

-- Speaker 0 00:04 Bacon right manufacturing podcast. Manufacturing has always been a challenging business, but the fourth industrial revolution it has as dealing with ever accelerating speeds in processes, demand and change. How does a manufacturing company meet those challenges and the needs of their own business to be successful for their employees, their shareholders and their customers. In episode 99 of the maker right podcast, my guest was James Soto, the founder of industrial, a B to B marketing agency that's focused on bringing industrial companies into the digital marketing age so they can thrive in this new era. He believes that 90% of B to B industrial marketers are seriously missing the Mark, even though they have a huge potential. Now to be incredible marketers. This is the makeup right podcast. I'm Janet Eastman and in part two of my conversation with James, he offers some ideas on how a business can zero in on their niche and move towards greater prosperity. He also explains how we branded and co-produced manufacturing day, but we pick up the conversation on how his company approaches marketing for manufacturers.

Speaker 1 01:23 We're at a time now. Um, so when you, when you, when you speak to marketers and marketing agencies, we're, we're at a time now that it's going to get really hard to survive in, you know, the shared economy and crowdsourcing. And I'll be honest with you when it comes, no, I haven't seen anything. I'll get honest. No, but let me just not honest. Right? So, so, so we're, we're at a point where we have to realize that we are not going to survive if we're trying to, to, um, just produce stuff for folks. <inaudible> <inaudible> design stuff and do websites. Um, the technology and the ability to enable nontechnical people to do amazing work is, is incredible. And more and more what's valued in things that when we asked to do them, it's really all of the thinking ahead of it. It's what's filling in the boxes.

Speaker 1 02:20 It's the work to really challenge a leader to say we need to start with more of like a consultative approach and saying, what's, what's the vision? What's the mission? What business are you in or need to be in or curious about? Um, what, what are the things that make you unique? And, and, and it really starts with, um, the consultative ability and honestly, let's spot and bravery to say that we're going to come in and ask you really tough questions about really what you know about your business and don't know about, about it. And, and then really start to work from there to establish, you know, very strong, well articulated, strategic and, and certainly strong brand positioning. Um, can you share some stories about how you've done this and how it's been successful? Yeah. So, so, um, so, so, so when, when we engage with folks, one of the things we feel it's important to do is assess where they are in their journey with marketing.

Speaker 1 03:21 How much do they know? And really, no. So, so, so we've worked with, um, you know, back in 2013 I saw an initiative and I was like, Whoa, this is kind of crazy. Mmm. In 2012, the national association of manufacturers, um, department of commerce through the national Institute of standards and technology, NIST and they're manufacturing extension partnership, the MEP national network. Um, the one of the largest trade associations, also the fabricators and manufacturers association, um, and, um, science channel and others coming into that next year, but came together to say, we have a problem <inaudible> the industry that's really afflicting manufacturing and, and we have a massive skilled labor cap. Yeah. A gap and it's only going to grow exponentially. And that was, that was the situation to this day. Um, you know, and, and what the issue was is that there wasn't that next generation to replace the fact that the foreseeable future, 80% of engineers would be eligible for retirement in the industrial sector.

Speaker 1 04:35 Um, there was a deindustrialization of the country. Most folks didn't know how to use a screwdriver, you know, um, people were digital. Um, folks weren't really interested in the trade. There's a bad perception of it. And we came in and we saw that and I said, we want to help you do another one of these things is it was manufacturing day. And so when we came in, here was this agency at the time and were fledgling along and we said, this can be something huge. We will come in --

-- and we will do this pro bono because when you see those types of organizations to come together and try to create a little bit and they're trying to get manufacturers to open their doors to America to change perception of manufacturing and manufacturing careers. And there was amongst the youth, it was, you know, uh, it's, it's middle school through high school.

