



# 2020 EQUIPMENT BUYER **TRENDS**

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**BUYING, RENTING, SEASONALITY, &  
COMMUNICATION EXPECTATIONS**

*Research & insights brought to you by Equipment Trader*

## EXECUTIVE SUMMARY

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Heavy equipment sales continue to be a robust industry, however the profile of today's machinery buyer is dynamic, requiring dealers to keep up-to-date with shifting industry landscapes. Throughout this buyer trend report, you'll find data gathered directly from consumers searching in the equipment market. With survey responses from thousands of Equipment Trader visitors, we are able to provide you with unparalleled consumer insights that can help you more fully understand today's consumers and ultimately move more inventory. After reviewing the state of the industry and taking an in-depth look at trends in consumer traits, as well as purchase and rental behaviors, we use these exclusive insights to provide tips for attracting, engaging, and influencing equipment buyers in our digital age.



## STATE OF THE INDUSTRY:

Across the heavy equipment industry, growth over the past few years has led competition to an all-time high. However, the state of the industry looks somewhat different depending on the industry segment, each with their own set of challenges and opportunities:



**Construction:** Sales of construction equipment in North America has been steadily increasing<sup>1</sup> as the industry worked to support trillions of dollars in public and private projects<sup>2</sup>. While sales may begin to level off following this record boom, future projections continue to indicate that profits should hold steady year-over-year.



**Agriculture:** The ag industry remains in a place of economic uncertainty, with America's ongoing international trade issues with Europe and Asia limiting buying confidence. Despite that, there are a number of positive circumstances fueling the ag industry including:

- Increasing tractor and combine sales<sup>3</sup>
- Projections that farm income will continue to rise<sup>4</sup>
- The federal government providing further "bail-out" legislation, in response to the damage caused by tariffs, so qualified recipients maintain their equipment-purchasing confidence
- Replacement purchases of large machinery and new purchases of small tractors are expected to drive the industry<sup>3</sup>

In response to the shifting industry landscape, dealers of heavy equipment have to find new ways to attract, engage, and influence buyers more effectively in order to win sales and gain marketshare. This is especially true considering that today's shoppers encounter an average of 19 digital touchpoints along their path to purchase<sup>24</sup>. In fact, companies that use data-driven insights to direct their marketing efforts are 6X more likely to be profitable year-over-year<sup>25</sup>. This demonstrates why getting to know potential equipment consumers is so important - **fully understanding who is buying and renting, the seasonality of their shopping habits, and their communication preferences helps you more effectively hone your online presence to attract shoppers, engage prospects, nurture leads, and ultimately close more sales.**



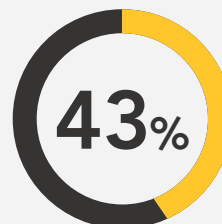
# EQUIPMENT BUYING TRENDS

## Understanding Equipment Consumers

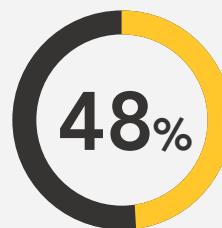
A large share of heavy equipment consumers continues to be Baby Boomers (43%), a group that is currently in their 60s or older. At this point in their careers, these shoppers are typically business owners, upper management, or in some other senior leadership position. It's likely that your dealership is accustomed to working with this generation, as they have been in the industry for decades now. However, Gen Xers (44%) are now in a virtual tie with Baby Boomers for the biggest age demographic in the market. Our data shows that Gen Xers and Millennials are collectively well-over half of the heavy machinery consumer market-share (57%). Though buyers in our industry have typically trended older, the growing presence of younger generations is a strong indicator that the market is already in the process of being replenished by Gen Xers and Millennials as the Baby Boomers retire. Market longevity is good news for equipment dealers, but it also means that it may be time to **review and refresh your dealership advertising efforts in response to the dynamically shifting landscape of shoppers.**

When looking at consumers' immediate purpose in entering the marketplace, the data shows two primary categories of shoppers: those looking to acquire machinery now (48%) and those who are researching for a future purchase (46%). This

is a positive sign for equipment dealerships, indicating that there are healthy profits to be made right now, and predicting solid sales that can be made in the future. With so many consumers researching machinery, **dealership efforts to remain top-of-mind can truly be long-term endeavors**, and you should plan your campaigns accordingly. Based on these findings, you will have to consider both types of consumers when developing your marketing strategies in order to not only close the deal with those looking to buy, but also to remain top-of-mind among those who are researching so that they are more likely to return to your dealership whenever they decide it is time to make a purchase. In particular, your online listings need to be complete and appealing throughout the year, as there are multiple consumers at different stages of the buying cycle looking for inventory at any given time.



