



Michael Bird
CEO, spindustry.com
mbird@spindustry.com
[@iowabirdman](https://twitter.com/iowabirdman) @spindustry

John Anderson
President, Fastline Marketing Group
John.Anderson@fastline.com

Dealers: Selling and Supporting



1370 NW 114th Street, Suite 300 | Des Moines, Iowa 50325 | Spindustry.com V4
t. 515.225.0920 f. 515.225.1785



How do dealers sell to farmers and are they supported in this process?

Who We Are



Michael Bird
CEO, spindustry.com
mbird@spindustry.com
@iowabirdman @spindustry



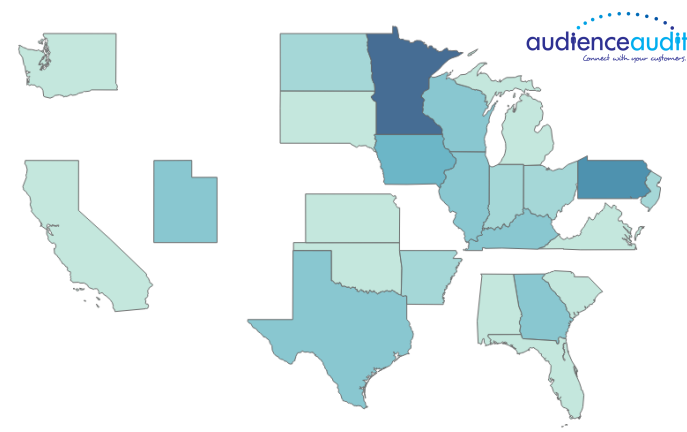
John Anderson
President, Fastline Marketing Group
John.Anderson@fastline.com



Susan Baier
Owner, Audience Audit Inc.
susan@audienceaudit.com
@susanbaier

Study Methodology

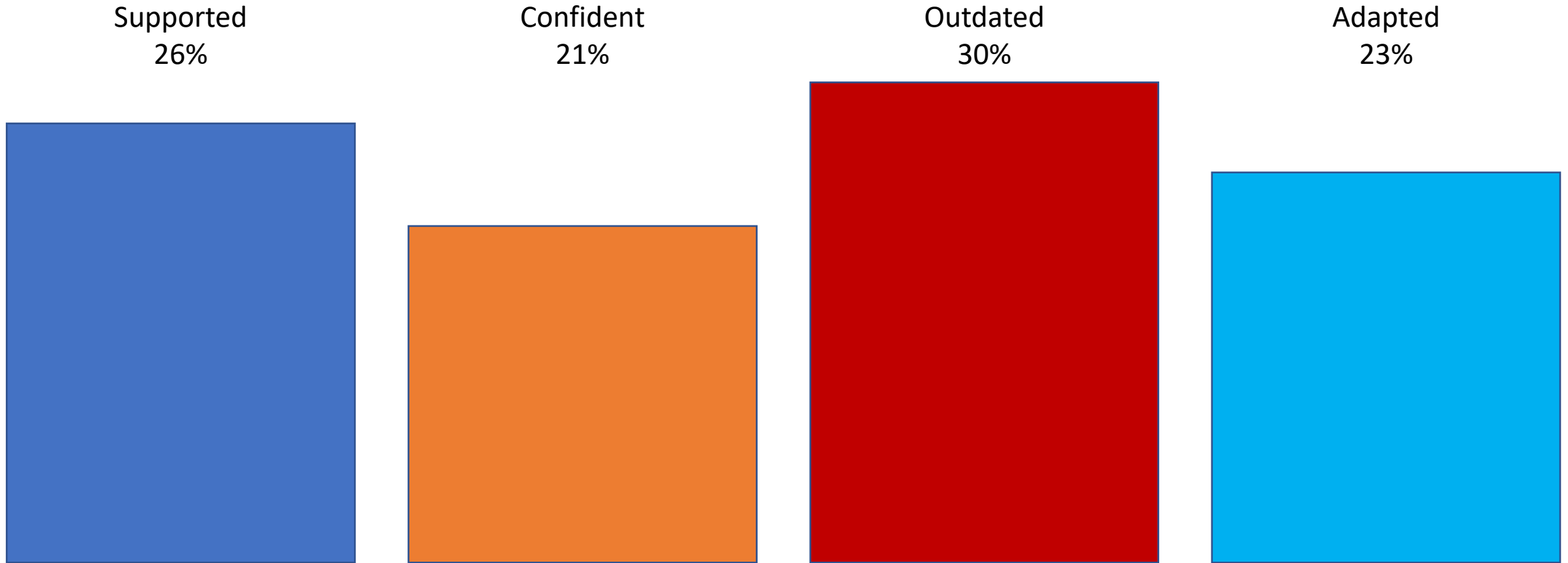
- Survey fielded September 2021
- 70 dealers participated across the US
- Most respondents if involved in marketing also have a say in spending
- 85% dealers (15% distributors)
- Over 50% of respondents' organization size is 10 or fewer; \$10 million or less revenue; 12% over \$25 million
- 60% are short line dealers; 50% mainline dealers
- Overall margin of error of +/- 12 percentage points at a 95% confidence level



Attitudinal Segmentation

- Statistical analysis based on quantitative research
- Segmentation is based exclusively on ratings of attitudinal statements
- No predetermined “buckets”
- Each segment represents a group of respondents for whom a particular set of attitudes are strongly connected

Attitudinal Segmentation



Supported (26%)

- Feel appreciated by manufacturers
- Manufacturers make an effort to help us succeed
- Manufacturers understand the challenges we face
- Manufacturers support our marketing efforts

Confident (21%)

- We treat customers well
- We understand how our customers buy
- We understand our customer
- We know what to do with marketing
- We track satisfaction and loyalty

Outdated (30%)

- Customers prefer to buy from locally owned businesses
- We need to learn more about how to market today
- Stuck in the past when it comes to marketing activities
- We need to make big changes to succeed in years ahead
- Worried about growing in a post-COVID environment

Adapted (23%)

- Customers do a lot of research before coming to us
- Customers have changed how they want to buy from us
- Customers prefer to shop online instead of in-store

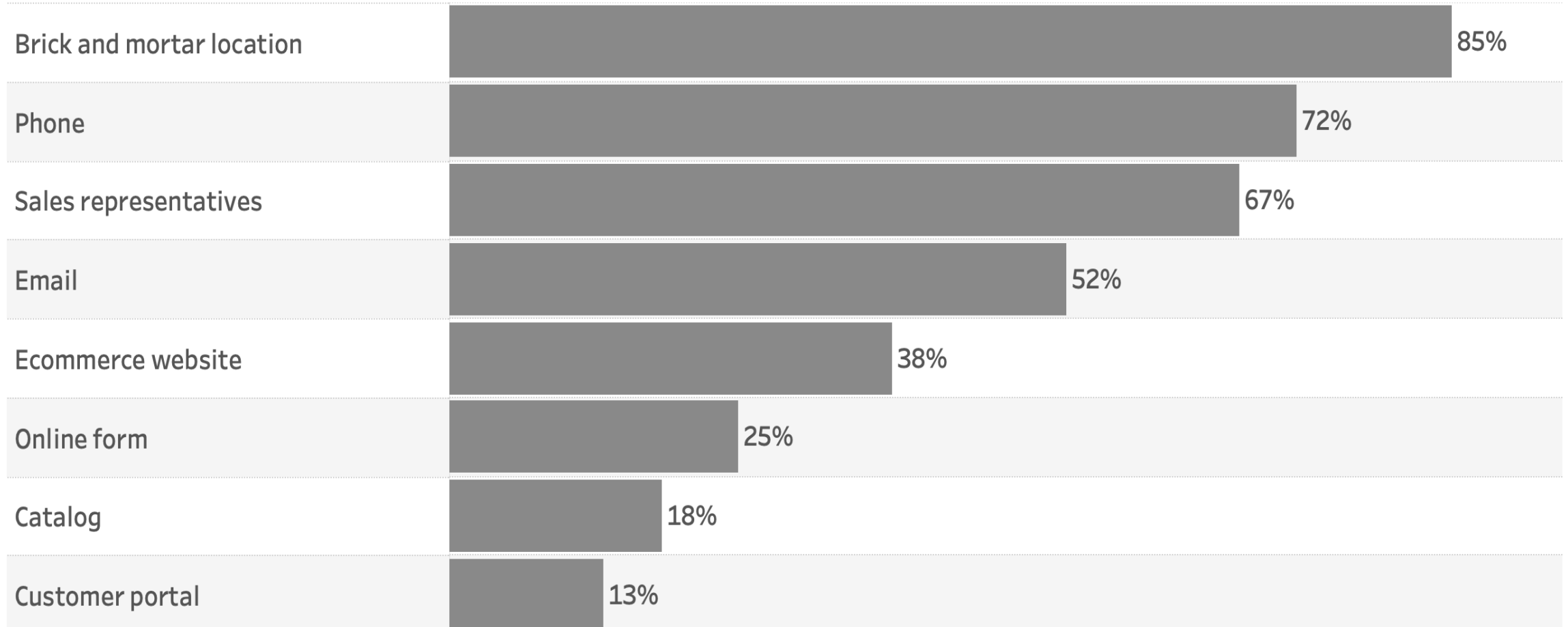
All Respondents

- Customers value advice of salespeople
- Customers are loyal to us
- We are well positioned for the years ahead
- 2021 is a great year to take market share from others
- 2021 is a great year to invest in marketing and growing
- Competition is tougher than ever before

