Suppliers Can Prosper Using Multiple Channels, New Approaches

Suppliers who use distributors or sell directly to the intermodal market can utilize a variety of strategies to position their products, including actions such as raising visibility through IANA committee participation or capitalizing on new Internet-driven approaches.

Jim Sharkey, senior director of global sales and marketing at Pressure Systems International, said the company participates in the intermodal market as a product marketing specialist and stresses the importance of participation through IANA task forces and committees.

"The task forces and committees are a great opportunity to not only help the industry, but also increase exposure to the customer," said Sharkey, whose company products are sold through exclusive distributor and parent company Meritor.

Other suppliers have additional marketing approaches. Hendrickson National Account Manager Bryan Boyd emphasized Hendrickson's pull through sales approach. "We don't sell anything directly to intermodal fleet buyers, but our goal is to get them to 'request' our product through their OEM," Boyd said. Hendrickson stresses reliability, low maintenance characteristics and integrated solutions in their approach to the intermodal market, he said.

Sharkey said another effective marketing approach is obtaining favorable customer comments, which has been particularly important because "what we sell is a discretionary product. It's not like having an axle."

Sharkey noted an upcoming federal deadline, as well as potential changes that are coming soon in a new federal rule, which requires additional safety features on newly manufactured chassis and trailers starting Jan. 1. (See related article, page 15.) They will have to have automatic tire inflation systems or tire pressure monitoring systems. Additional requirements will be put in place for trailers. However, in light of President Trump's focus on reducing federal regulations, there could be a change in the situation before Dec. 31.

"We don't think this change is in the best interests of the industry," Sharkey said. "We'd rather have our products grow naturally in the market."

Part of the reason for that stance, he said, is concern that the mandate will generate a new wave of lower cost providers whose...
products could be substandard and less reliable. The opportunity for growing tire solutions is substantial, since just 55 percent of newly manufactured trailers or chassis have a tire inflation or monitoring system.

No matter what happens with the Environmental Protection Agency/National Highway Traffic Safety Administration’s trailer and chassis mandate, Sharkey stressed that intermodal businesses have shown themselves to be early adopters of tire solutions because the short payback period appeals to an industry that is so cost sensitive.

**Social Media Provides Added Value**

Social media hasn’t drastically changed a number of supplier marketing strategies, but it has allowed them to make more use of LinkedIn and Facebook as an incremental method to reach smaller and mid-sized market segments that they don’t already reach.

On the e-commerce front, Boyd said its use hasn’t been a factor in their intermodal sales process. “The shift of chassis responsibility and purchasing from the steamship lines to leasing companies, railroads and IEPs has changed the target market and players of the industry,” he said. As a result, the company has focused on building business relationships directly with fleet buyers in the past three years through various account management strategies.

John Boyens, an internet marketing expert, said transport companies often miss the opportunity to capitalize on available internet sales lead information, particularly through LinkedIn. “What if I told you you would never have to prospect again?” he asked on a Feb. 9 Transportation Sales and Marketing Association webinar. “The key is to understand where leads come from. Cold calls have a single digit close rate. That’s not effective, and it’s time intensive.” During the webinar, he focused on Internet opportunities while touching on four familiar, proven marketing strategies. The four are to maintain existing customers at current sales levels, identify upselling opportunities, use more referrals and look for reasonable win back opportunities among prior customers.

He particularly cited the leverage that can be generated through effective use of LinkedIn. Other options such as Pinterest, YouTube or Twitter can work as well. Internet news feeds can provide valuable data on companies. So can videos and presentations online.

LinkedIn is the best opportunity, he said, because of its format as well as its tools. “Make sure your [LinkedIn] profile represents what you do,” he said. The profile is the opportunity to engage customers before actually talking with them, he said.

He said the profile should be supplemented by participating in industry online groups, which present the opportunity to send 15 one-on-one messages electronically to potential customers. Participants of each group can be found using the sprocket symbol on the screen’s right side. That is particularly attractive, he said, because the one-on-one group message has been shown to be nine times more likely to get a response than a generic email. Up to 50 groups can be joined by LinkedIn users, he added.

There was one key don’t that Boyens stressed: don’t automatically accept a LinkedIn contact invitation. Always view their profile first to see how you might know them. If you don’t know someone, send a short message asking how they know you.