of consumers are Baby Boomers, while 57% belong to either Gen X (44%) or Gen Y (13%)



of consumers are looking to acquire equipment now, while 46% are researching for the future

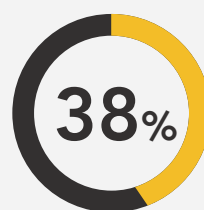
Equipment Trader, Hot Jar survey data



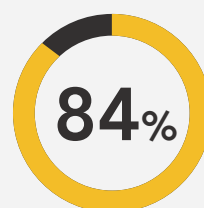
While the majority of equipment consumers (63%) have purchased machinery previously, our industry is still growing, with many shoppers (38%) looking for their very first piece of equipment. Equipment dealers, thus, have two primary responsibilities as they seek to secure profits for the dealership. First, you should look to create an initial relationship with first-time buyers, establishing yourself as a machinery expert who can be relied on to guide the consumer's research and purchase experience. Second, you will need to nurture, develop, and grow your ongoing relationships with experienced buyers and retain their ongoing business by demonstrating how your dealership can provide continuing value.

While purchasing remains the most popular option among those looking to acquire equipment (84%), a growing number of consumers are also interested in renting machinery (16%). Although renting is a smaller share of the market than buying, it is still a significant number of overall consumers, and most contractors say they plan to maintain or increase their rental use<sup>5</sup>. Equipment dealers, thus, have the opportunity to grow their profits as the rental market segment continues to expand. Rentals can provide an immediate influx of cash from consumers who were not

willing or able to make a full purchase, while also connecting you with customers who can be nurtured into returning to you for a purchase once they have tested out the machine or once they can finally afford to buy. Additionally, rentals can actually be more profitable than direct sales in the long-term; after renting out a piece of equipment for many years, and then finally selling it used, that product will have often generated as much as 2 to 3 times higher profit margins than if the machine had been sold new<sup>6</sup>. Finally, by selling previously-rented used inventory, you help insulate your local market from outside penetration and seed opportunities for equipment buyers to return to your dealership for parts and services<sup>6</sup>. With clear benefits to dealers, and a solid portion of the consumer market interested, the next portion of the report will further examine equipment renters and how they could play a major role in your dealership's future revenue streams.



of consumers are looking to acquire their first piece of equipment, while 63% have previously purchased equipment



are interested in buying, 13% would buy or rent, and 3% are exclusively looking to rent

Equipment Trader, Hot Jar survey data

## Understanding Equipment Renters

One of the key takeaways of our data analysis was that buyers and renters are demographically identical. In terms of age, marital status, employment, and income, the buyers and renters we surveyed are exceptionally similar. This information is noteworthy, as it indicates that although only 16% indicated they were currently open to renting, almost all respondents fit the profile of a renter. In short, any renter could become a buyer, and any buyer could become a renter. This demonstrates the potential for the rental market to grow, and emphasizes how renters could be nurtured into becoming buyers after renting. The profit potential of rentals makes this an essential segment of the market for dealers to consider.

Among those who rent equipment, a majority (57%) are doing so for their business or employer, while a large number (43%) are renting for personal use. Decisions to rent equipment, then, can be understood to be very personal considerations, as rented equipment will be used to directly serve a renter's business or personal life. As a dealer, your rental marketing and sales efforts should match that level of intimacy, including a focus on the benefits to renting that matter most to renters.

When asked the primary reasons why they rent machinery, the most popular response is that rentals require less hassle than purchasing, followed by more affordable pricing and options to rent equipment for extended periods of

time. Consumers are clearly attracted to renting because it provides them with the use of the machinery they need, while offering greater simplicity, affordability, and flexibility compared to buying equipment. Again, your dealership should emphasize the ease and affordability of renting when creating advertising materials or when pitching to prospects.

