

MARKETING LOGISTICS SERVICES

Results of 2020 survey on how to get, and keep,
the attention of buyers of logistics products & services

Introduction

Since 2014, [Logistics Marketing Advisors](#) has conducted a biennial survey of buyers of logistics products and services.

These are the folks who are on the receiving end of marketing messages and sales pitches from 3PLs, carriers, software companies and other logistics businesses. Our survey objectives have been consistent from the start: to understand the buying motivations of logistics executives and learn how to best get and keep their attention.

This year, 100 logistics buyers from a range of industries were surveyed, the vast majority with senior level titles (Director and up) in logistics, supply chain and operations. The report summarizes responses to each of our questions, including verbatim quotes that best summarize buyers' feedback.

Past years' reports are [available here](#).

COVID-19

It's worth noting that most of the data for this report was gathered before COVID-19 hit hard. During the crisis, the buying process for logistics services will change. To understand how, we went back to some of the survey respondents to gather additional feedback. We report on this buyer feedback on the following page.

How has COVID-19 impacted your purchasing of logistics products and services?

We asked this follow-up question to a number of the 100 logistics buyers who had been surveyed. In general, they are focusing less on communicating with new providers about new projects and more on staying close to existing providers. They seem less open to exploring new strategies until the nation emerges from the “crisis phase” of this pandemic.

Shippers tell us that they are staying close to current providers because they want to ensure business continuity. Most providers have added COVID-19 alerts to their websites in response to shipper inquiries.

The government has established logistics and transportation as an “essential” service, so 3PLs and other logistics businesses continue to operate. But shippers are nervous that operations will be impacted by the virus and want regular assurances from providers that they are taking the necessary steps to protect their workforces.

“If your logistics suppliers are not reaching out, that’s a problem. The key for us is making sure customers continue to get their products, so we’re in regular contact with our providers.” Director of supply chain for healthcare products company

The logistics impact of COVID-19 seems to be industry specific. Companies that make/sell healthcare, food and household products report excess demand and their logistics

providers seem to be busy. In contrast, demand for logistics services seems slower among companies in industries such as automotive and chemical manufacturing.

“We’ve seen spikes in consumer demand from panic buying of food and household staples and emergency supplies going out.” Senior manager at consumer products company

Generally, new logistics projects have been put on the back-burner but, in some cases, COVID-19 has created opportunities for logistics providers. For instance, one shipper lamented Amazon’s decision to refuse inbound shipments of “non-essential” products from suppliers who sell on its platform.

“I rely exclusively on Fulfillment By Amazon to ship my products, and right now I don’t have a fulfillment solution. I’m looking to immediately move inventory to a new provider to keep the business going.” Logistics director of consumer electronics company

For another, the crisis forced a re-think of their inventory strategy.

“We have all our inventory in one location. If there’s an outbreak there, we’re in trouble. So we are taking steps right now to add a new warehouse to decrease our risk” Director of Logistics at natural products company

For marketers at logistics companies, COVID-19 may create sales opportunities such as these, but most logistics executives are in “survival” mode and less inclined to initiate major changes unless the situation dictates. That may suggest a stepped-up focus on communication with existing customers to solidify those relationships.

“Logistics companies may try to undercut each other during this tough time to gain a foothold with a new customer, but shippers are more likely to gravitate toward trusted providers who have been with them for a long time – even if they cost more. When the going gets tough, people fall back on those they know over those offering to save them a few bucks.” Senior transportation manager, packaging product manufacturer

The COVID-19 pandemic will ease, eventually, but things may never return to exactly “the way they were.” A new normal will emerge and logistics marketers should invest time now thinking about what that new normal will look like, how buyer priorities will change, and how to best position their companies to win.

When it comes to choosing a logistics product or service provider, which statement best describes your attitude and priority?

"I'm under constant pressure to reduce costs. I need a logistics partner who understands that pressure and is constantly thinking about how to do more, for less."

Cost - 29%

"My company's logistics requirements are constantly changing. I need a logistics partner that is flexible and can help me adapt quickly to the demands of the business."