Speaker 1 05:28 Um, it's teachers, counselors and students. And so they didn't know how to work together. Um, there was a lot of frustration going on. Um, there wasn't truly articulated branding other than the goal to change perceptions of manufacturing. There wasn't an agenda and ability to speak to the constituencies, both a host of some manufacturing that a good reason to open your doors, um, to America and literally have a true manufacturing day and actually getting organizers in and technical colleges and high schools and middle schools and counselors and teachers to say, go see for yourself, you know, what the inside of Tesla looks like, or Caterpillar or a, you know, or a custom manufacturing company or just industrial distribution company like motion industries. So we, we, we got involved and we realized I went to a meeting, um, one of the facilities of the department of commerce with all of these folks, like the head kind of touch point people there.

Speaker 1 06:28 And man, it was like DC talk really had to get up and say we have to clearly create a basis upon which we're going to communicate with one voice. We need to have a strategic brand. We need to articulate that value proposition and we need to have a clear narrative, our key constituencies. So we broke it down. So what we did is in this example, we wanted to create a movement and I sat there in DC and um, I said we should set an audacious goal to have president Obama and every president even after him. Mmm. Declare the first Friday in October is national manufacturing day. And having said that, we, we were given the opportunity to build the manufacturing date brand. We put together communications foundation. We did a, as part of another study, we pulled together insights and we found that counselors weren't even recommending like manufacturing careers to their students.

Speaker 1 07:34 Say parents were like, I'm not doing this to send you, you know, work in manufacturing or do some technical career, which I think the generation and makers are really changing that. Um, and, and, and the students themselves, they just didn't really have a relationship with manufacturing. So we work with the science channel, how it's made TV show was part of it. They got behind it. We created a communications foundation. We put out, uh, started to leverage social. We built a national destination for folks to host, attend events and created connections, built a community from scratch. Um, we put probably the biggest pro bono investment in the history of our company year after year for a number of years to just totally launched this earned, own paid and social media. And it, and it literally came in 50 meetings at first year and we pulled off, um, the, the, the event it went to like 240 events and it's now over 3000 events, um, tens of thousands of students going into manufacturers.

Speaker 1 08:40 And, um, and really in it. And then over the years, Deloitte came in and started as part of the campaign. We'd ramp up every year they, they did a study with the national association of manufacturers, which now essentially runs this movement. You started to see that we're moving the needle and changing perceptions. It doesn't sound like I know a marketing story. I'm not talking about our tweets and our Twitter strategy. I'm not marketing that. Those were all the things we make, right? That w that those were the things that the marketing, you know, tacticians and implementers do, but, but, but the strategic work to tell these folks that you got to get your act together, you got to be able to work together. You have to have rhythms and measures and we need to have one source of truth around what this brand is, who our key constituencies are and, and how we're positioning manufacturing to America.

Speaker 1 09:42 That's the power of, of Oh, okay. Of how you leverage, you know, something that's important and what we made manufacturing the niche that it was, is it was this opportunity for manufacturing to have a showcase, to have an open house. And what, what, what, what it really now --

-- almost is, is, uh, almost like a holiday where just the brands built that now everybody owns it and they now the whole month they actually do manufacturing day and manufacturing month events. And then that's the promise of brand. That's a promise of being consultative. It's not the stuff we do. And, um, and that's something I'm very proud of the work we've done as a, you know, as a guest co-producer. Mmm. And, but now, you know, now off to the next thing, cause uh, I think manufacturing is now shifting to, uh, uh, we were fighting to say, Hey, manufacturing is cool. Um, and change perceptions, but we're, we're, we're back. We're now down to creating perceptions cause manufacturing's pretty awesome. You can go work in the cubicle or you can actually make something. That's amazing.

Speaker 0 10:54 So I want to ask you, um, I don't know, I've taken up a lot of your time, James, but I would like to ask you, um, if we go back to that nailing your niche, if you could share just some key points for a company who's sitting there thinking about their manufacturing, especially at a time like we're in right now thinking about their manufacturing business and wondering what it is they need to do to, you know, move through this year and onto the next, if they want to nail their niche, what are the questions they need to be asking themselves?