Renters are a dynamic group of consumers, who not only rent for different reasons, but the frequencies at which consumers rent machinery varies widely as well. Among equipment renters, 23% rent once a month, 18% rent every other month, 19% rent every six months, 17% rent once a year, and 23% rent only once every few years. The varied frequency of renting means that your dealership should respond strategically to nurture and retain these consumers. Those who rent more often can typically be contacted more often, as it is essential to remain top-of-mind with them as they continue to have ongoing rental needs. On the other hand, a consumer who only rents from you once every few years would, for example, likely be annoyed to receive a monthly email from your dealership about rentals. Frequent renters will also be prime prospects for sales, whereas infrequent renters are less likely to need to own a machine. Therefore, when a renter does business with your dealership, it will be essential to determine their expected frequency of renting and place them in the appropriate lead management plan.



46% of consumers rent for their self-owned business, 43% rent for personal use, and 11% rent for an employer



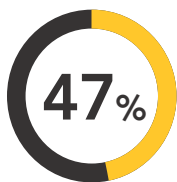
Reasons consumers say they rent equipment include less hassle (23%), better pricing (21%), and extended rental options (17%)



Renting frequency varies widely; 23% of renters do so once a month, while another 23% of renters only do so once every few years

Equipment Trader, Hot Jar survey data

Equipment dealers do need to be aware that machinery rentals is a competitive market segment. Although dealerships are the most highly preferred source for heavy equipment rentals (47%), private owners offering peer-to-peer rentals are not far behind (41%), and retail stores like Home Depot and Lowes capture a share of the rental market as well (12%). This is mixed news for dealers, as you can count on a large portion of the market to inherently turn to your dealership for rentals, but will have to contest for much rental business as well. However, dealerships can effectively compete with these other rental sources. Active dealerships can demonstrate the same expertise and personal touch that consumers may appreciate about renting from private owners and peers, while providing better services than private owners or retailers. In fact, our data shows that consumers who rent machinery



of consumers prefer to rent from dealers, 41% prefer to rent from private owners, and 12% prefer retail rentals



Consumers rent from dealers due to reliability/trust (36%), well-maintained units (28%), and rent-to-buy options (27%)

Equipment Trader, Hot Jar survey data

from dealerships do so for the reliability and trustworthiness of dealers (36%), access to well-maintained units (28%), and rent-to-buy options (27%). By harnessing these inherent advantages your dealership offers to equipment renters, you will be able to compete in the profitable machinery rental market.

### Consumer Shopping Seasonality

High levels of research in the equipment market indicate that dealership efforts to remain top-of-mind can truly be long-term endeavors. That finding was confirmed in further analysis we conducted, which revealed that consumers largely do not let seasonality limit their researching efforts. Very few consumers restrain their machinery shopping to the busy season only, while a whopping 91% of consumers research in both the busy season and the offseason. This finding reinforces the notion that maintaining brand awareness and retention can be lengthy initiatives and that **online listings should be complete and competitive all year long**, as most equipment consumers will browse your inventory throughout the year. Your dealership should be ready to adapt to that advertising reality.

When we surveyed those who browse the market during the offseason, the most common reasons for shopping in the offseason were looking for current deals (37%) and researching for a future purchase (32%). Other responses included staying up-to-date with products and responding to a sudden need or unexpected job. Again, the data demonstrates that machinery dealers need to be ready for both immediate sales and top-of-mind awareness efforts all year long. That approximately a third of equipment buyers would make a purchase in the offseason may be a surprise to many dealers who have traditional attitudes about sales and don't value the offseason; such dealers underestimate the significant offseason potential for direct sales and miss out on this share of the market.

## Consumer Communication Expectations

Half the battle in heavy machinery sales is getting in contact with a prospect, and the other half is converting that lead into a sale. Once a shopper reaches out to you, they need to have a positive consumer experience leading up to their purchase decision. A major part of contributing to a positive experience is meeting and managing the prospect's expectations, as violating them can surprise and upset the consumer, likely disrupting the development of the dealer-buyer relationship and potentially eliminating your chance of making a sale entirely. **Communication is key for equipment dealers** navigating this stage of the purchase cycle and requires you to be fully aware of how consumers expect and prefer to communicate.