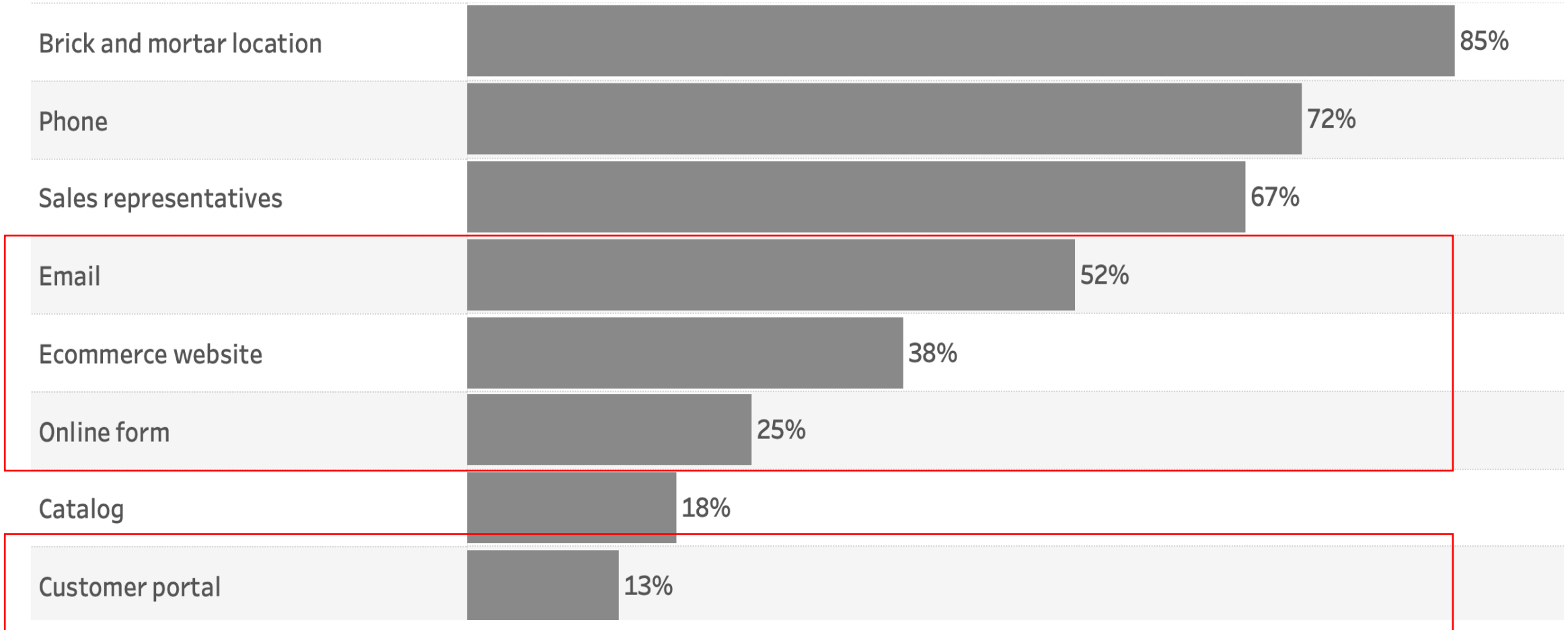
Big Takeaway #1

- Recognition by all that 2021 is an opportunity

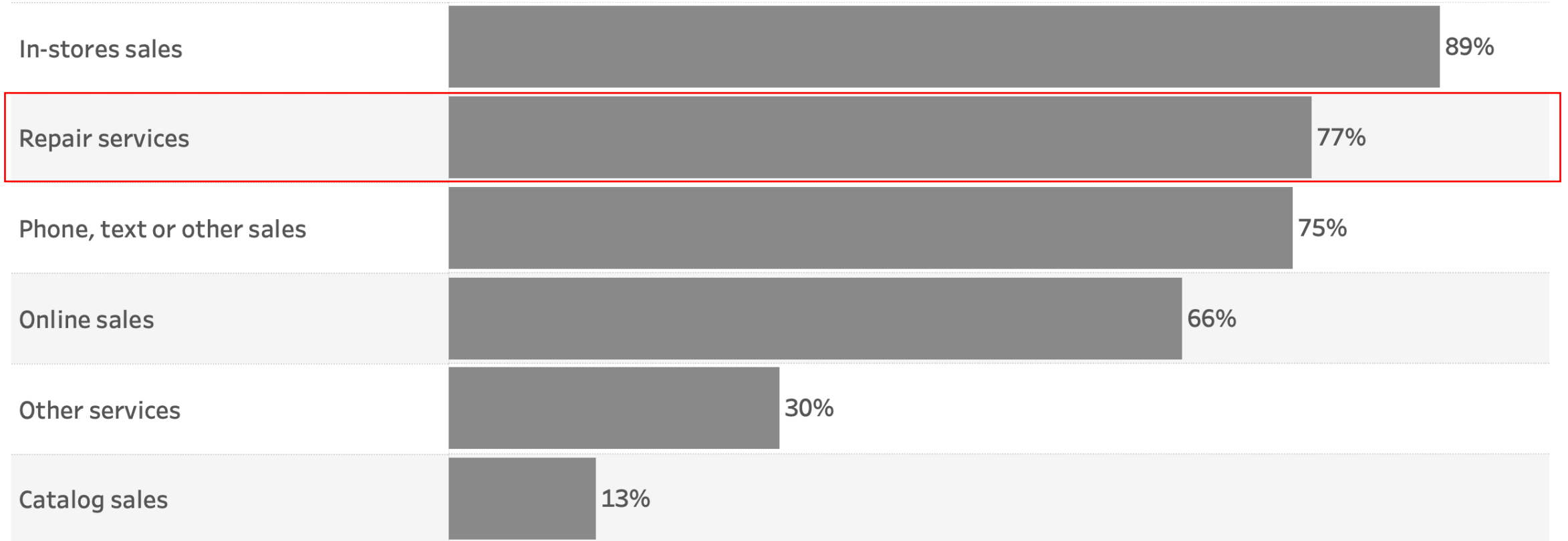
How Dealers Sell to Customers



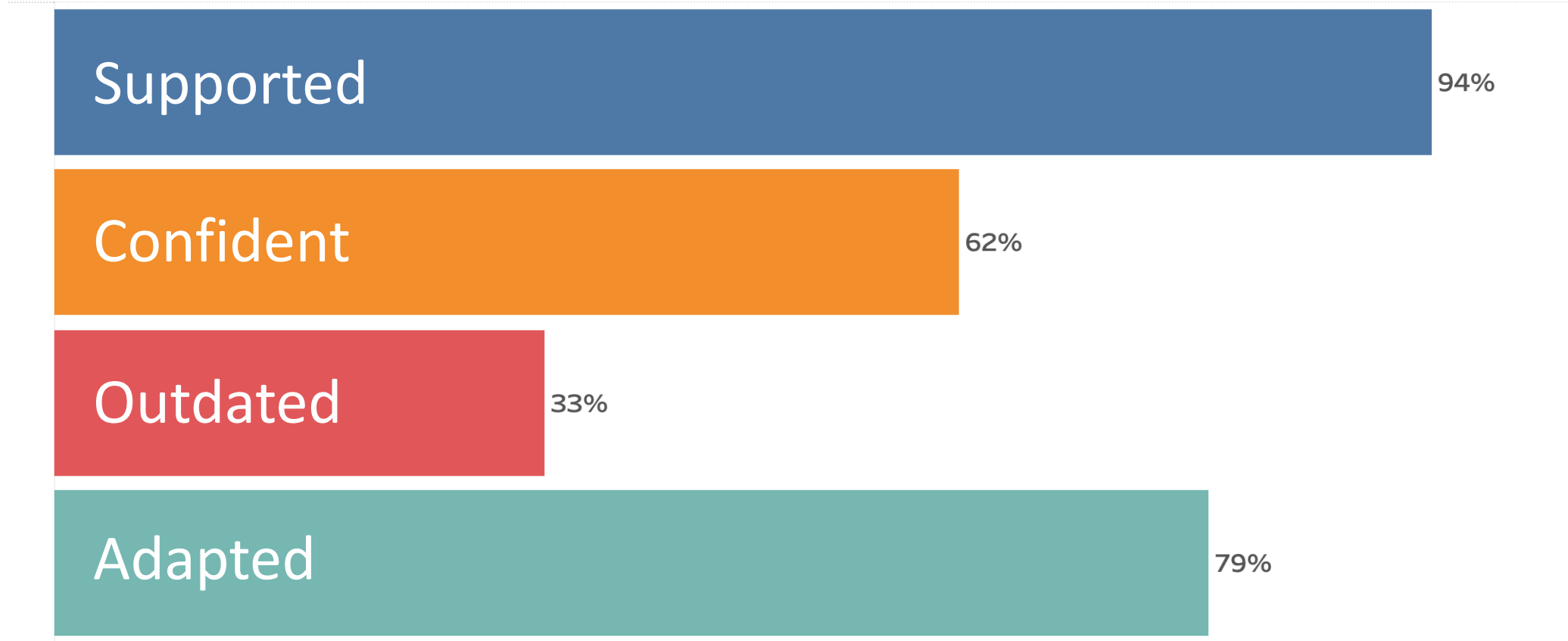
How Dealers Sell to Customers



How Dealers Sell to Customers



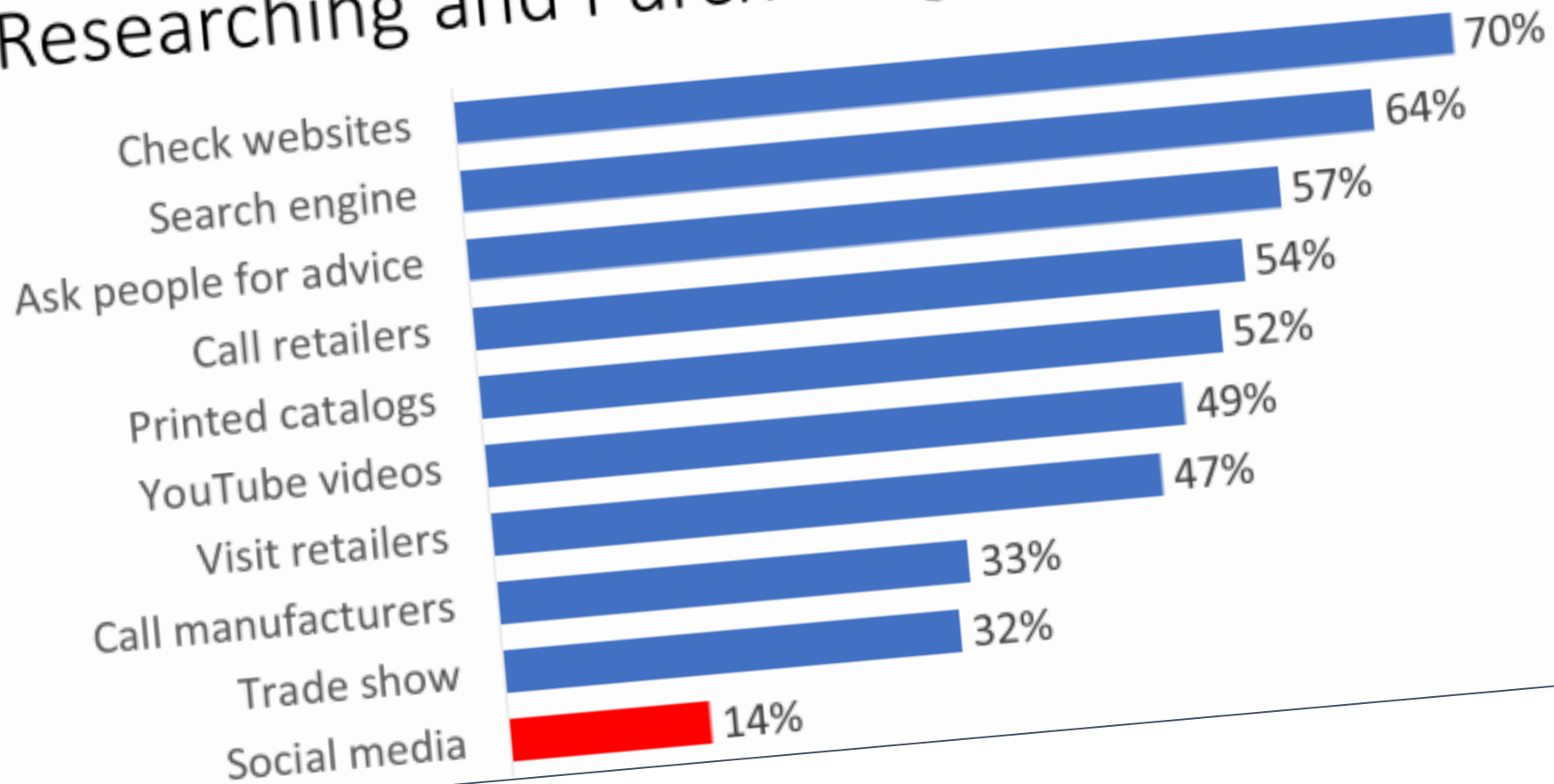
How Dealers Sell to Customers – Online Sales



