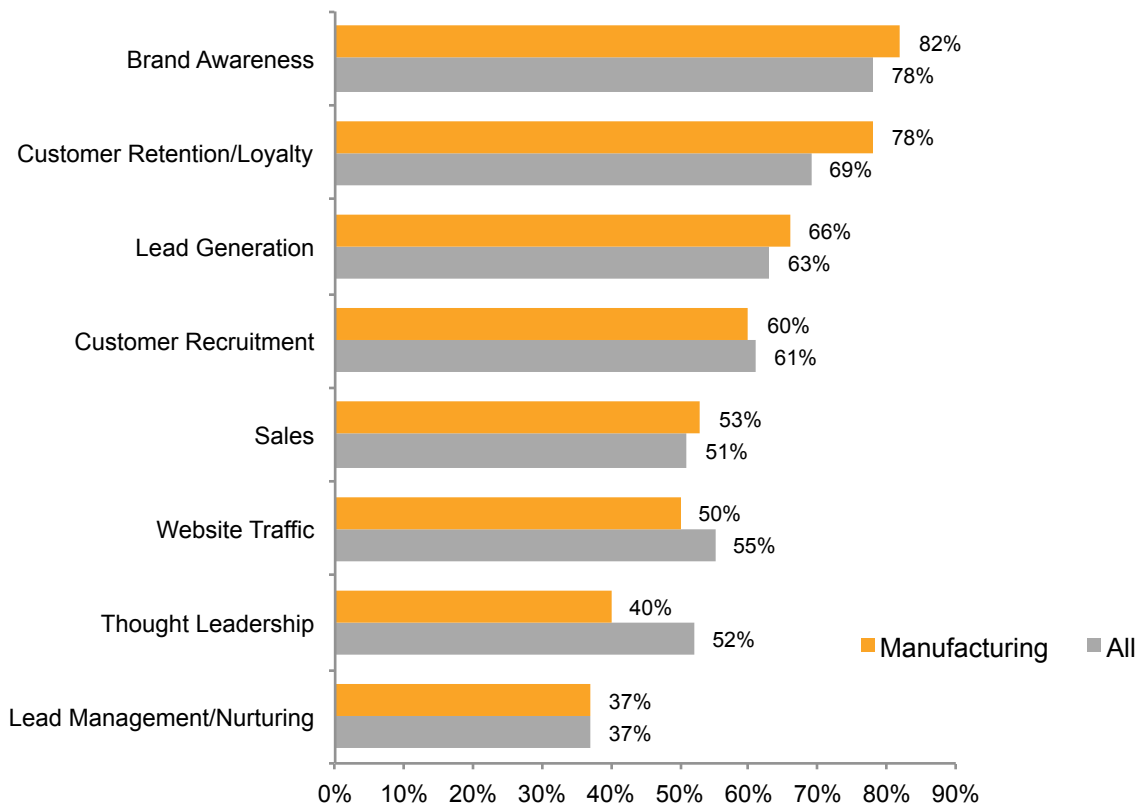
# GOALS AND MEASUREMENT

## ► ORGANIZATIONAL GOALS

As with all B2B marketers surveyed, **“brand awareness”** was one of the top organizational goals among manufacturing marketers: **82% of manufacturing marketers indicated it was their number one goal.** The top six goals for manufacturers:

- Brand awareness 82%
- Customer retention / loyalty 78%
- Lead generation 66%
- Customer recruitment 60%
- Sales 53%
- Web traffic 50%