The number one way that equipment consumers prefer to communicate with dealers is in-person (36%), followed by email (31%) and phone calls (19%). In contrast, consumers are much less likely to prefer texting (10%) or live-chats (4%). This data is notable, because even though the equipment consumer base is increasingly made up of younger generations, buyers continue to prefer communicating with dealer in-person - a traditional method of communication. This means that while your dealership needs to continue expanding its avenues of communication via new and emerging channels, interpersonal speaking remains an essential skill for machinery salespeople. It's also worth noting that you may never hear from some consumers

91%

of consumers research in the busy season AND the offseason; only 9% limit their browsing to the busy season

Of those researching in the offseason,

37%

are looking for current deals and 32% are researching for a future purchase

Equipment Trader, Hot Jar survey data



prior to them literally walking through your dealership doors, indicating that they have been convinced to visit you based purely on the information they were able to access about your dealership and inventory online. This reemphasizes **just how important a complete and comprehensive online presence truly is** for an equipment dealer, as the average shopper comes into contact with 19 digital touchpoints along their path to purchase<sup>24</sup>.

Of course, in today's technological age, many consumers prefer other ways of contacting dealers. You should therefore be ready to send and receive messages with shoppers via those alternative communication methods, such as email and phone-calls. The emergence of email as the most convenient channel of communication is an ongoing trend across all industries, and this data demonstrates that email is the preferred communication method for 31% of machinery consumers, nearly equal to the number who prefer live conversations. Based on this data, you should have official dealership email accounts, **and should be active on them**, checking and responding to emails frequently throughout the day. As 19% of consumers prefer phone-calls, you should also have a working dealership phone number which is easily accessible for answering and returning calls, and which is equipped with a voicemail feature so that missed calls do not result in missed sales.

Finally, it is important to not only have these communication channels, but to also make sure that shoppers know they exist and can access

them. Your email, phone-number, and physical address should therefore be clearly displayed in all of your advertising collateral, including your listings on third-party online marketplaces, and you should frequently check that those contact details are accurate and up-to-date.



Equipment Trader, Hot Jar survey data

Once a prospect reaches out to a dealer, they also have expectations about how soon the dealer will respond to them, and most seem to expect a relatively quick response. A majority of equipment shoppers (53%) expect to be contacted within 24 hours or less, with about half of those consumers expecting a response within an hour of reaching out to the dealer. Machinery dealers keep busy schedules, of course, but **your dealership should be ready to meet these consumer response expectations in a timely manner**, especially for the 25% of incoming leads who prefer a response within an hour and the 28% who want a response within the same day. Remember, while you are understandably busy, your consumer is probably equally busy

and wants to work with a dealer who can help them quickly acquire a machine and get their work done efficiently.

Just like you always have a representative ready to greet walk-in shoppers, you should also have someone who can answer phone calls and is prepared to check and respond to emails and missed phone-messages **at least once an hour**. On especially busy days, these response-time expectations can be frustrating, which is where expectation management comes in. If dealership employees do not have the time to engage in a full conversation with a prospect the moment they reach out, a representative should at least take the time to communicate to the shopper that their business is a priority and the dealership will reach out to them by the end of the day to answer their questions. This helps the consumer feel valued and not ignored; just be sure to make that contact by the end of the day like you promised.



After reaching out, 25% prefer to be contacted by a dealer within 1 hour



After reaching out, 28% prefer to be contacted by a dealer the same day



After reaching out, 13% prefer to be contacted by a dealer within 3 days



After reaching out, 34% prefer to be contacted by a dealer within a week

As we mentioned, we understand you are incredibly busy, so it makes sense that - from time to time - a prospect may contact you and not immediately receive a response. What happens when you do not respond with the timeliness expected by that consumer? Our data shows that 42% of consumers who do not receive what they consider to be a timely response from a dealer will actually reach out to that dealership again, but 58% will begin to look for a new dealership or private seller. Despite a healthy portion of consumers who will give an untimely dealer the benefit of the doubt, it makes sense that you may worry about the majority of prospects that will start to move on. However, you should **never let a missed call or late email make you give up on any lead**.

Just because a consumer starts looking for a new dealer does not mean that you cannot win the prospect back once you do contact them - but you do need to be aware that the sale may now prove to be more difficult and you should plan those conversations accordingly. First, you may need to do some reputation management to make up for the potentially poor impression you may have left by violating their communication expectations. Second, you will need to recognize that they may now be in contact with another dealer and competition for their business could now be more stiff. With those realities in mind, you can strategically plan your messaging in those conversations to give yourself the best chance to win them back.