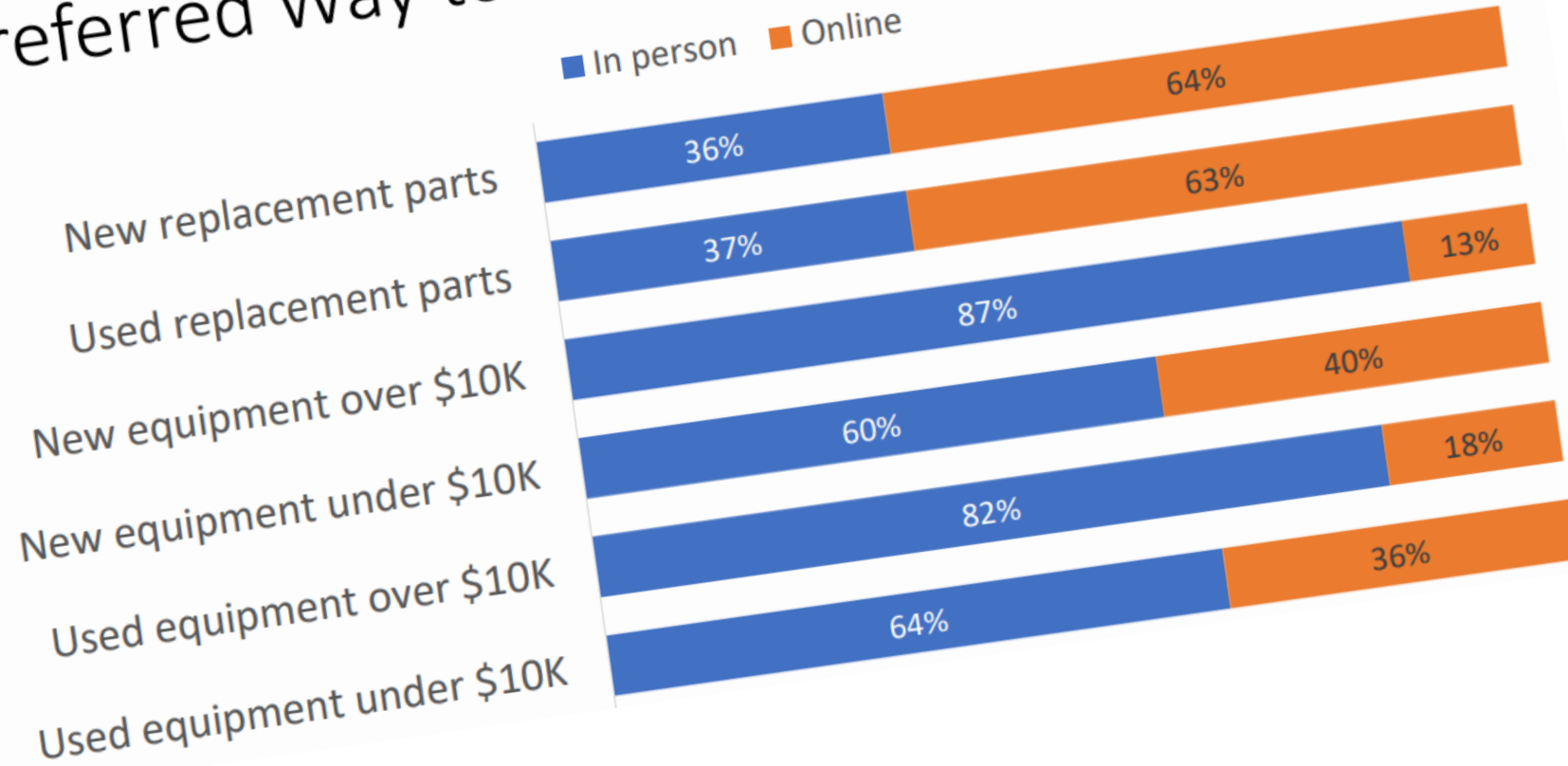
Big Takeaways #2

- In various forms, online buying is a big deal
- Repair services will always keep brick and mortar alive
- Outdated is at 33% online sales vs Confident (62%), Adapted (79%), and Supported (94%)
- Adapted is down to 7% in catalog sales

Researching and Purchasing Parts



Preferred Way to Buy



COVID-19 Effect

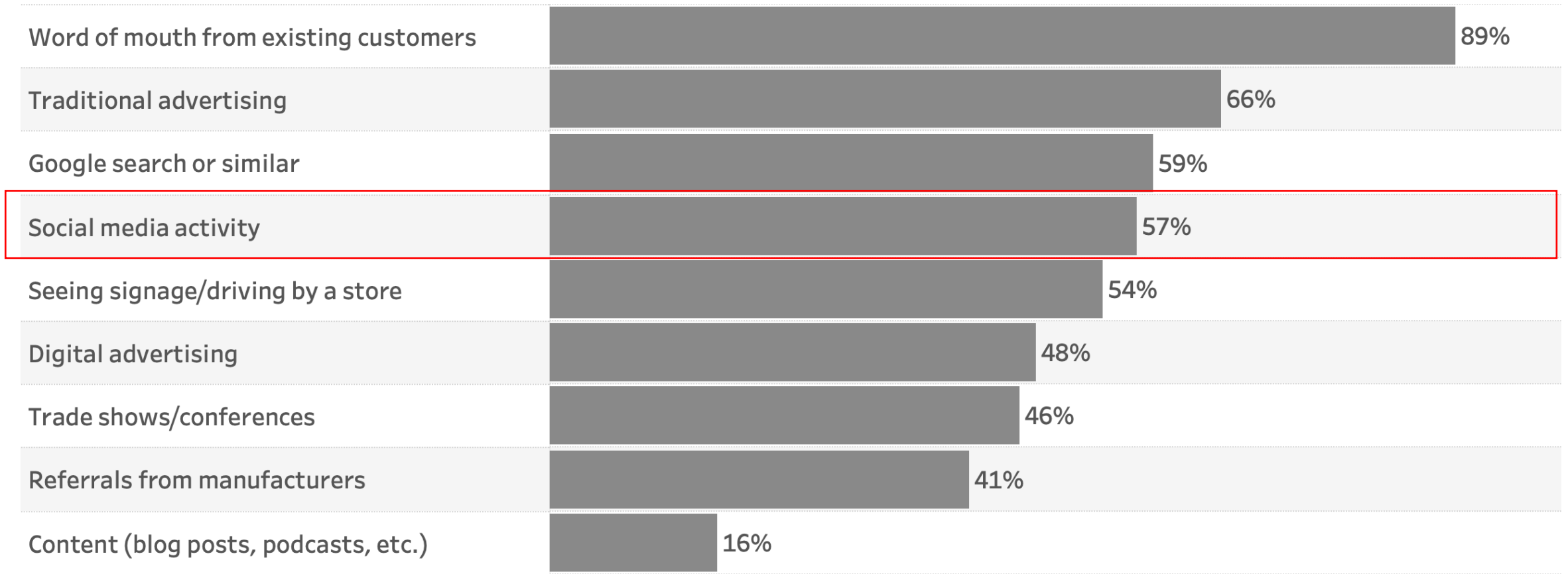
- 44% say they use the Internet for research / purchases MORE now
 - 54% say they use it the same amount as before – and we are not sure about the 2% that say they use it less 😊
- 28% say they expect to use the Internet MORE even after COVID-19 is over

Additional Takeaways #3

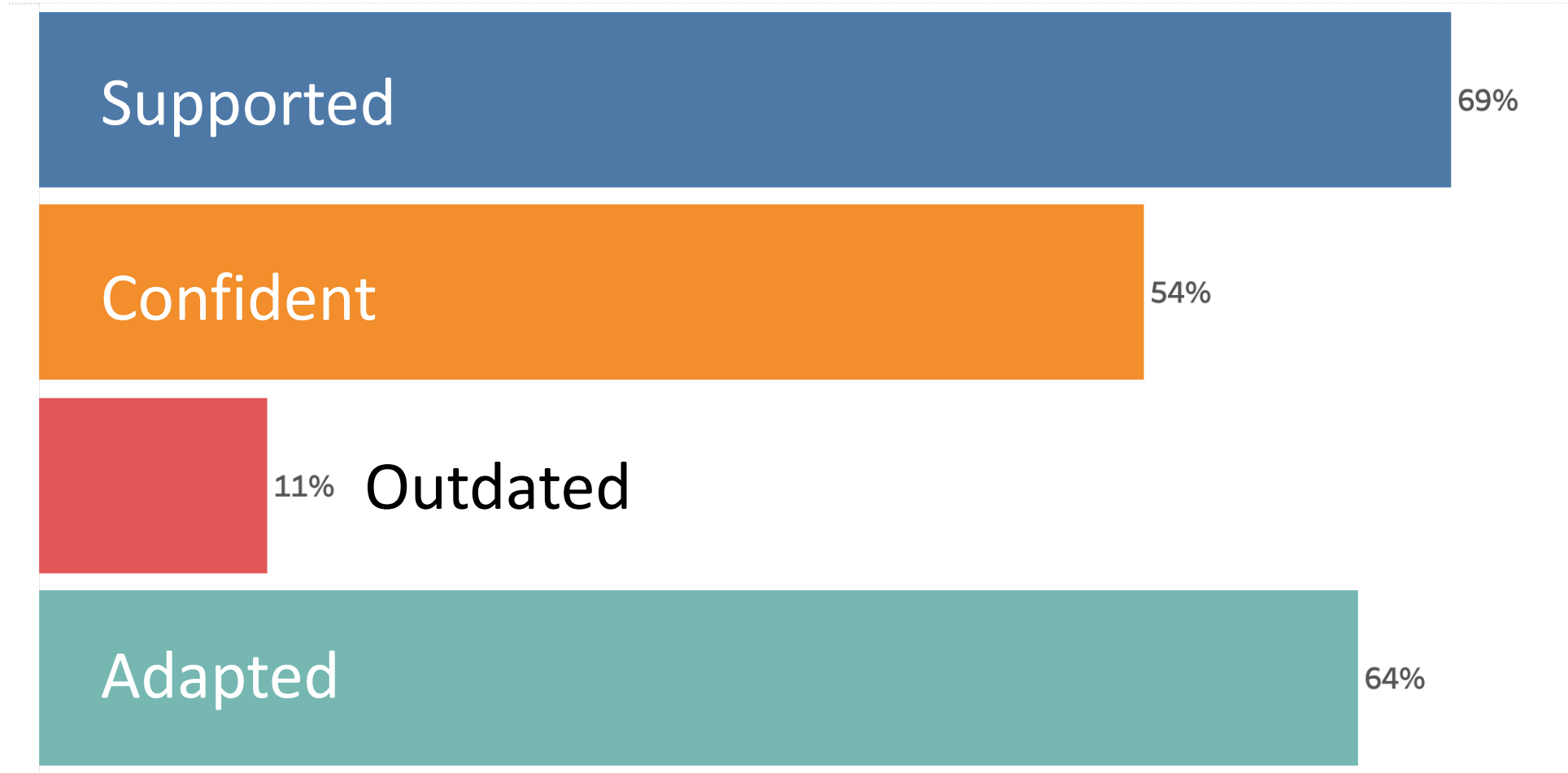
- Dealers buy parts online
 - 86% email / phone
 - 76% private portal
 - 67% online form

