

2014 CONSTRUCTION MARKETING SURVEY

//////////////////////// BrandConstructors.com



2014 Construction Marketing Survey

In our latest survey, we've queried the marketing infrastructure and marketing efforts of construction companies. Some of the companies that responded have marketing professionals in-house who take the lead on projects, while others have executives involved in marketing and business development efforts. In this report, you'll find a summary of our findings and insights into what these finding can mean for our industry.

So, **let's take a look**
at the findings, **shall we...**

Regards,
Perryn Olson, CPSM, CCMP
President



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DEMOGRAPHICS



About the Survey & Respondents

We asked our network of marketers, executives, and friends in the construction industry to take and share this survey. Our team and our network of industry professionals promoted the survey via email, social media, and web searches during September and October 2014.

The responses demonstrated the vast difference between the smaller companies with seller-doers business developers and mega firms with dedicated marketing and business development teams. Although these companies compete and work at different scales, you may notice similarities amongst them as well.

As the only marketing & design firm dedicated to working with larger construction companies, we believe it is our responsibility to share the info we collect when surveying industry professionals. With your help, we look forward to growing our survey population and broadening the range of respondents.

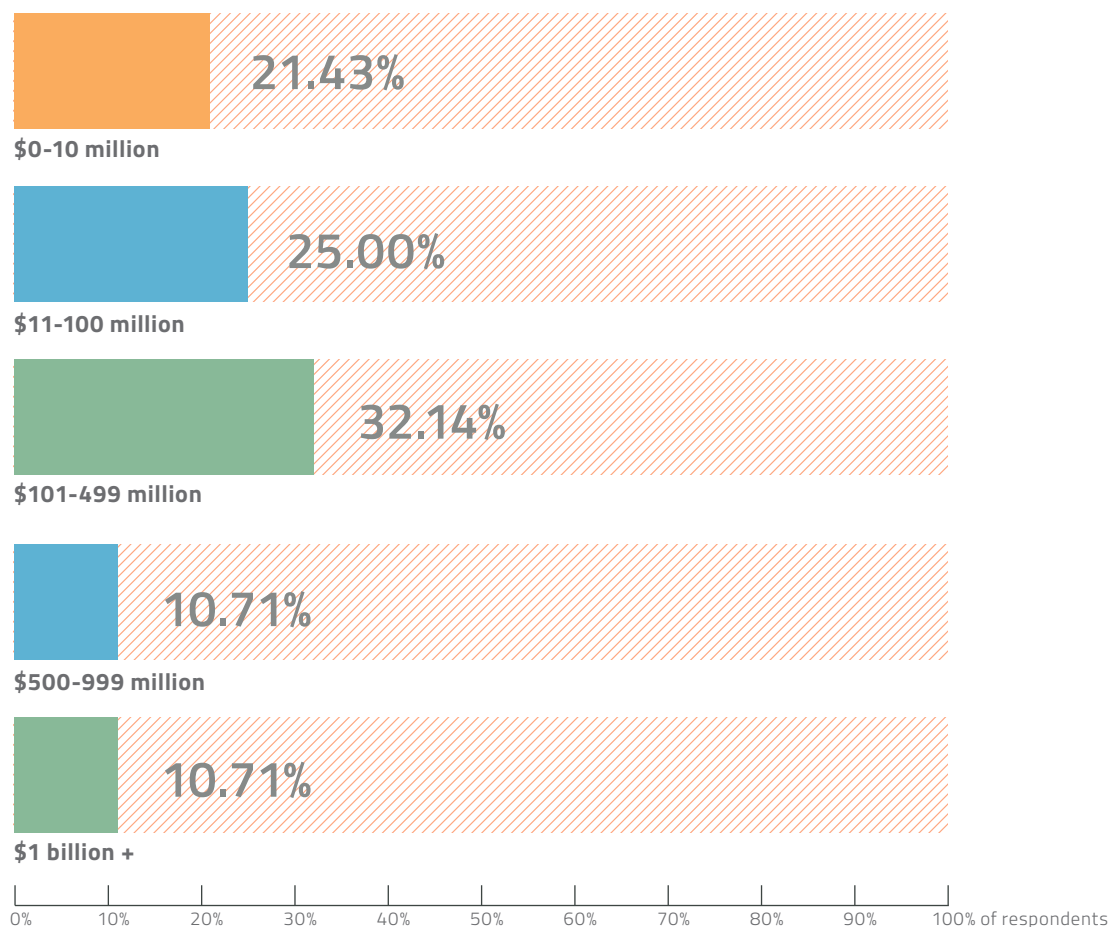
Responses show similarities in marketing tools used and wanted, along with commonalities in social media utilization.