Flexibility - 21%

"The right technology is critically important. I need a partner that leverages the most up-to-date logistics management systems so that I can fully automate and optimize my supply chain."

Technology - 7%

Industry - 28%

"Within my industry, there are unique logistics requirements. I need a logistics partner that understands the challenges of storing, managing and delivering my products."

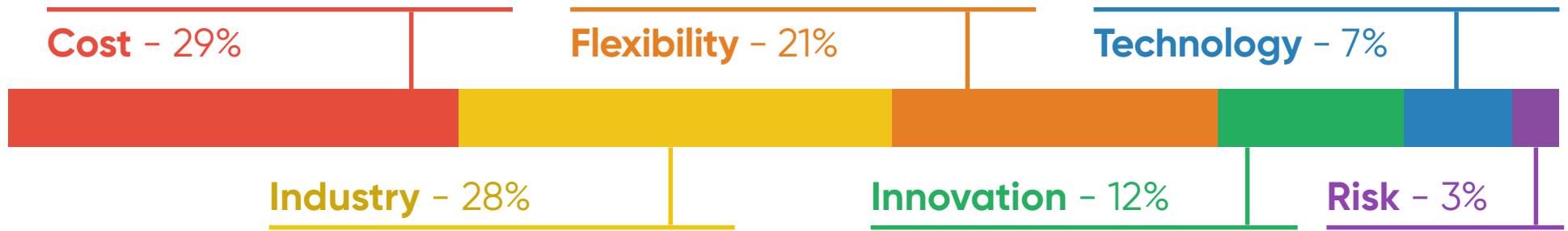
Innovation - 12%

"I want innovative ideas. I need a partner that provides regular recommendations on how to improve logistics operations."

Risk - 3%

"I want to reduce risk. I need a partner willing to share that risk through performance-based penalties and incentives."

When it comes to choosing a logistics product or service provider, which statement best describes your attitude and priority? (continued)



Results to this question have been pretty consistent since 2014, with cost reduction being the primary driver.

"Every new year is about improving service while reducing costs. The song doesn't change."

"It's a fact. Price drives choice. A dollar less in supply chain costs is a dollar more in profit."

"All of the options, in one way or another, come down to saving money."

The next highest priority cited in this year's survey was industry specialization. This choice is popular among professionals in industries like chemical and pharmaceutical, where the risk of poor provider choice are higher.

"I work in the highly regulated pharmaceutical industry, so I need a provider that understands my world."

"The chemical sector has unique challenges regarding product compatibility and prior product restrictions. Our carriers need to know these requirements."

Close to one quarter of respondents cited flexibility and agility as the primary value they seek from logistics partners.

"We move fast. We need partners that can do the same."

"I work in the automotive supply chain where challenges change minute by minute. We want to work with 3PLs that are comfortable with this level of unpredictability."

A little over 10% of respondents primarily wanted innovation from partners, noting that new ideas were really the catalyst for the ultimate objective of lowering costs.

"Innovation is at the root of all other benefits. It reduces costs, cycle times and risk."

"When new technology is available, I depend on my logistics suppliers to bring it to me. I want them leading me, not the other way around."

Relatively few people prioritize technology and risk reduction when selecting a logistics product or service.

How do you prefer to be contacted by a logistics business?

Email was by far the dominant response and has been since our original 2014 survey.

But don't be too quick to celebrate, email marketers. Many prefer emails because they are less intrusive than phone calls and easy to ignore. Our study suggests that targeted emails with a clear value proposition can work. But on the whole logistics buyers see little value from unsolicited emails, mostly because they are generic.