- Yet many do not think their customers can do the same

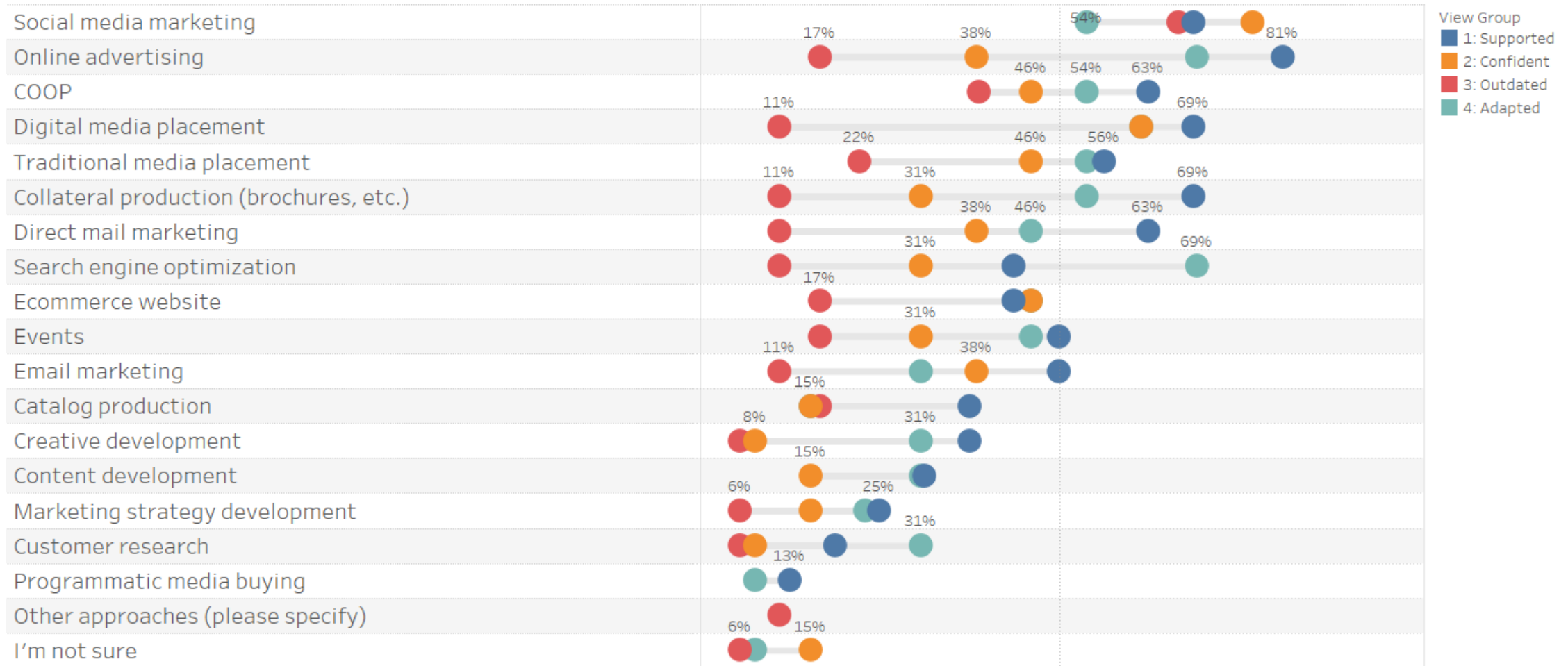
How We Get New Customers



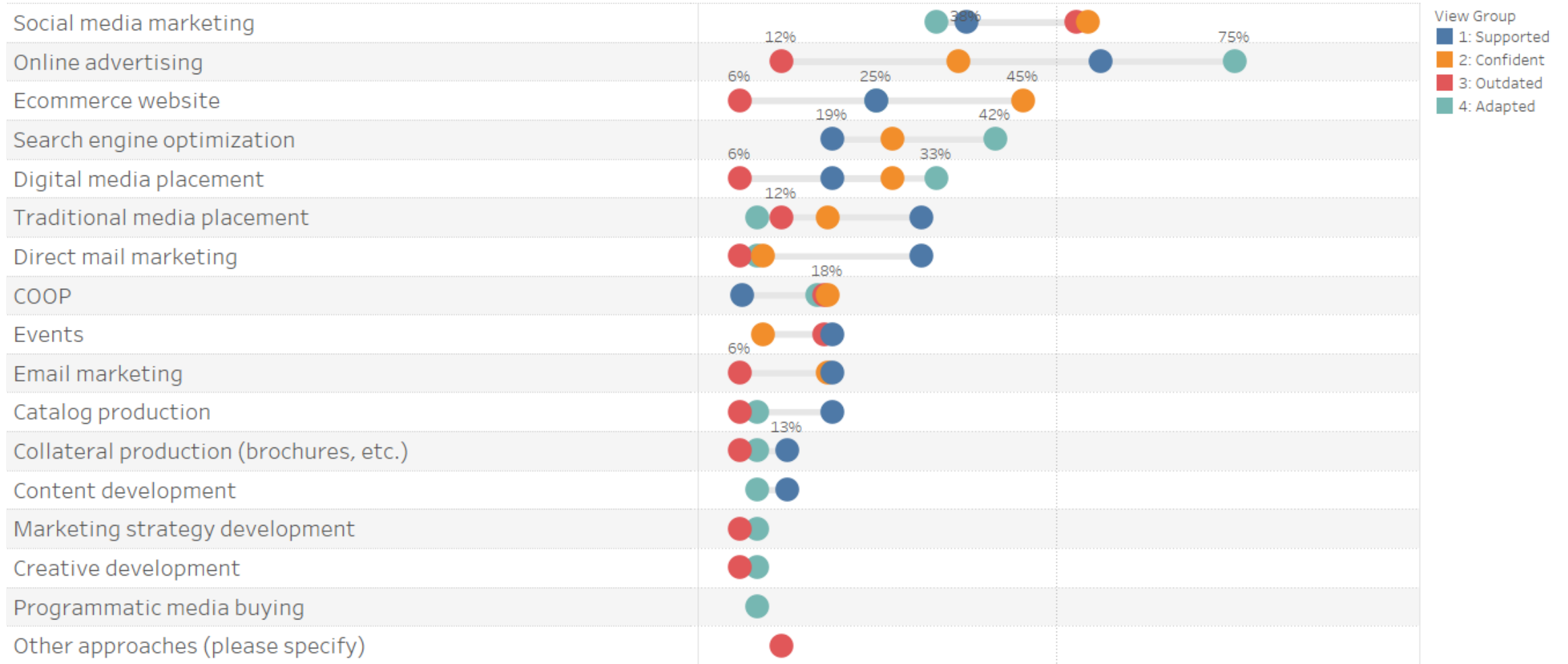
Getting New Customers – Digital Advertising