Speaker 1 11:24 Yeah. Um, well thanks for the question. It's a, it's, it's the one we hear all the time and we believe the first question they need to ask themselves are, are they ready to, um, for even marketing itself, right to man the nail, your niche. Um, uh, the question that they have themselves, are they willing to work as a leadership in a healthy way to, um, to really talk about what business are we in? And, and, and those first steps in nailing niche is to understand who they are, where they're going, how they're going to get there. Um, what is the vision, what's the mission? And getting back to the business, um, the, the, the business model generation, they have to really go back to thinking, okay, okay, this is the business that we're in. This is the best work that we have. This is the work we want to have.

Speaker 1 12:14 And then ultimately what we see is they have to answer fundamental questions about how they're articulating what they do. Um, and you just have to go as far as the sales and the marketing team and ask them what do we do? But did we do it for, and when you're nailing your niche, um, you have to know that when, and then the question that the simplest thing, um, you can do is say, what are our, what are the three point? What makes us different? What are three things that we do that, that, um, maybe another competitor is one of them. Maybe what the second one, maybe some competitors do too, but no one, no one does all three. And if you can't get alignment on that, you know, at a, at a leadership meeting or a board level or marketing and sales team or a senior management meeting, you're really challenged.

Speaker 1 13:10 So, so the first step you need to take is really understand those predictive clarity message around your brand. Um, um, and the second thing is you have to really, but interview your customer. You have to look at, you know, you think you know what they want, what they value from, from what you do, but, but if you were able to look at them independently, um, and anonymously, what they would share with you are the things that they truly value most. So I think that would be the next thing you're going to, you would want to do. And what we've found is a good way to spark the conversation is <inaudible> is, is to really look at their marketing readiness. And we, we, we, we, you know, we, we look at, uh, questions on dynamics of, um, what are, you know, what a key key reasons why business people do business with them.

Speaker 1 14:02 Um, internally, um, understanding why people don't do business with them. What are they object to and lots of other sales metrics. You know, what do we do? Do you, can you articulate that? Um, then we look at, um, you know, where do we actually make the money? What is actually a sweet spot customer? Like what's the, what's our most profitable customer? Which one has the longest lifetime value? Which one has the, the, the we make the most in the first year? Uh, what's our, uh, what's, who are, you know, for it, for X amount of activities. We get this amount of opportunities, this amount --

-- of sales and this much profit, which one's the most profitable one? So, so we, we created about 40 questions. We look at marketing readiness and, and essentially it's just a free tool that we decided to give away because we realized, okay, even though it's a good part of how we start, when, when we get to work, we really realized folks need to survey themselves, look at what they collectively know and don't know about what they do and who they do it for.

Speaker 1 15:00 And what's a primary, secondary, and tertiary product and service. What's the best work for us? What's the unserved part of the market? What's that? You know, what's that need in the market that's not being served? That we have the ability to deliver and, and, and the, and, and, and the thing they're going to have to do is figure out what they know and don't know where there's clarity in disagreement where they're speaking with multiple voices that have two sides of their face. And, and we broke it down about 40 questions. <inaudible> we actually score them like a, you know, a to F grade and, and, and what basically they can start to do is before you try to nail your niche, you gotta clear who you are. In what you do and who you want to do it for. And, and then you can start really saying, okay, do we really need to go through and really clarify and go through another round of our brand and our positioning we under, we really need to talk about who our, who is our customer.

Speaker 1 15:56 We really need to talk about these three points of differentiation. Like for us, the number one thing our clients tell us that makes us different from the, you know, you know, thousands, thousands and thousands of, of marketing agencies of all shapes and size. Why'd you do business with James, your industrial? So it was, no, it's no, I'm surprised that you know, our vanity URL is we are industrial.com and it's our number one point of differentiation. <inaudible> and, and, and, and that second thing a company may find is the second point of differentiation. And, and what we found is that the business of marketing, it's about, about really centering on the customer. That's the big lesson. And if you want to ask about what's our definition of marketing the difference, we believe our business should center on the, the customer and profit BR reward for that satisfied customer.