Once in contact with a dealer, prospects also

have preferences for how soon they can take the machine off the dealership lot. While some shoppers expect that getting the keys can take up to a month (17%) or even longer (25%), most buyers want the keys much sooner. Our research indicates that 36% of consumers prefer to receive their equipment within one week, and another 22% expect to get the keys on the very same day of contact with the dealership. It's easy to say that inventory should always be available, but experienced equipment dealers know that it is not always possible to meet those expectations. Part of your responsibilities as a dealer, then, is to **be up-front with consumers** at the beginning of a transaction about when they'll be able to obtain the machinery, including an explanation of the reasons for your timeline, so their expectations are managed in a positive and productive way.



If a dealer does not make contact in a timely manner, only **42%** of consumers will contact the dealer again, while **58%** will look for a new dealer/seller



**22%** expect to get the keys the same day of contact, while **36%** expect to have the keys within one week and **42%** expect it to take a month or longer





When equipment dealers understand who their buying and renting prospects are, the seasonality of consumers' shopping habits, and customers' communication preferences, it is clear that dealers can respond to this information in specific and strategic ways in order to maximize their advertising efforts and ultimately boost sales. Here are our tips and recommendations for online marketing and sales based on these buyer trends:



## HONING YOUR ONLINE PRESENCE:

Tips for Attracting, Engaging, & Influencing Buyers

To most effectively **capture and convert multi-generational, research-heavy equipment consumers, who often conduct searches for machinery year-round**, both the content and the implementation of dealership campaigns must be strategically developed. Advertising in the equipment space needs to be **multi-channeled and online**, as 82% of big-item buyers conduct Internet research before making their purchase<sup>7</sup>, encountering an average of 19 digital touchpoints as they shop<sup>24</sup> and completing two-thirds to 90% of their sales journey before ever contacting a dealer<sup>9</sup>. Here's

how you can effectively hone your online presence and compete in today's dynamic, digital marketplace:

### Complete Your Listings

Because consumers are near evenly split between those looking to buy now and those researching for a future purchase - often conducting that research throughout the whole year - online inventory listings, both on the dealership's website and on third-party marketplaces, must always be complete, accurate, and up-to-date. If key information in



your online listings is missing or incorrect, online shoppers are likely skipping over your inventory to view more helpful listings, costing your dealership potential connections, leads, rentals, and sales without you even knowing - this is the powerful impact of the new digital path to purchase. It's also worth noting that if your listings are consistently lacking, consumers may be left with a negative impression about your dealership, even if that's an unfair assumption. Instead, use accurate and updated listings to show consumers that you are an honest, competent, and detail-oriented dealer who takes pride in your inventory and wants to provide customers with the best possible purchasing experience. Key components that should be displayed in every listing include:



**Comprehensive Product Descriptions:** When selling inventory, dealers should be as specific as possible. The more up-to-date and accurate information available in your listings, the more likely you are to connect with high-quality buyers looking to make a specific purchase or rental. Therefore, you should include all relevant information, like the make, model, year, industry segment, engine make, new/used status, and the VIN or other serial and stock numbers. There's no such thing as information overload with online inventory and you want your listings to have the important search keywords that can help you be discovered by interested consumers. You also want to be sure that, with a growing percentage of first-time buyers, your descriptions have a mix of technical and layman language, because you don't know exactly how versed a potential consumer might be in industry terminology.



**Vivid Inventory Photos:** Buyers are always going to want to know what a piece of inventory looks like before they buy or rent it. Boosting sales with images relies on a simple aspect of human nature: we are visual beings who interpret images instantly, compared to language which takes longer to process<sup>10</sup>. When photos are added to listings, your sales pitch begins instantaneously, making it more likely that a consumer notices your listings and gives them further attention. In fact, listings with images generate 58% better engagement and have a 4.6X higher clickthrough rate than listings without photos<sup>11</sup>. When uploading images of your inventory, provide multiple views and angles, capture the entire product, make sure the lighting allows the inventory to be seen, and ensure nothing in the background of the photo distracts from the actual product<sup>12</sup>. Additionally, if the unit is damaged in any way, do not hide that information from consumers; instead be upfront about it in your images - this will save you from future headaches when the customer actually arrives to look at or buy the machine.



**Pricing:** Some dealers feel that withholding pricing details up-front might encourage potential buyers to call, but the reality is that today's buyers want as much information as possible before they contact a dealer. If you don't include a price, they are likely to move on to another dealer without you ever even knowing that you missed out on their business. Listings with pricing information receive 2X more impressions than listings without, and 8X higher conversion rates<sup>11</sup>. To be truly comprehensive, include the full price, monthly payment prices, and rental prices by the day, week, and month — whichever are relevant to your business.