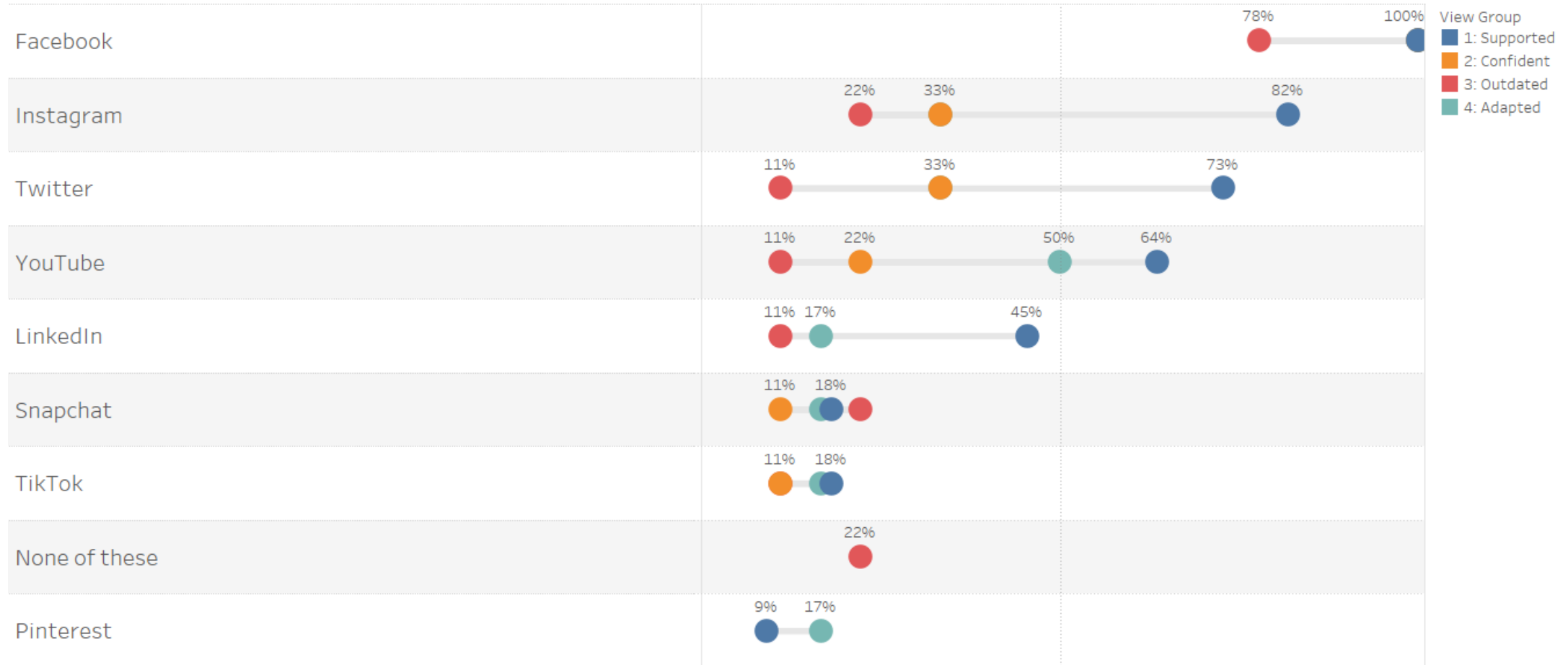
Marketing Approaches – By Segment



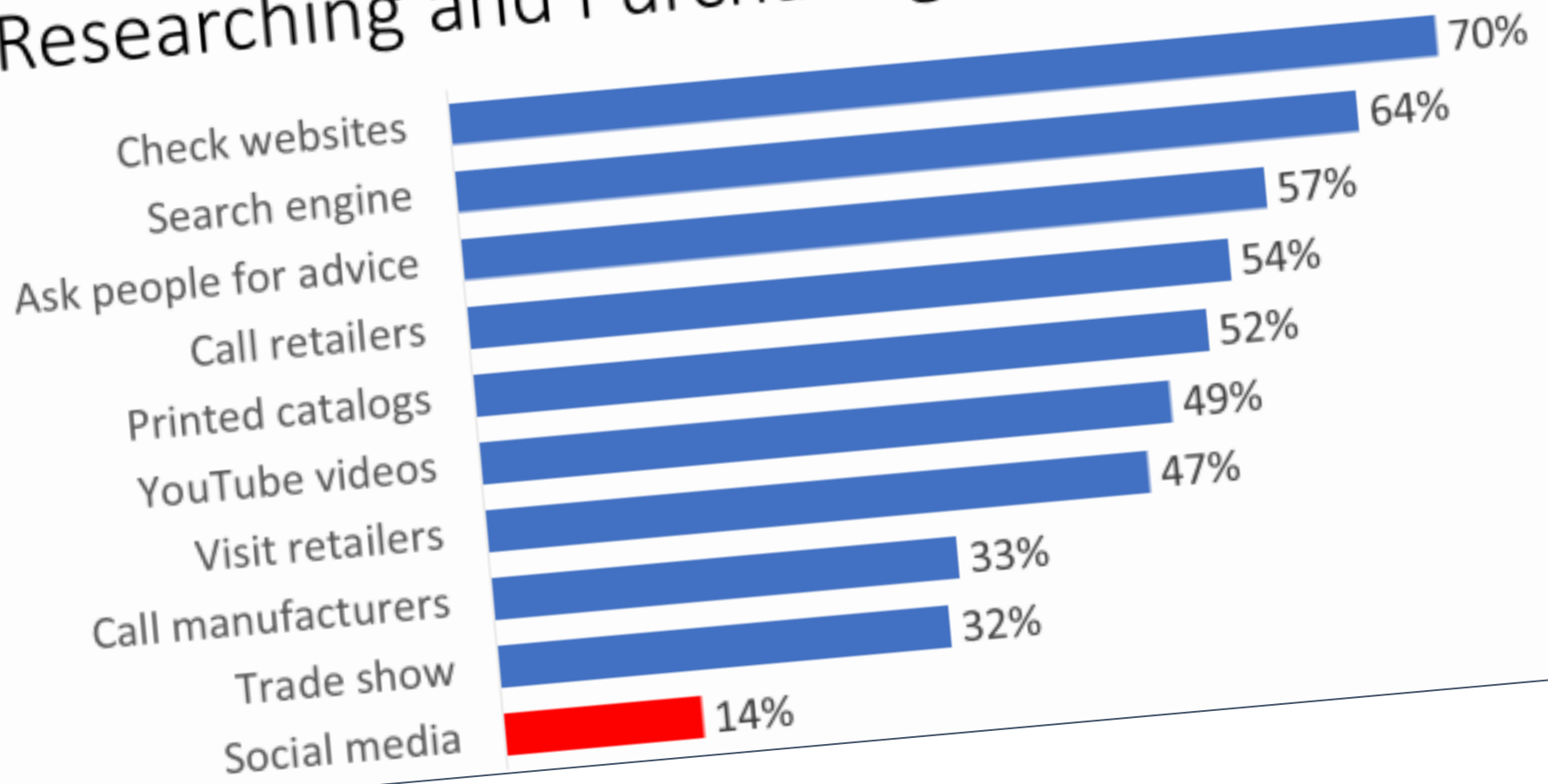
Marketing Approaches Most Effective



Social Media Platforms



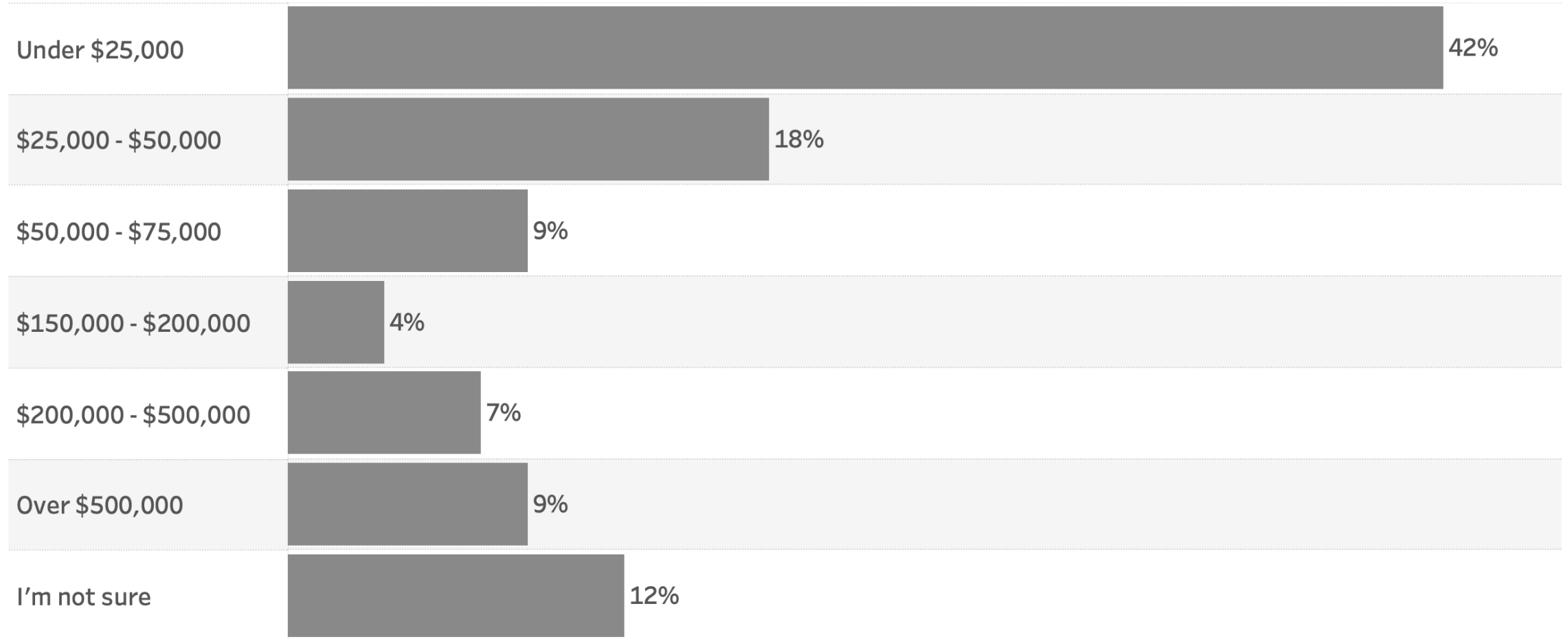
Researching and Purchasing Parts



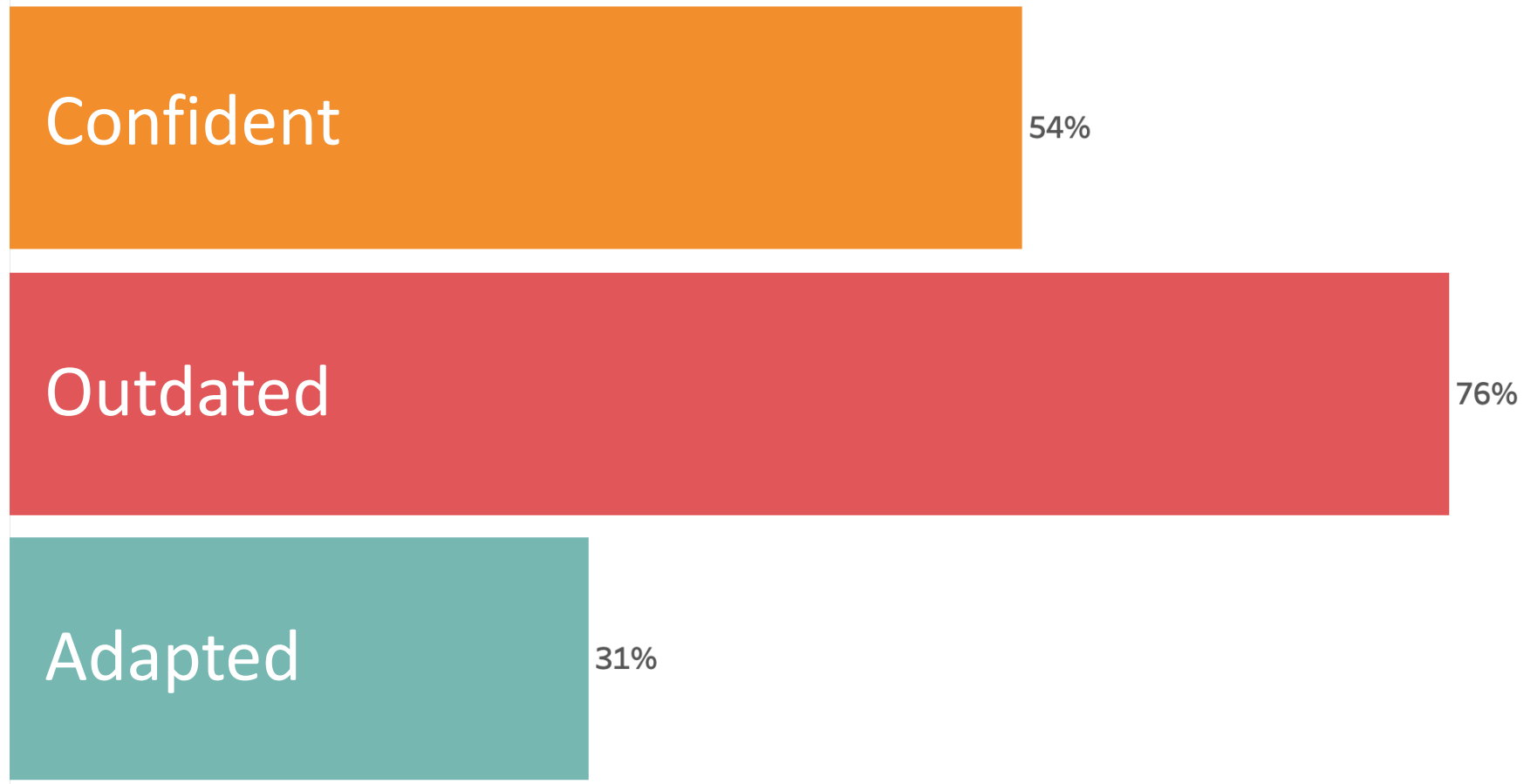
Big Takeaways #4

- Despite the opportunity, most organizations say they have not changed marketing activities in 2021
- Adapted strangely do not rely on referrals
- Outdated is mostly ignoring digital advertising
- Social media ranks high in perceived value but remember what our buyers told us in Survey #1