Speaker 1 16:48 And as a services agency, we need to be in the business of centering on our customers so they can send it center on our clients so they can center on their customer. That's our second point. We do some unique things there. And then in essence, and these are universally applicable applicable. Um, and then the third thing that really we can demonstrate, there's a massive measurement. No problem. There's a mass there. There's, there's action to not knowing what effect it has. And we believe in Kaizen, which means change for the better or continuous improvement. And we Kaizen, we love keeping in the killing. We're not an, you know, we don't do advertising because we just want to make more money off of it. If it's not working, we want to kill it. We're busy. Um, so we want to like take small steps, change for the better.

Speaker 1 17:33 So, so whatever those things you may find, those three uniques to your business are so important that makes, that makes you different. But the targeting on top of that is really where you find the niche. And for us it was manufacturing, it was the industrial sector and nowhere else. And that allows us to go to the right places and, and, and I'll kind of leave you with this. My team, here's our secret sauce, my team, but we have a mandate to, to indoctrinate them into industrial if they're not already there. We, we, we absolutely work to hire people or, or an industrial. But that's the truth is not everybody is. So we have to really do our work to change our perceptions, to indoctrinate them, to get them in the field, to go plant tours, do these things. We're out in the industry, we're out, um, where our clients are. We literally all have safety glasses cause we're plant tours all the time. Like you just don't see that. <inaudible>. So what are my challenge is and what I believe, I must always be focused on when, um, when you're nailing who and whoever's out there trying to nail your niche, you need, you need to be the Este.

Speaker 1 18:50 We are industrial, but I need to be an, everyone on our team needs to be in yo --

-- ur company. We were the industrial Este the most, the most just, you know, it can be industrialist. That's a thing. You have to be the most of it industrial S the fastest. And, and that's, that's where you really start to see the honing ends. You see how it's one word. It's very simple. We are industrial, we're the industrial Este. Everything we do, where we're going, why we're going there, we live in trade shows that don't work here if you don't want to do that. Yeah. So just add the EST onto whatever you think your, your, your niche is and see if that suits your business. Right? Like if that's, yeah. Yep. That nails it. I am, I am the industrial last. Okay. That's who we are. Yeah. Yeah.

Speaker 1 19:44 And, um, and I think, I think that's, that's, that's a big, that's a big thing. Um, even growing up industrial, I didn't identify, you know, I didn't know. It's just, I thought everybody kind of had that and, and I realized that's, that's a huge advantage that I was, that's how I came up and how this journey has kept me there. Um, and if you're going to do, you know, if you're going to be in the, you know, the Lamborghini business, you gotta be the fastest. Yeah. Yeah. That is, that's a really great way to leave it. James, thank you so much for sharing your insight. Really good. A good marketing chat today and I love your insights on where you think manufacturing is going and, uh, the growth of the makers over in North America. I think it's fantastic. So thank you so much for your time. Oh, thank you for having me. Appreciate it. James Soto is the founder and CEO of industrial. It's one of North America's top marketing agencies. You can check out his YouTube channel, industrial strength marketing. It's got some great information and you have a podcast

Speaker 2 20:48 coming out in April, I believe, James, what's it going to be called?

Speaker 1 20:51 Uh, industrial strength marketing. And we're actually launching that and um, get marketing ready. We're actually putting our, um, those 40 questions live and um, we're using that to, um, get insights from folks if they'll share it, um, about what they're not ready and what they are ready for. And we're gonna be talking a lot about that.

Speaker 2 21:12 Okay. That's coming in April. James, thank you so much. Thank you. Okay, that's our show this week. Please check out our Twitter and LinkedIn feeds that are on our podcast page. Subscribe and share this podcast with your friends and colleagues through iTunes, Google play, Stitcher, Spotify, and YouTube, and make it right. Podcast is brought to you by Kevin Snoop, leadership advisor and author of the bestselling book. Make it right, five steps to align your manufacturing business from your front line to the bottom line. Until next time, I'm Jen at Eastman. Thanks for listening to the makeup right podcast.

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