**Contact Information:** If your number one goal is to connect with potential buyers, then the contact information in your listings must also be up-to-date and accurate. Double check that your email and phone numbers are correct and that you've provided your physical address. If possible, embed a map-to-dealership feature so that consumers can get directions right to your door. Finally, it's important to strengthen customer relationships by nurturing connections through multiple channels, so listings should include LinkedIn, Facebook, Twitter, and other relevant social media links.

## Manage Your Reputation

The data demonstrates that 38% of consumers are looking to buy their very first piece of heavy equipment, meaning your dealership needs to be able to be found and make a good first impression. One of the best ways to expand buyer awareness of your dealership is by appearing on local business listing and review websites, such as Yelp, Google My Business, Yellowpages, Facebook, and Foursquare, where shoppers can find your contact information and read reviews from fellow consumers. Being on these sites can improve your website's search engine rankings and also deliver high-quality prospects, as 53% of local searchers visit a business within 48 hours of their search<sup>13</sup>. Having reviews of your dealership available online is especially important, because 93% of customers

say online reviews are important when evaluating a business<sup>14</sup>. If not effectively managed, poor reviews can damage your dealership's reputation - but if you react to negative reviews with level-headed and productive responses, and if you encourage satisfied customers to post their own positive reviews, you'll be able to cultivate a sterling reputation for your business that contributes to greater leads and sales. Remember that consumers encounter an average of 19 digital touchpoints along their path-to-purchase<sup>24</sup>, so you want to have multiple digital channels online which can positively bolster your reputation.

## Craft Strategic Emails

Well-over half of consumers have previously been through the equipment purchase process (63%), indicating that dealers need to nurture, develop, and grow these relationships by keeping in touch with previous customers and demonstrating how the dealership can provide ongoing value after a purchase or in subsequent purchases. When communicating with buyers, marketing professionals consistently rank email as the most effective digital media channel, over social media, SEO, content development, direct mail, affiliates, and display advertising<sup>15</sup> - and, according to our data analysis, email is nearly tied for the most preferred communication channel among machinery consumers (31%). There are many benefits of email marketing, including accessing the 85% of U.S. adults who use email<sup>16</sup>, owning your own subscriber list, sharing a variety of content, and expanding brand awareness. Considering that two-thirds of customers have purchased a product as a direct result of email marketing<sup>17</sup>, that buyers who receive email marketing spend 138% more than buyers who don't<sup>18</sup>, and that many Email Service Providers (ESPs) offer free starting packages, typically with reasonably-priced upgrades available - it's likely no surprise that email marketing typically provides a solid return on investment (ROI).



**Planning Email Campaigns:** To prepare for an email campaign, you first need to determine what purpose a campaign could serve and then organize a specific strategy around that goal, including finalizing what type of content you will share and how frequently emails will go out. It is best to organize, schedule, and track your campaign via a content calendar, so you can guarantee emails go out on a regular basis. The next step will be to select an ESP that provides user-friendly software to create, develop, and implement your email marketing strategies. You'll also need an audience to receive your emails, so it will be necessary to figure out how you can grow your subscriber list. Popular strategies include requiring an email to access certain parts of your website or to download special content, asking social media followers to subscribe via a landing page, or collecting emails in-person while at tradeshow or in your dealership, potentially in exchange for a giveaway or prize.



**Implementing Email Campaigns:** To actually put together a successful email campaign, dealers should design emails that use high-quality images, are responsive (able to be read on all devices), communicate a clear Call-to-Action (CTA), include links to your website and social media, and follow federal guidelines for commercial emails. To grab a reader's attention and convince them to open the message, email subject lines should align with the targeted demographic's interests, use the recipients' first names, accurately describe what will be in the message, and avoid being overly complex. Once an email is designed and a subject line is

set, the next step for a dealer is to preview and test the email to double-check that the email appears correctly — across all devices — and that all the links work. You may even consider A/B testing, in which you send two different versions of the email to a small group of your subscriber list to see which email performs better — the higher-performing email is then the version you send to the rest of your subscribers.