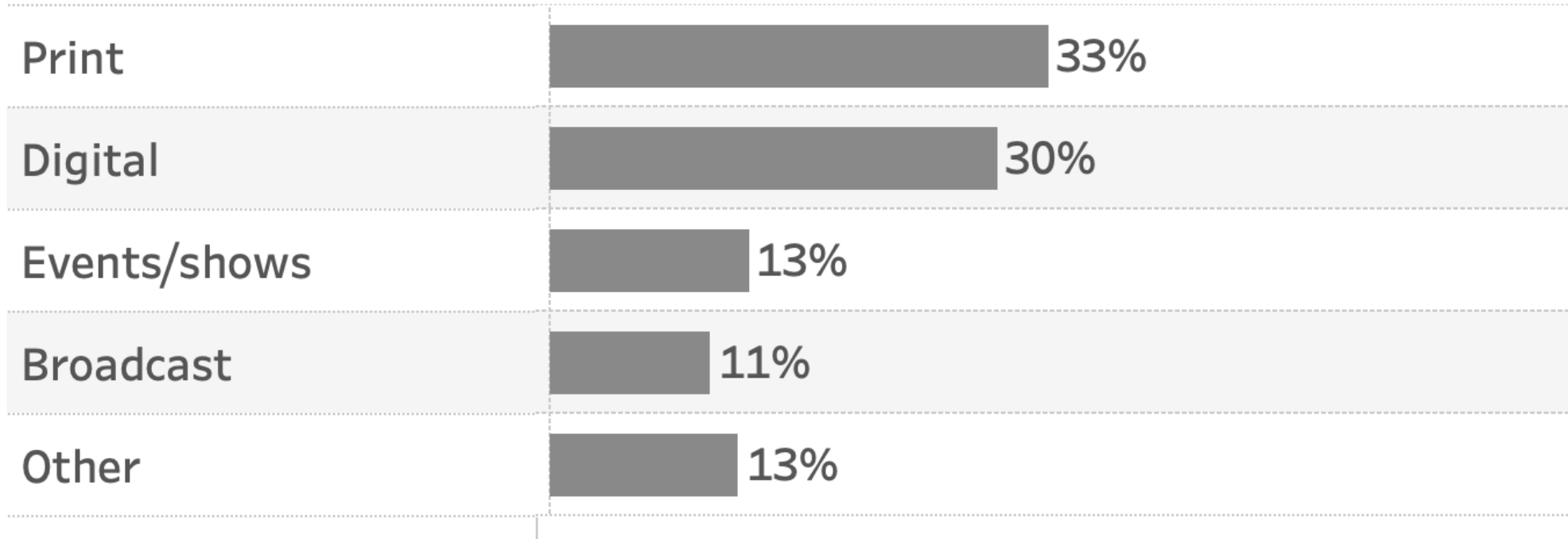
Marketing Budget



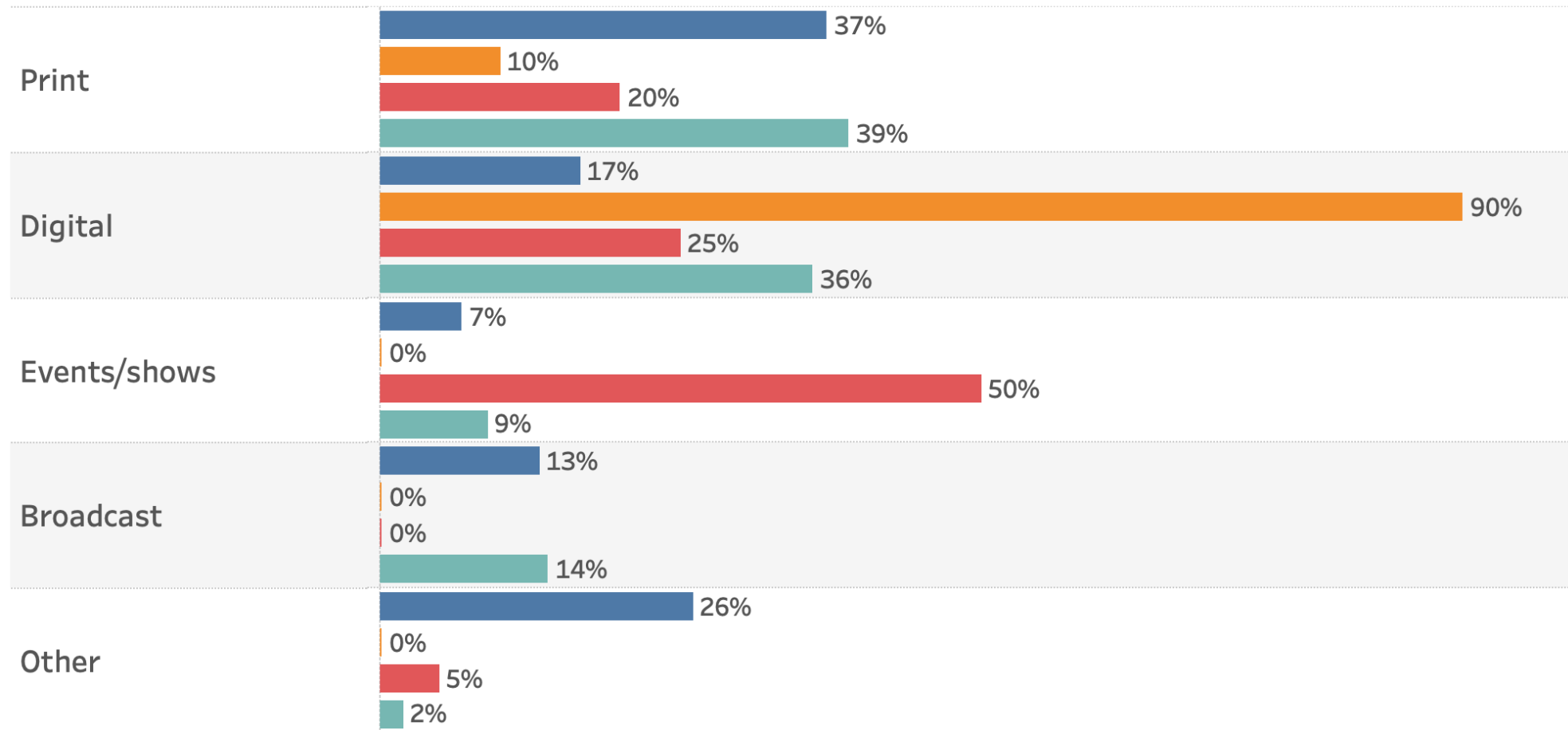
Marketing Budget – Under \$25K



Marketing Budget Breakdown



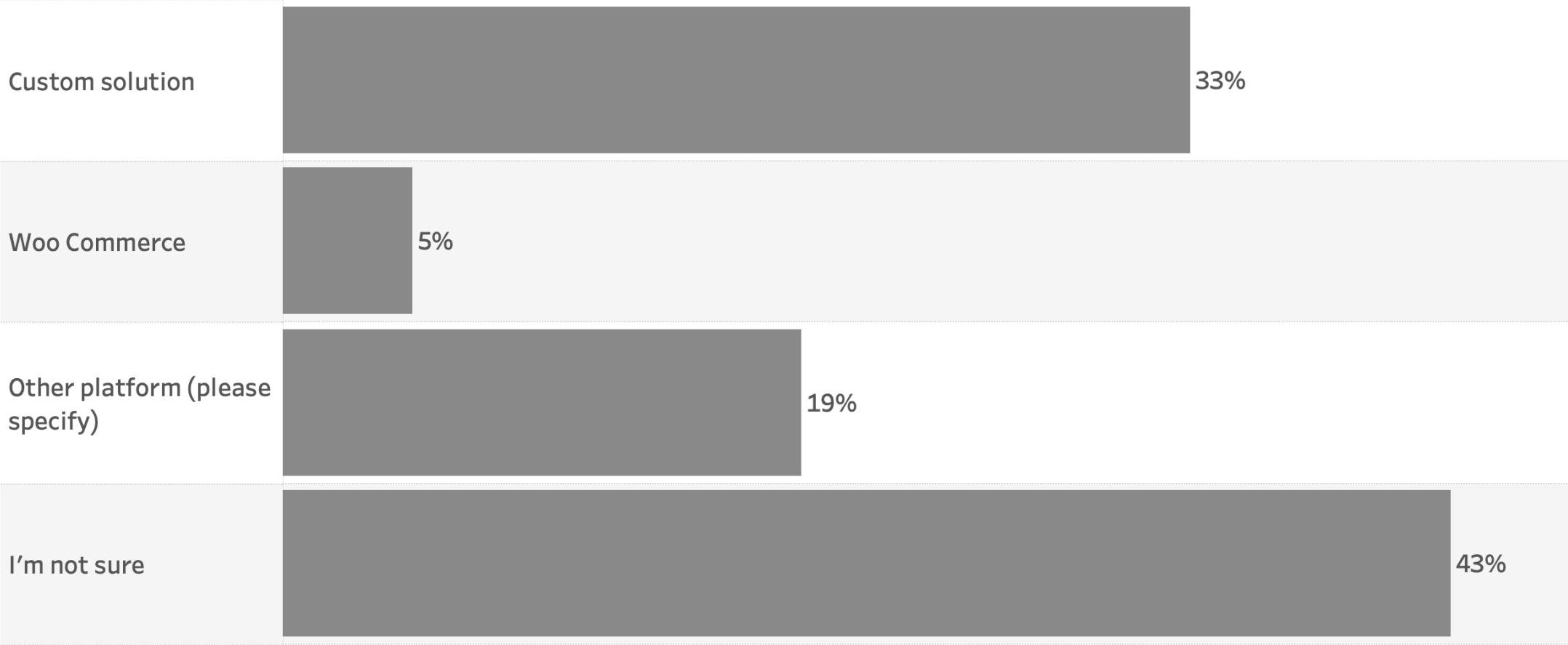
Marketing Budget Breakdown – By Segment



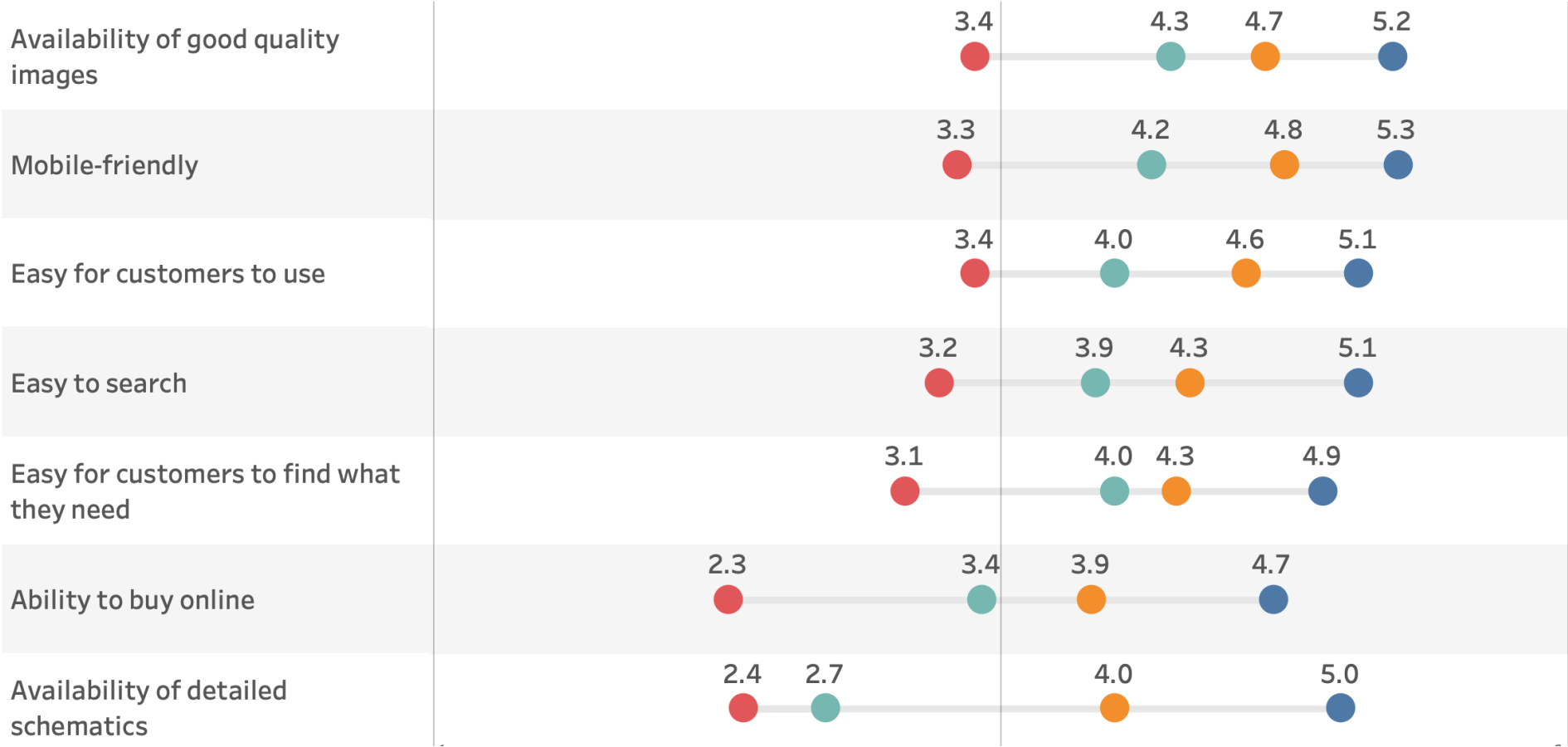
Additional Takeaways #5

- Only 9% say marketing budget is based on sales
- 50% say marketing budget in 2021 is same as 2020
- Only 25% say they know the breakdown of budget but clearly different by segment