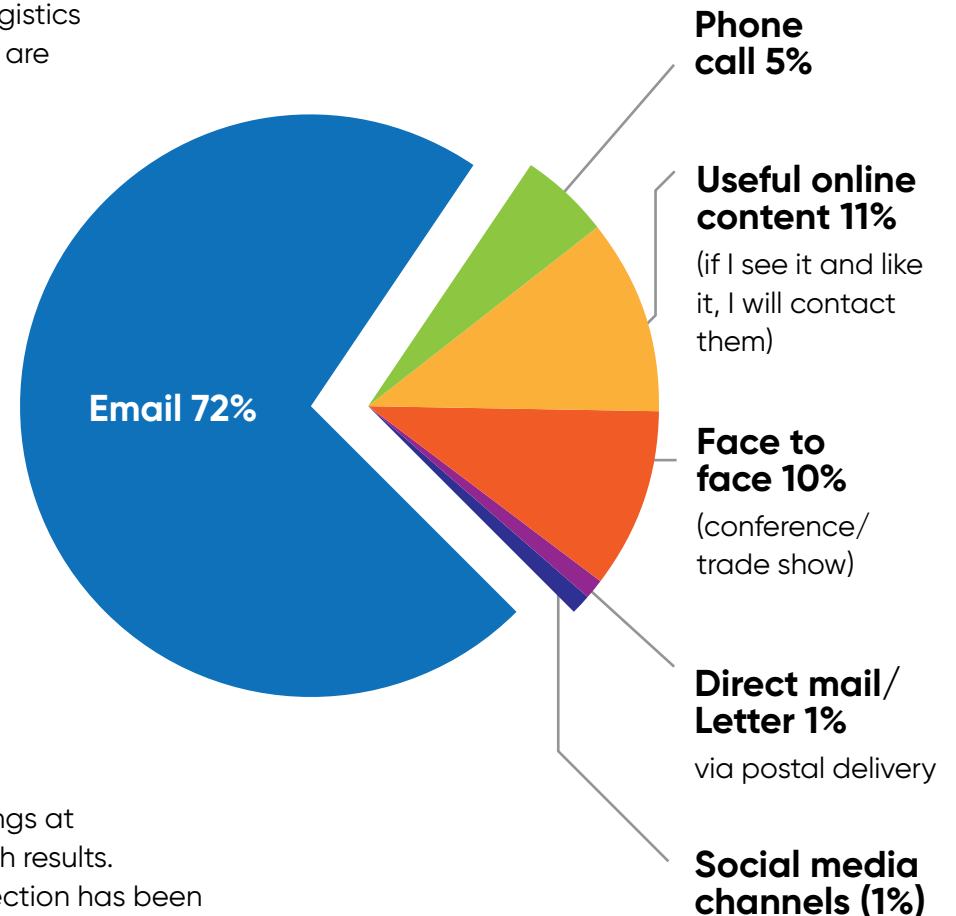
"I receive 10+ emails a day from suppliers and most are just generic sales pitches – they're not about me and my needs. If something feels canned or promotional, I tune out immediately."

"My time is limited. Phone calls are difficult, but emails with quality information about how your company can bring value to mine is the easiest way to get your foot in the door."

A distant second to emails is "useful online content." In other words, don't call us, we'll call you. That's an encouraging nod to content marketers. Create and share helpful content and they will come.

"I read a lot and occasionally I'll come across content that speaks to a challenge I'm dealing with. If it's good content, chances are I'll remember the source."

10% of respondents indicated a preference for face-to-face meetings at trade shows. This is actually a slight uptick from past years' research results. Most definitely prefer to delay face-to-face meetings until a connection has been established. It's hard to know whether COVID-19 will have a lasting impact on trade show/conference attendance.



How do you prefer to be contacted by a logistics business? (continued)

A very small percentage of logistics buyers prefer phone calls as a contact method. Most hate unsolicited calls.

"I'm busy and need a compelling reason to talk with a provider. The fact that I am on your call list and you have a call quota may be compelling for you, but not me; it's disrespectful."

Direct mail or social media were not seen as a "preferred" way to hear from providers for the first time, although several respondents mentioned LinkedIn as a viable way to connect and engage.