**Monitoring Email Campaigns:** Once your dealership's email campaign is off and running, it is essential to monitor the campaign, paying attention to Key Performance Indicators (KPIs), including deliverability, open rates, click-through rates, and unsubscribes. There is no "right" metric - it all depends on what you'd like to get out of your campaigns, whether it's brand awareness or clicks to your listings. Collecting and analyzing this performance data allows you to make changes and improvements, either to a current campaign or future emails. Based on your data, you can also begin to segment your audience based on the strategies or content they have most engaged with in past campaigns. This allows you to send future emails to audience segments based on where they are in the purchase lifecycle, which enhances your ability to get them the information they want or need that is most relevant to them in the moment and helps you nurture leads and close sales.

## Develop Provoking Content

Dealers can sometimes overlook content marketing, as it does not involve directly pitching prospects on a sale. However, content can so effectively generate attention around topics related to for-sale products or services that it has been found to produce 3X as many leads as traditional marketing while costing 62% less<sup>19</sup>. Content marketing can also contribute to building brand awareness, improving search engine rankings, increasing social media engagement, and nurturing consumer relationships. Similar to email campaigns, it is best to plan out your dealership's content strategy ahead of time, post regularly, and track your content's performance to identify areas of improvement. Whether you decide to publish a blog or record a podcast, deciding the exact content to develop can be tricky for any dealer. Here are some key questions to consider that may help determine your content:



- What are you comfortable talking about?
- What do you know? What can you learn?
- Can you provide exclusive information or a unique perspective?
- Can industry pros or local businesses provide guest content?
- How does the content relate to the industry?



- How does the content relate to your customers businesses, or to them personally?
- Is the content timely? Does it match up with the current business cycle, time of year, or ongoing current events?

While it is great to develop your own content, resource constraints might make it difficult. However, you can still curate a reputation as an expert by sharing content created by others in the industry. Produce a podcast in which you review important industry news you've recently seen in respected publications, or write a blogpost in which you highlight the key takeaways from an insightful industry article. You can rely on OEMs, major industry publications, or even Equipment Trader for good content you can share. Doing so can save you time while still communicating to consumers that you are a trusted source for essential information about the industry - just be sure to always cite the original creator/publisher of that content

## Take Advantage of Social Media

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The most-used social platforms in the U.S. are Facebook (62%) and Instagram (36%)<sup>20</sup>, and in today's world, social media networks such as these provide an invaluable avenue for you to reach consumers right where they are — on their phones. In fact, 78% of U.S. consumers have discovered products to buy on Facebook<sup>21</sup>, and 21% of social media users say they are more likely to buy from brands that they can reach on social platforms<sup>22</sup>. Dealers may rightly point out that Baby Boomers, to whom dealerships have long catered, are less likely to be on social media, but keep in mind that the data shows younger buyers are a rapidly increasing share of the equipment marketplace, and they are much more likely to be on social media. Research has demonstrated that for Gen-Z and Millennials, social media is THE most relevant advertising channel<sup>23</sup>. Clearly, dealers need to develop a sophisticated social media presence to not only prepare for the social-dominant future, but also to reach the younger social-dependent buyers who are in the market right now.

There are many ways that social media can boost your dealership's marketplace influence. First, establishing a social presence helps you expand consumers' awareness of your dealership. Even if one of your posts never goes "viral," staying active on those accounts also helps your business remain top-of-mind when your followers think about heavy equipment. Social media can also help you manage your reputation and develop customer relationships as authentic and transparent posts — which offer your personal perspective or give a behind-the-scenes look at your business — serve to humanize your dealership's brand. Being relevant and personable builds trust, while your shared experiences and insights establish credibility. You can additionally use social media to share inventory and promotions directly, helping you drive website traffic, connections, leads, rentals, and sales.

Meanwhile, browsing with your professional account allows you to learn more about your customers, monitor conversations about your products, business, or industry, keep an eye on your competition, and keep up with industry news. Armed with such knowledge, you can tap into trending topics, remain relevant and competitive, and continue to manage your reputation by engaging in responsible customer service and support — you'll be surprised how many followers will reach out to you via social media with customer service concerns. Finally, social media also comes with a number of tools and strategies for advertising and retargeting campaigns, as well as relatively in-depth reporting, helping dealers keep statistical track of how accounts and ads are performing.