E-Commerce Platform



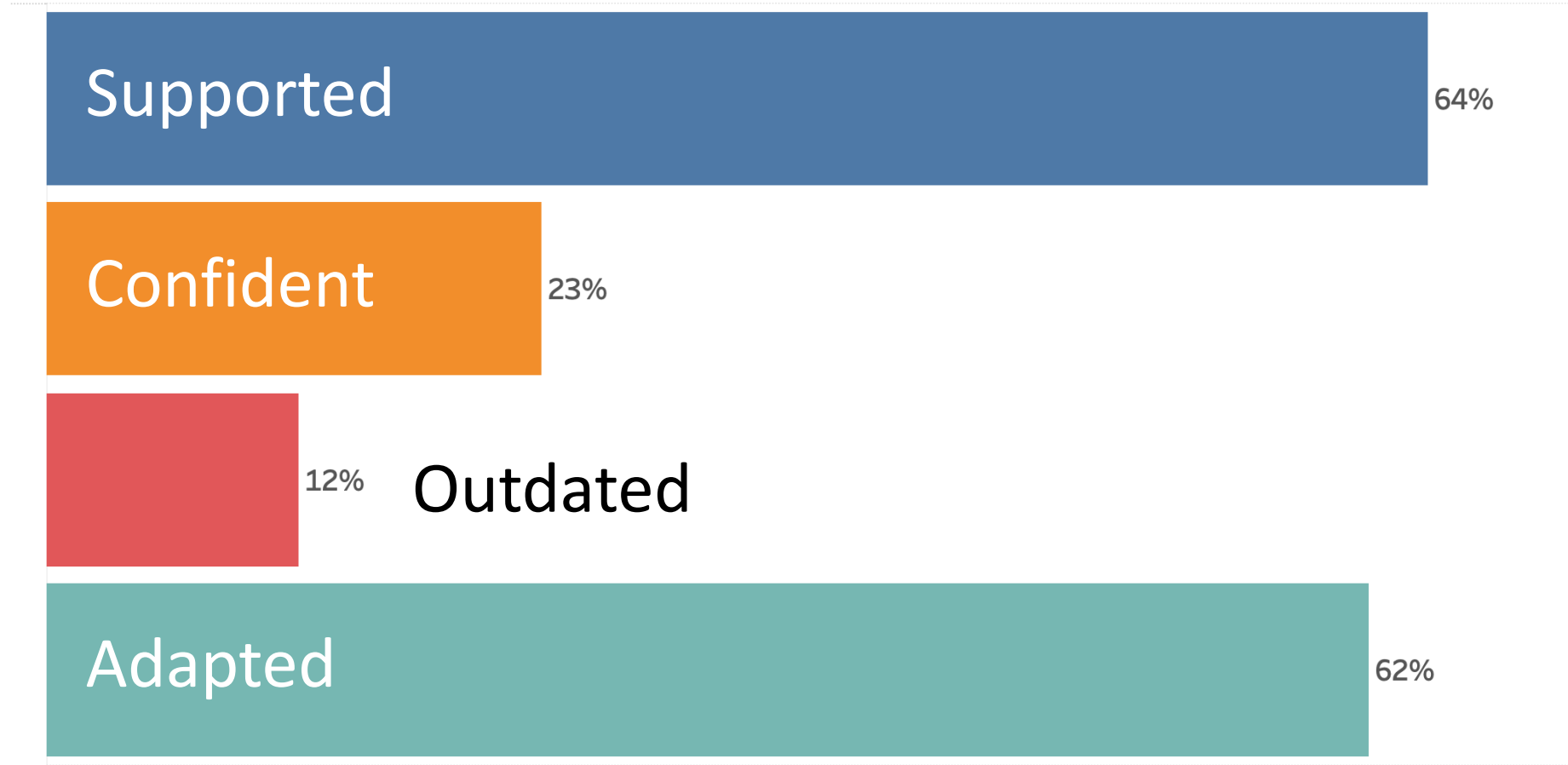
E-Commerce Site Ratings



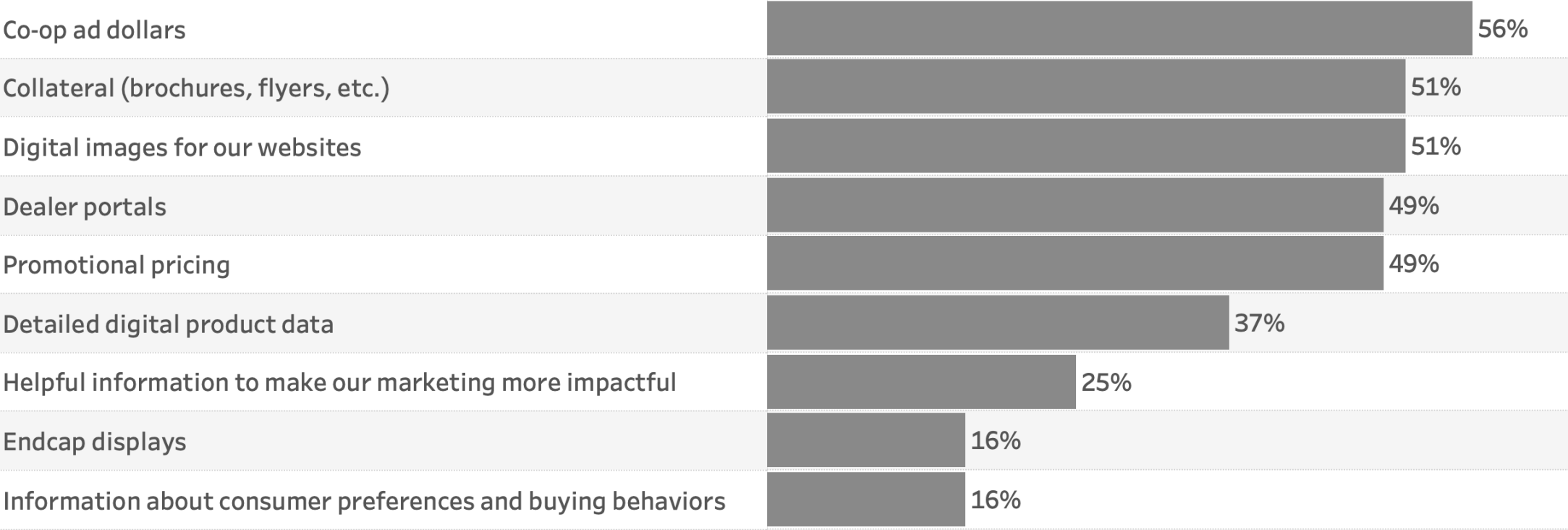
Additional Takeaways #6

- 60% say their organization uses co-op funds for marketing
- Co-op funds are used mostly for print (82%) vs. radio at 50% and digital at 35% (with Outdated being much lower on digital); cited digital **documenting** performance challenges
- 88% of those using co-op funds said important; those **NOT** using it said \$ not worth the hassle

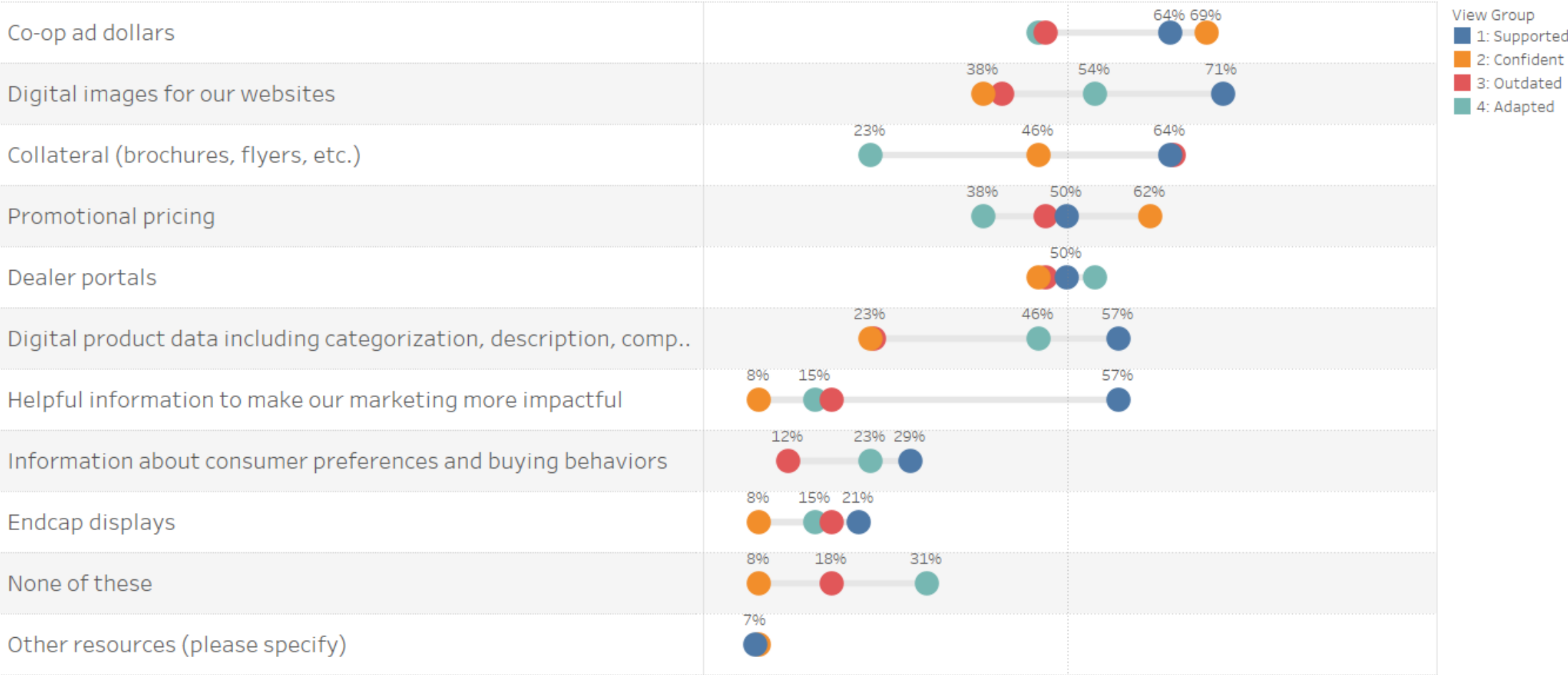
Works with an Agency



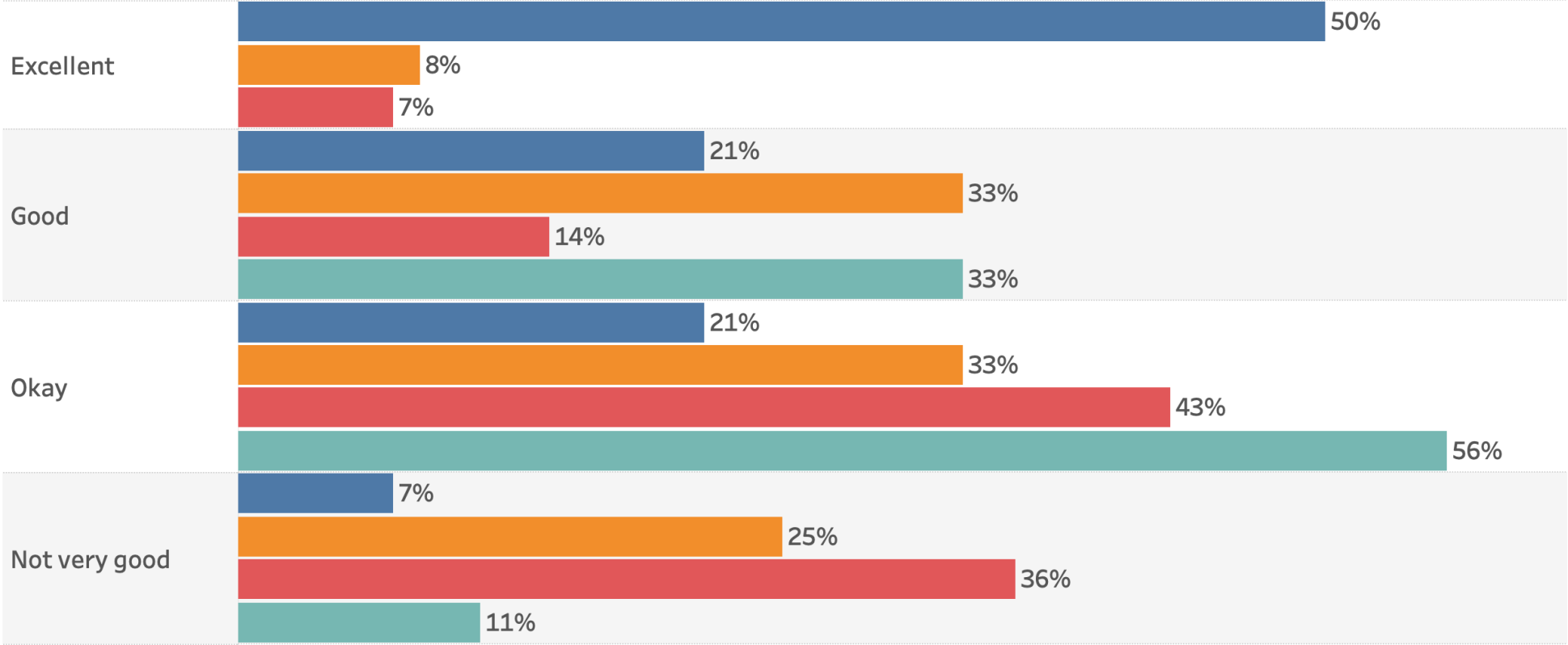
Marketing Support from Manufacturers



Marketing Support from Manufacturers (Segment)