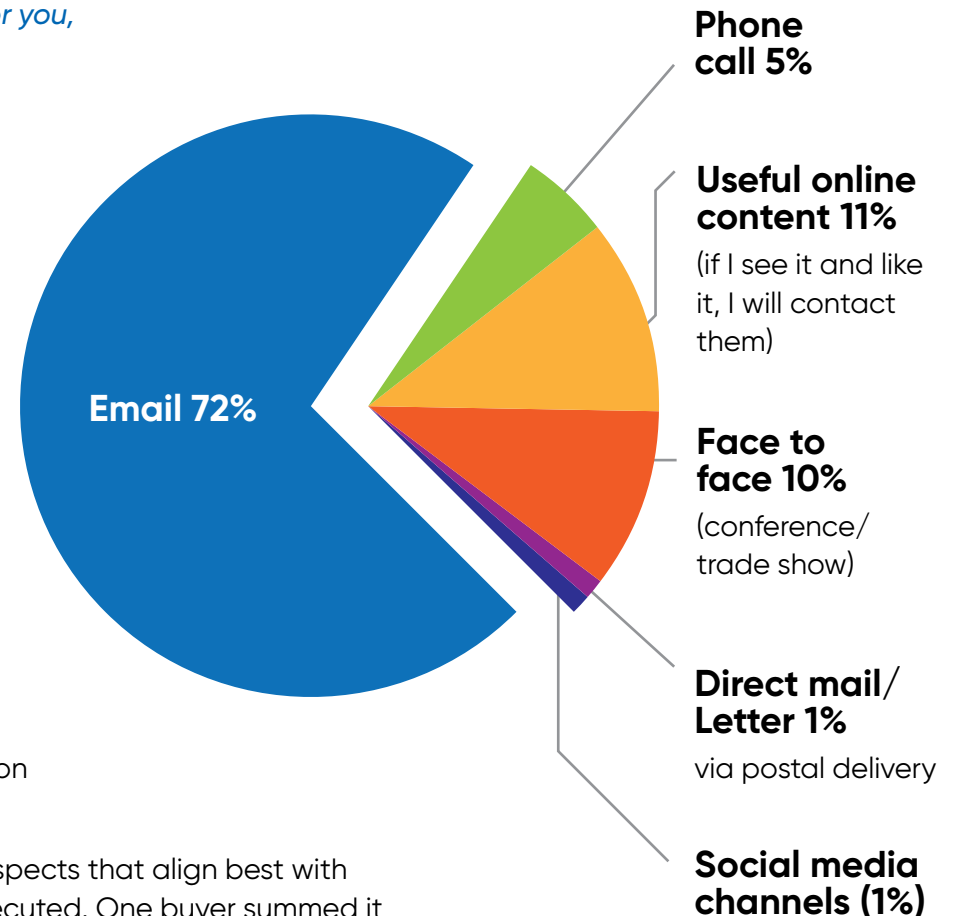
Let's step back and think about these results in context.

Most of the logistics buyers we surveyed are extremely busy with their jobs and, on top of that, are oversolicited. One executive at an aerospace firm gets "30–50 solicitations per week." Another large packaging company executive gets "several dozen" a day, between email, phone and LinkedIn.

Obviously, they don't have the time to field these solicitations, so they block or ignore most or all of them. This is a compelling rationale for an inbound marketing strategy – creating and sharing educational content in order to increase the likelihood of "getting found" by prospects searching for a solution to a problem.

That said, there's a place for very targeted communications to prospects that align best with your value proposition. But these communications must be well executed. One buyer summed it up the logistics marketer's dilemma in this way:

"Beyond my existing relationships, there are a small number of providers out there who can help me. I need to stay open and receptive when such providers approach me, but it's difficult to separate them from the many generic sales come-ons I get daily."



Which information sources do you rely on to stay current on logistics strategies and industry news?

Logistics buyers named “Word-of-mouth/Referrals” as their top source of information, followed closely by logistics industry websites/online newsletters.