## CONCLUSION

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Competition is at an all-time high in heavy equipment sales, but the industry is shifting in new and dynamic ways, as consumers are increasingly younger and doing in-depth research online year-round, encountering an average of 19 digital touchpoints along their path to purchase<sup>24</sup>. Among these shoppers, there is a healthy mix between those buying their first piece of machinery and those who have been through the purchase process before. While most consumers are looking to buy equipment, a solid portion of the market is also interested in renting machinery and, although consumers rent for different reasons and at varying frequencies, dealers are uniquely positioned to make inroads among this group and significantly expand dealership profits. Equipment consumers have high standards of communication expectations for dealers. In-person conversations, emails, and phone-calls are consumers' preferred methods of communicating, and - once they reach out - most equipment shoppers expect to receive a fast reply from the dealer and to get the keys to the machine relatively quickly.

Dealers who want to attract and engage these multi-generational, research-heavy equipment prospects who conduct searches for machinery year-round need to make significant efforts towards honing their online presence, including having complete listings, managing their reputation, implementing strategic email, social media, and content marketing campaigns. It is also essential for dealers to make sure they are meeting and managing buyer expectations, contributing to a productive relationship and smooth purchase process.



**Equipment Trader™**, a division of Trader Interactive, is the leading online marketplace for buying and selling new and used commercial equipment, including construction, earthmoving, agricultural, lifting, forestry, mining, and industrial equipment and trailers. Our mission is to bring heavy equipment buyers and sellers together by providing our dealers and manufacturers with comprehensive listing packages and innovative advertising products that place inventory in front of relevant, high-quality buyers. Listing inventory through Equipment Trader ensures that dealers can maximize their exposure, generate connections, drive sales, and boost profits. For more information, please visit [www.EquipmentTrader.com](http://www.EquipmentTrader.com).

<sup>1</sup> <https://www.khl.com/magazines/global-equipment-sales-hit-record-high/137567.article>

<sup>2</sup> <https://www.statista.com/statistics/226355/us-public-and-private-sector-construction/>

<sup>3</sup> <https://www.aem.org/news/aem-releases-year-end-ag-equipment-sales-data/>

<sup>4</sup> <https://www.aem.org/news/industry-economic-outlook-growth-has-plateaued-but-what-about-2020/>

<sup>5</sup> <https://www.constructionequipment.com/rental-trends>

<sup>6</sup> <http://rermag.com/business-info-analysis/rental-cornerstone-rental-strategy-key-dealer-and-oem-profitability>

<sup>7</sup> <https://www.forbes.com/sites/forbespr/2016/05/25/customers-like-to-research-online-but-make-big-purchases-in-stores-says-new-retailer-study/#1049235b244b>

<sup>8</sup> <http://www.cpcstrategy.com/blog/2016/10/death-last-click-attribution/>

<sup>9</sup> <https://www.rickwhittington.com/blog/experts-creating-content-b2b-buyers-journey/>

<sup>10</sup> <https://www.treefrog.ca/why-professional-imagery-is-important-for-your-website>

<sup>11</sup> Trader Interactive, Adobe Analytics, 2017

<sup>12</sup> <https://www.commercialwebservices.com/blog/2018/07/03/back-to-basics-best-practices-for-inventory-photos/>

<sup>13</sup> <https://www.reviewtrackers.com/reports/local-search/>

<sup>14</sup> <https://www.greenindustrypros.com/business/article/21075984/do-online-reviews-really-matter>

<sup>15</sup> <https://www.smartinsights.com/email-marketing/email-communications-strategy/email-marketing-still-worth-taking-seriously-2018/>

<sup>16</sup> <https://neilpatel.com/blog/beginners-guide-email-marketing/>

<sup>17</sup> <https://thedma.org/blog/data-driven-marketing/saturday-stat-series/>

<sup>18</sup> <http://www.convinceandconvert.com/email/15-email-statistics-that-are-shaping-the-future/>

<sup>19</sup> <https://contentmarketinginstitute.com/2017/10/stats-invest-content-marketing/>

<sup>20</sup> <http://www.edisonresearch.com/wp-content/uploads/2018/03/Infinite-Dial-2018.pdf>

<sup>21</sup> <https://blog.hootsuite.com/facebook-statistics/>

<sup>22</sup> <https://sproutsocial.com/insights/social-media-statistics/>

<sup>23</sup> <https://sproutsocial.com/insights/social-networks-influence-buying-decisions/>

<sup>24</sup> <https://9clouds.com/blog/from-clicks-to-sales-how-auto-leads-move-through-digital-car-sales-funnel/>

<sup>25</sup> <https://v12data.com/blog/25-data-driven-stats-2018/>