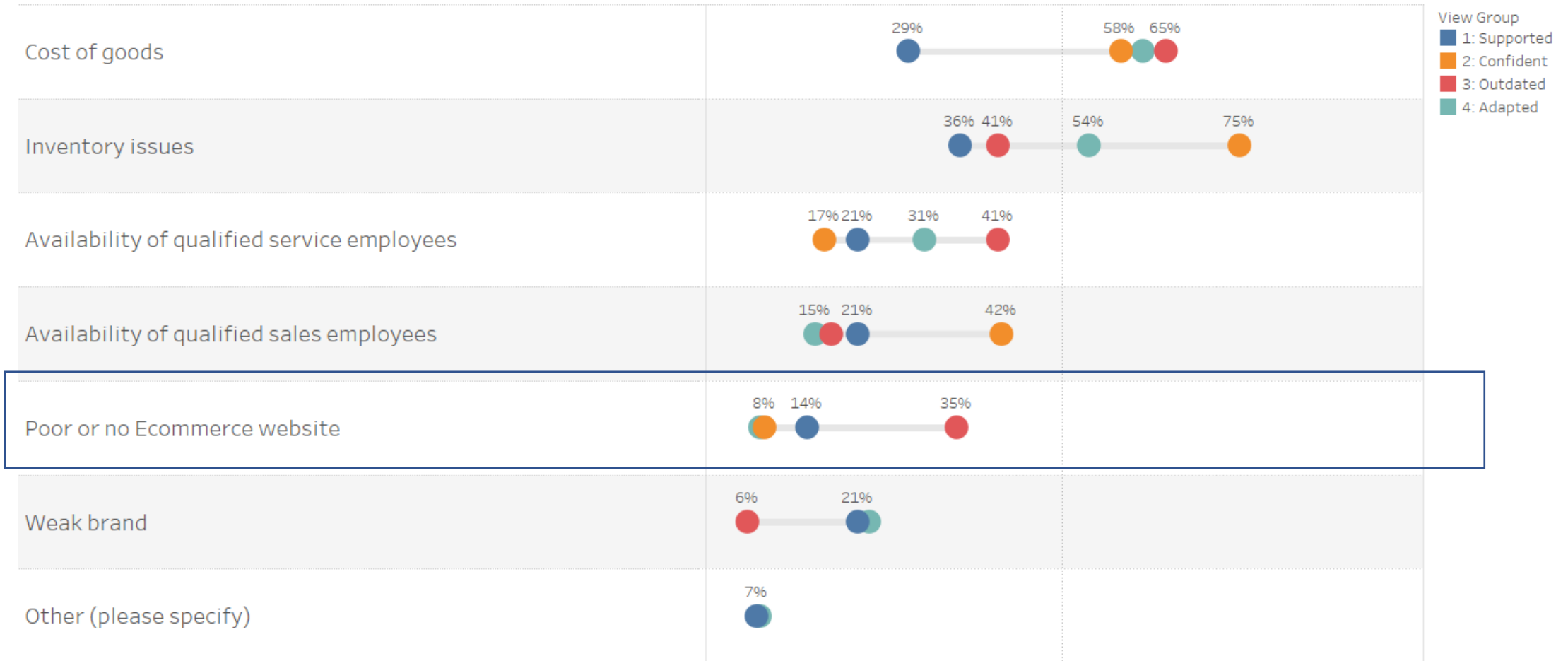
Marketing Support Rating (Segment)



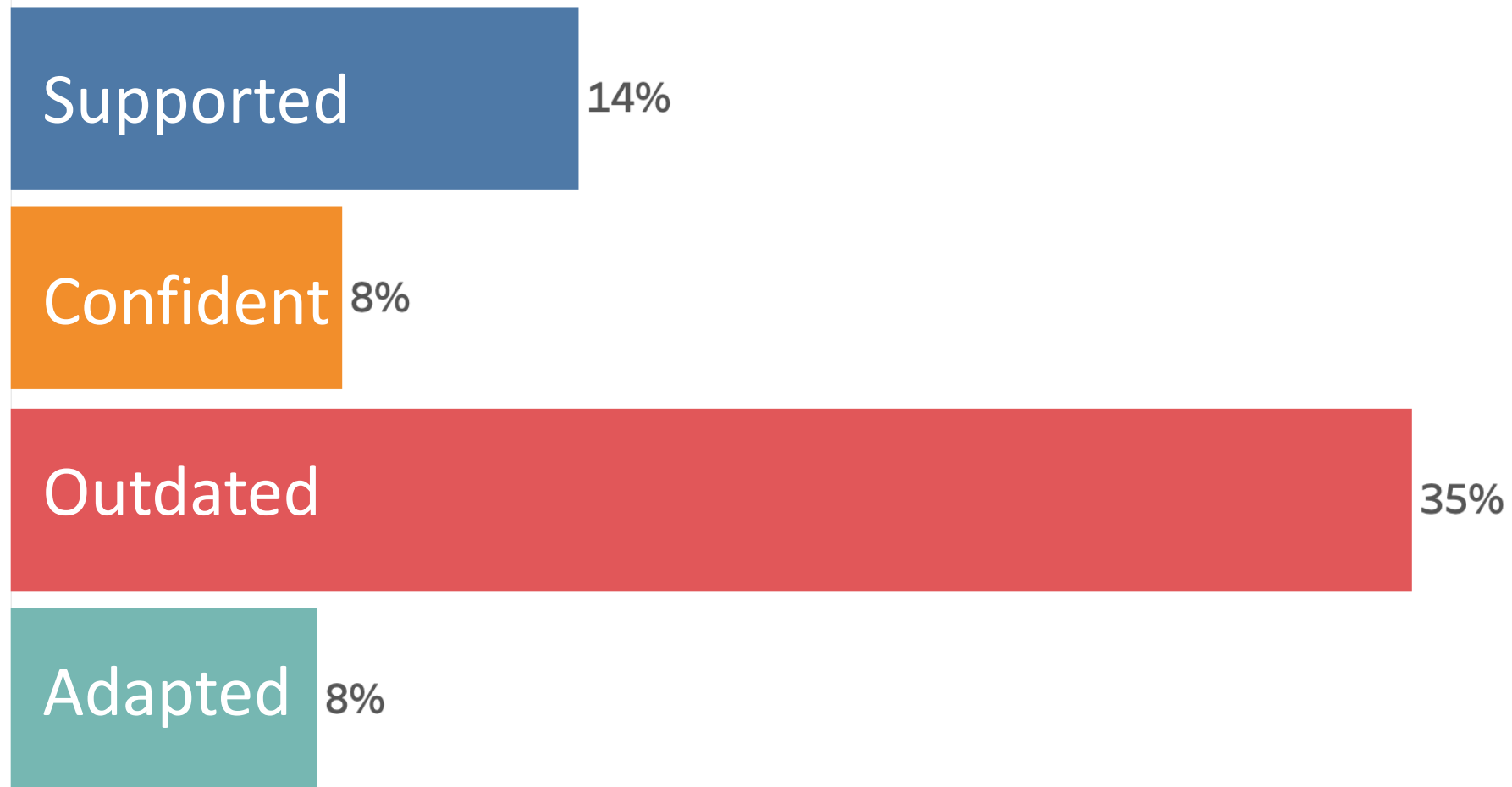
Big Takeaways #7

- Working with agency varies wildly by segment
- 50% say supported by images (*shocked*) but it is lower for many of the segments
- BUT other digital support information is around 35%
- It is interesting the Outdated people feel least supported
- Quality of marketing support same as before

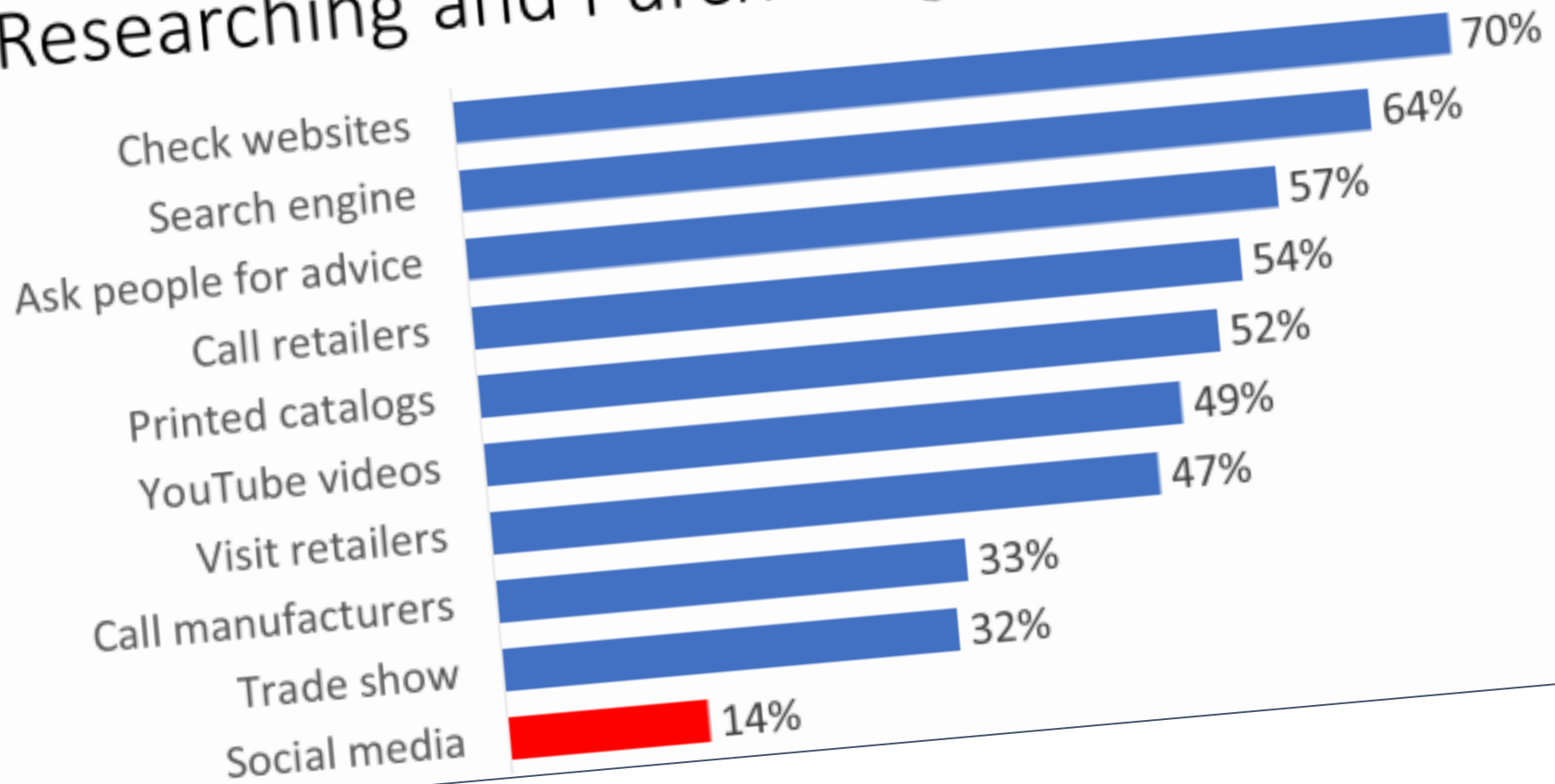
Biggest Challenges Ahead (Segment)



Biggest Challenges – Poor/No Ecommerce Website



Researching and Purchasing Parts



Final Thoughts

- 2021 is a great year to steal market share.. but not backing that up with budgetary changes; marketing budgets are low; low on strategy
- Many are dabbling in e-commerce with email and forms while some have a full platform or portal; many are custom systems
- Dealers buy from manufacturers online, but do not push this idea onto their customers in as high percentage
- Disconnect between how dealers are marketing and where buyers are looking; especially regarding social media
- Opportunity for improvement in marketing support by manufacturers and we would continue to call out digital information

For any follow up, send an **email** to mbird@spindustry.com with **Subject Line FARMERS JOURNEY** and be in touch!



Michael Bird
CEO, spindustry.com
mbird@spindustry.com
@iowabirdman @spindustry



John Anderson
President, Fastline Marketing Group
John.Anderson@fastline.com



Susan Baier
Owner, Audience Audit Inc.
susan@audienceaudit.com
@susanbaier



Thank You!