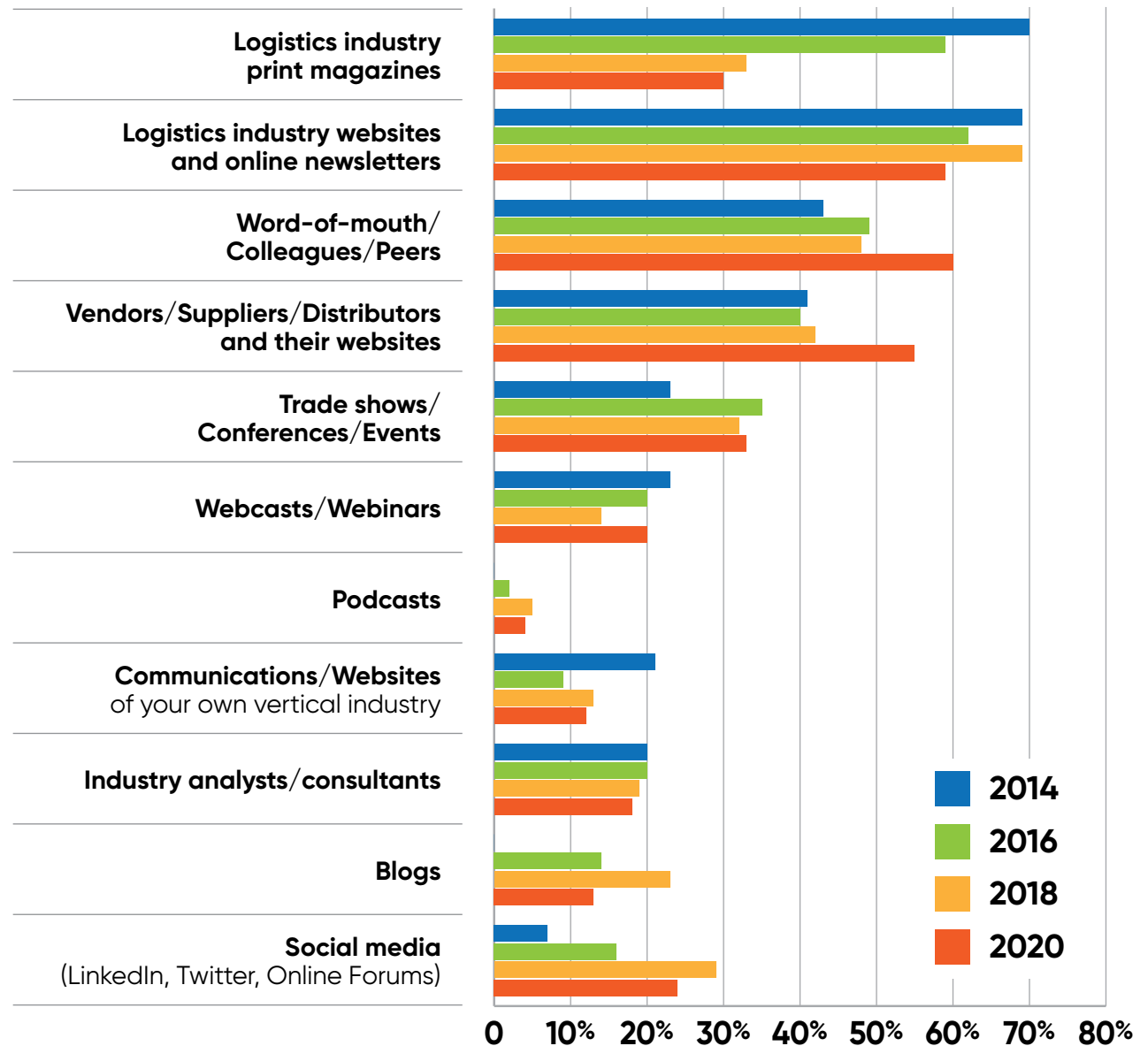
Buyers are bombarded with selling-oriented messages daily from logistics businesses. It makes sense that they would see increasing value, over the years, in unbiased information/recommendations from colleagues. One critical statistic for logistics marketers is that, among all lead generation channels, referrals is the hands-down winner in converting leads to sales opportunities.