### Organizational Goals for Content Marketing



Source: B2B Content Marketing 2010: Manufacturing/Processing Industry Report

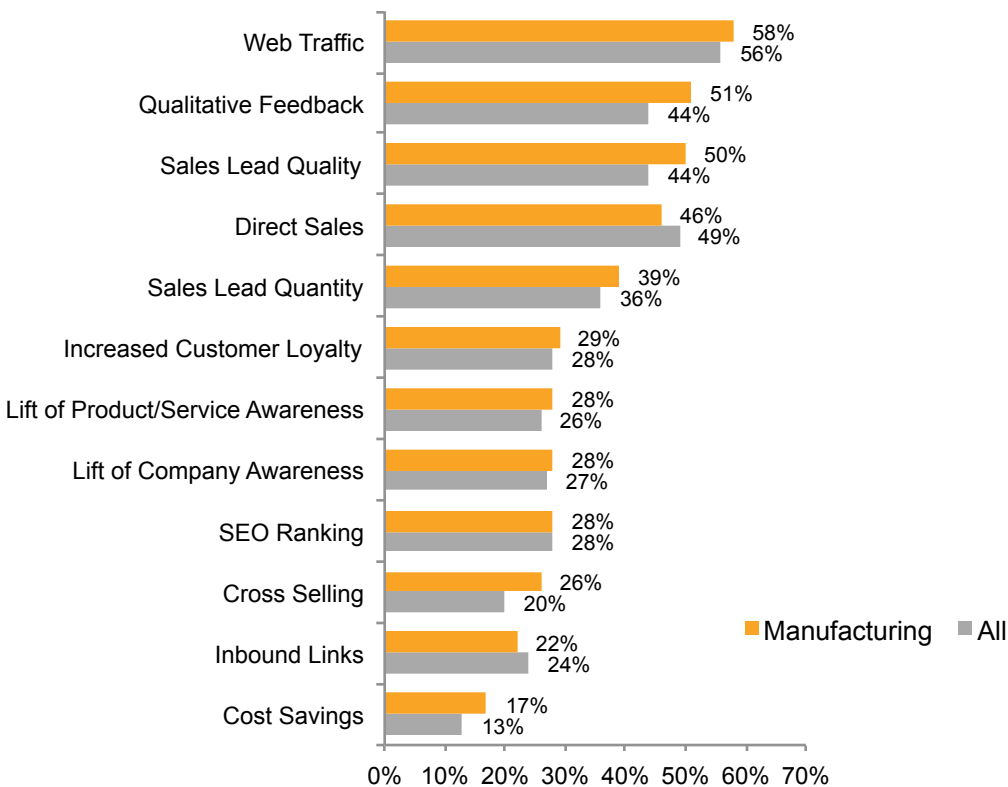
This data make sense as manufacturers often sell products through distributors, hence “sales” or “direct sales” isn’t as important as “brand awareness” and “lead generation.” Manufacturers, especially small and mid-sized companies, often want to get traffic to their sites in order to forward leads to inside sales, distributors or manufacturers’ reps.

## ► MEASUREMENT CRITERIA

What doesn't make sense, however, is how these goals are measured. Manufacturing firms indicated they use the following measurement criteria:

- Web traffic 58%
- Qualitative feedback 51%
- Sales lead quality 50%
- Direct sales 46%
- Sales lead quantity 39%

### Measurement Criteria for Content Marketing Success



Source: B2B Content Marketing 2010: Manufacturing/Processing Industry Report

A disconnect exists between measuring “brand awareness” and “customer retention / loyalty” and the tactics used to measure these goals: “Web traffic,” “Qualitative feedback,” and “Sales lead quality.” **Furthermore, only 28% of manufacturers listed SEO rankings as a measurement tactic and only 22% listed inbound links – two of the best ways to drive online web traffic and build brand awareness.**

## BUDGETS AND PRODUCTION

### ► CONTENT MARKETING SPENDING

**Fifty-four percent of manufacturing firms indicated they would increase spending on content marketing in the next 12 months** while 41% said their spend would remain the same. Of those who responded, 37% said they would increase their budgets by 10% to 29%. Only 10% said they would increase budgets by 50% or more, and 3% expect to reduce budgets.

On average, manufacturers indicated they would increase spending by 13.8%, which is somewhat lower than the 17.6% reported overall.

**On average, manufacturing companies plan to devote 22% of their marketing budgets to content marketing**, which is a little lower than the overall average of 26%.

Over a third (36%) of manufacturing firms plan on spending 10% to 24% of their budgets on content marketing, with 19% of firms saying they would devote 5% to 9% of their budgets and 17% saying they would devote 25% to 49% of budgets to content marketing.

The majority of B2B manufacturers (51%) will spend between \$5,000 and \$99,000 on content creation, with the average being \$83,400, more than the overall average of \$78,600.

Close to a quarter of manufacturing firms (24%) will spend between \$25,000 and \$99,999 on content distribution. The average spend on content distribution among manufacturers is \$375,000, higher than the overall average of all marketers of \$301,000.



## CHALLENGES IN CONTENT MARKETING

The main challenge for all marketers, no matter their vertical or industry, is creating engaging content. Thirty-two percent of manufacturing firms said this was their biggest challenge – albeit their response was lower than other industries surveyed (e.g., 41% of IT respondents said it was their biggest challenge).

Surprisingly, “lack of executive buy-in” ranked relatively low as did “producing a variety of content.”

Here’s how manufacturing marketers ranked their challenges:

- Producing engaging content 32%
- Producing enough content 26%
- Budget to produce enough content 21%
- Lack of executive buy-in 12%
- Producing a variety of content 6%

## RESEARCH DETAIL

Of the 1,124 respondents to the **2010 B2B Content Marketing Benchmarks, Budgets and Trends** survey, 129 respondents were from manufacturing firms. Respondents came from all sizes of companies – from small and mid-size to enterprise – as indicated in the table below:

### Number of Employees

20,000 .....	11%
10,000 – 19,999 .....	6%
5,000 – 9,999.....	4%
1,000 – 4,999.....	18%
250 – 999.....	11%
100 – 249.....	20%
50 – 99.....	9%
10 – 49.....	16%
6 – 9.....	2%
2 – 5 .....	2%

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Dianna Huff, principal of DH Communications, Inc., is an award-winning B2B Web marketing expert who helps B2B manufacturers and companies get found in Google through SEO, content and social media. You can follow her on Twitter at @diannahuff or her MarCom Writer blog.

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