According to Marketo, the channels with the best lead-to-sales-opportunity ratio are:

1. Referral - 10.99%
2. Partner - 4.54%
3. Inbound - 3.82%
4. Paid Marketing - 2.98%

Social media, webinars, events, sales prospecting, nurture campaigns, and email were all, individually, less than 2%

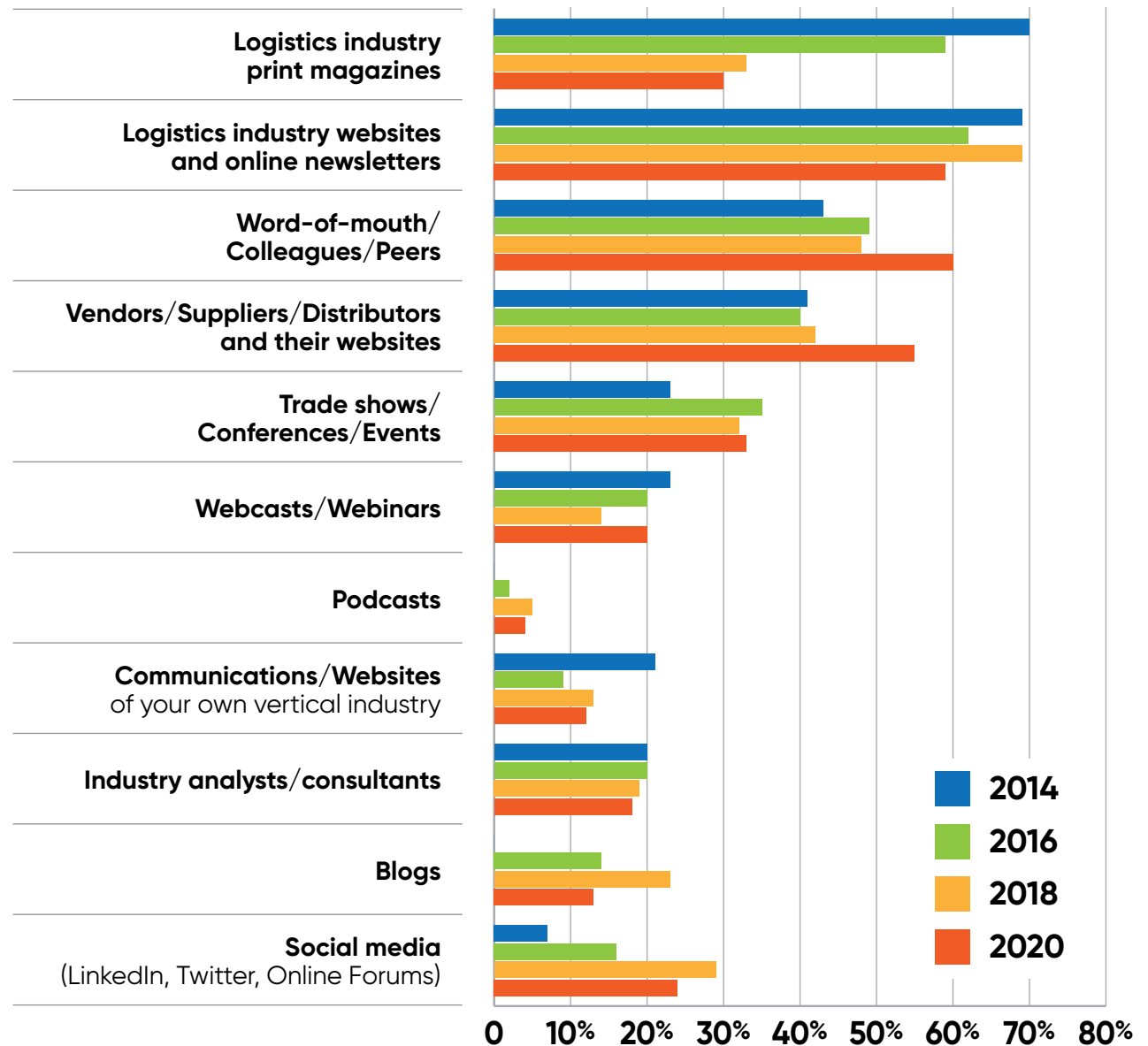
There are things you can do to increase word-of-mouth referrals. Asking your best customers is a great place to start.



Which information sources do you rely on to stay current on logistics strategies and industry news? (continued)

Logistics print magazines, which was the top selection in 2014 at 70%, was noted this year by only 39% of respondents. Logistics professionals are still interacting with these same media companies, but they are consuming information on a screen, not paper. Many rely on daily online news digests to quickly stay abreast of trends and breaking news.

Number 3 on the list of top information sources was suppliers. Logistics buyers are clearly looking to their suppliers to bring new ideas and best practices to the table.



Think about the last time you reached out to a logistics business to learn more or discuss a project. What led you to reach out?

The response to this question mirrored the response to the previous “information sources” question. Recommendations from colleagues was the clear winner.

Despite this data, only 30% of B2B companies have a formal referral program (Influitive). Logistics businesses spend most of their marketing dollars telling people about their company. But if marketing ROI is your goal, the research suggests you should spend less time telling your own story and more time getting other people to tell your story for you.

Why isn't more time spent trying to maximize referrals?

- **It's hard.** Building closer relationships with influencers takes more time and effort than sending an email to a prospect.
- **It can be uncomfortable.** For instance, existing customers are your best referral sources, but many companies are squeamish about asking for that referral.
- **It's not our thing.** People tend to stick with what they know. So, if you're a marketer and what you know is how to analyze a market, write a blog post or develop an ad campaign, then that is where the focus tends to be – not on identifying, contacting and cultivating new referral sources.

Buying high-ticket logistics services involves risk, so it stands to reason that buyers value referrals from colleagues and other trusted sources – and act on those referrals far more often than they would act on a marketing come-on directly from a provider.

Inquiry Trigger	Percent Response
Recommendation by colleague	27%
Relationship with salesperson	16%
Internet search result	15%
Trade shows/conference meeting	11%
Strong reputation for the service/product I needed	11%
Read about them in industry media	6%
Useful content the company regularly shared with me	5%
Recommendation by consultant	3%
Advertising	2%
Saw/Heard them speak at conference or on podcast	2%

Do you agree or disagree with the following statements?

Statement	2016	2018	2020	Our take
Logistics sales people that I don't know should never call me on the phone.				Mixed bag response. Cold calls may work, but only using a very targeted, not generic, pitch.
I pay attention to the print advertisements in the logistics trade magazines that I read.				Print ads are getting less eyeballs than they used to.
I log into LinkedIn at least once a week.				It's becoming a more effective channel to reach logistics buyers, so build that network (but do it organically).
When consuming logistics- or provider-related information, I prefer to watch a video versus read a blog post or other written information.				Make it fast and easy for buyers to consume your message.
I never respond to an email sales pitch from a logistics company.				Emails can work, but customize your approach and focus on the prospect's problem, not your generic solution.
Logistics companies should stop printing hard copy promotional brochures and, instead, rely on electronic files.				Toss up. Our opinion: save the trees!
I don't mind providing my contact info in order to download useful content.				Gating content comes down to a trade-off for content marketers. Do you want more eyeballs on the content or more leads?



What frank advice do you have for logistics businesses that would like to build a relationship with you in the hope of gaining future business?

Logistics buyers have traditionally given good, thoughtful feedback on this question. This year is no exception. The following themes were mentioned most often.

Understand my industry and my needs.

This is, hands down, the biggest frustration point for buyers – businesses that sell without doing any research on the company or industry they are selling to. Because of how busy these logistics executives are, they actually feel disrespected by such an approach.

“When someone uses a phone call or email to start selling, I shut down. They’re showing me they’ve done no homework and know nothing about me.”

“I get 30-50 solicitations a week. For those who show me they’ve done some homework, I may give them some time.”

“It’s not hard to learn, in a couple of minutes online, that we ship very large, sensitive equipment from our Florida plant. If you’ve done similar flatbed work in this lane, I might talk to you.”

Observation: Marketing automation makes it easy to reach out to prospects “in bulk.” But perhaps quality now trumps quantity when it comes to outbound prospecting.

Solve my problem

Logistics buyers don’t want to work to uncover your value proposition. They want to know how you’re different and how you can help them with a current challenge. That applies to both sales pitches and marketing messages.

“Come to me with something new and different. I receive a dozen pitches a day – all saying about the same thing.”

“Don’t try and sell the world. Chances are there is something you are very good at – maybe better at than anyone else. Sell to that strength, but only where you first identify a need for that service.”

“Tell me how you have helped others in my industry address a challenge I’m having.”

What frank advice do you have for logistics businesses that would like to build a relationship with you in the hope of gaining future business?

Be honest

This is the fourth logistics buyer survey we've done and we've come to expect this response. Many buyers don't trust provider claims. And some have clearly been burned before by companies that have promised more than they could deliver, literally.

"Logistics providers habitually over-sell and under-deliver. They are often not capable of doing what their salespeople say they can do."

"Be honest about what you're good at, and more importantly what you're NOT good at."

"Honesty and transparency build trust. Once someone truly trusts you, they will buy from you – but not before."

Our advice: don't try so hard. Buyers don't like the feeling of being "sold to." In fact, they resent it. In the end, logistics products and services are bought, not sold. Smart buyers choose suppliers based on a cautious evaluation process. So, don't stretch the truth to speed up the sales cycle. Smart buyers won't be fooled and will write you off if you do. Assume you're in it for the long haul and focus on building trust.

Respect my time

The logistics community wants and needs ideas and solutions from providers. But they're busy and have little time for "spray and pray" kinds of communications. By and large, cold calls are ignored or regarded as a discourteous interruption. Generic emails are seen as a waste of their time and yours.

"Stop stalking me!"

"Email first. Explain your value proposition and ask for a follow up call. Don't start with 'Hey, how does next Tuesday look on your calendar?'"

"PLEASE... if I visit your website and fill out a request for information, send me the information!"

Be patient

Despite being understaffed and overworked, logistics buyers' over-arching message to suppliers is NOT "Don't bother me" but rather "Be patient." They are heavily reliant on suppliers for ideas and services, but simply don't have the time to pay attention to the volume of calls, emails, LinkedIn requests, webinar requests, and other information out there.

"Selling is problem solving. Some problems take a while to solve."

"Nurture relationships over the long term. In logistics, it takes a long time to build trust and make changes. We can't afford to get it wrong. Hang in there and be patient."

An Open Letter to Logistics Businesses

If the respondents to this year's survey asked us to ghost-write a letter to logistics businesses with advice on their marketing and sales practices, it might go something like this:

To All Logistics Marketers,

Make sure your company is doing a great job servicing existing clients.

If an important need arises, I'll first reach out to people I already know and trust.

Help me find you.

Most high-value logistics purchases are the result of careful research by companies looking for the best providers to solve a problem. You might get lucky and contact me when I'm looking. But if I don't know you, you probably won't get my attention. You're better off increasing the likelihood that *I'll find you* – through a referral, through something you've written about my challenge, through a conference presentation, or through a case study on how you've already addressed my particular challenge for someone else.

Do your homework.

Don't contact me if you know nothing about my company or industry. Canned pitches don't work; I resent them. But if you've got a solution to a problem I need to solve, I'll listen. Suggestion: approach me through a mutual contact, if you can. Otherwise, your message may get lost in the shuffle.

Listen.

If you succeed in getting my attention, then please, for goodness sake – just listen. Most companies I talk to are pushing information about their products. If you want to stand out, then ask smart questions and probe to really understand my problem. If you've got an idea to solve it, then *I'll* be the one listening. I can't afford not to.

Give it time.

I'm probably under more pressure than you think. Choosing 3PLs, carriers, software, or equipment is a high-stakes, high-visibility decision. I can't afford to get it wrong, and for that reason I'm going to take my time. So lose the hard-sell approach. This is logistics, not insurance or retail.

But know this: I need your ideas more than ever. If you've got the right solution and you prove to me over time that you're a person, and a company, I can rely on, then maybe we can do something great together.

To learn more about this research, contact Logistics Marketing Advisors.



The author, Jim Bierfeldt, is president of Logistics Marketing Advisors, a marketing company that helps logistics businesses define and communicate their value, and then translate that value into revenue. Unlike other marketing companies, Logistics Marketing Advisors combines marketing expertise with a thorough understanding of the logistics industry.

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