The survey helps identify construction companies' biggest challenges in marketing - uncensored and unedited.

See how respondents think revenue will change in 2014 and 2015 when compared to recent years.

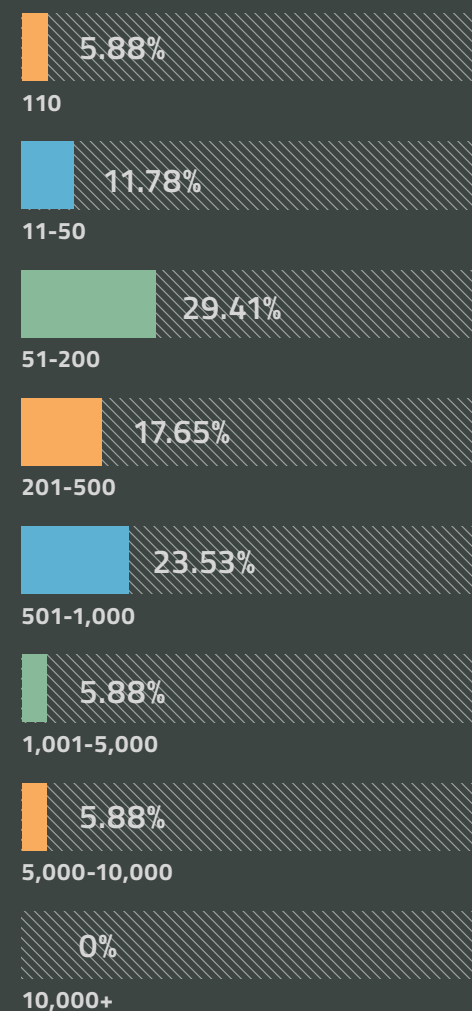


Gross revenue for 2013?



ENR's Top 400 Contractors generally includes companies from \$100 million to over billion dollars in annual gross revenue. Our survey included a 50/50 split of respondents who came in above and below that \$100 million mark.

Number of Full-Time Employees



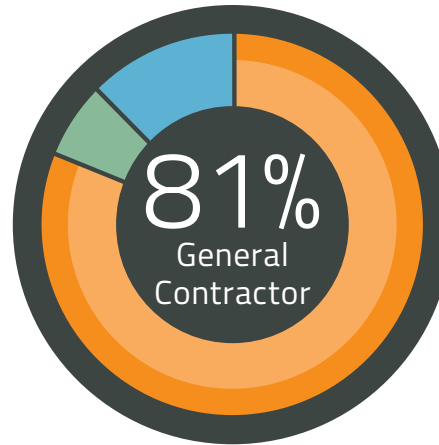


Company's Primary Role

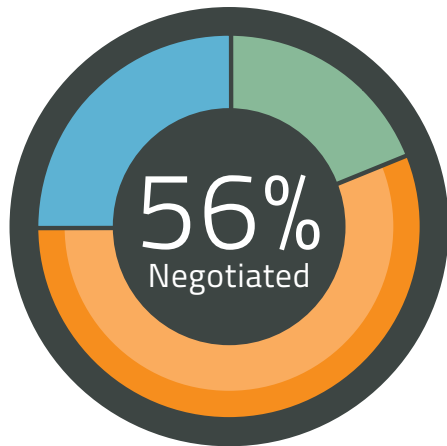
General Contractor ////////////// 81.25%

Sub Contractor ////////////// 6.25%

Other ////////////// 12.50%



No surprise that general contractors dominated the survey's respondents since historically subcontractors do limited marketing.



Company's Type of Work

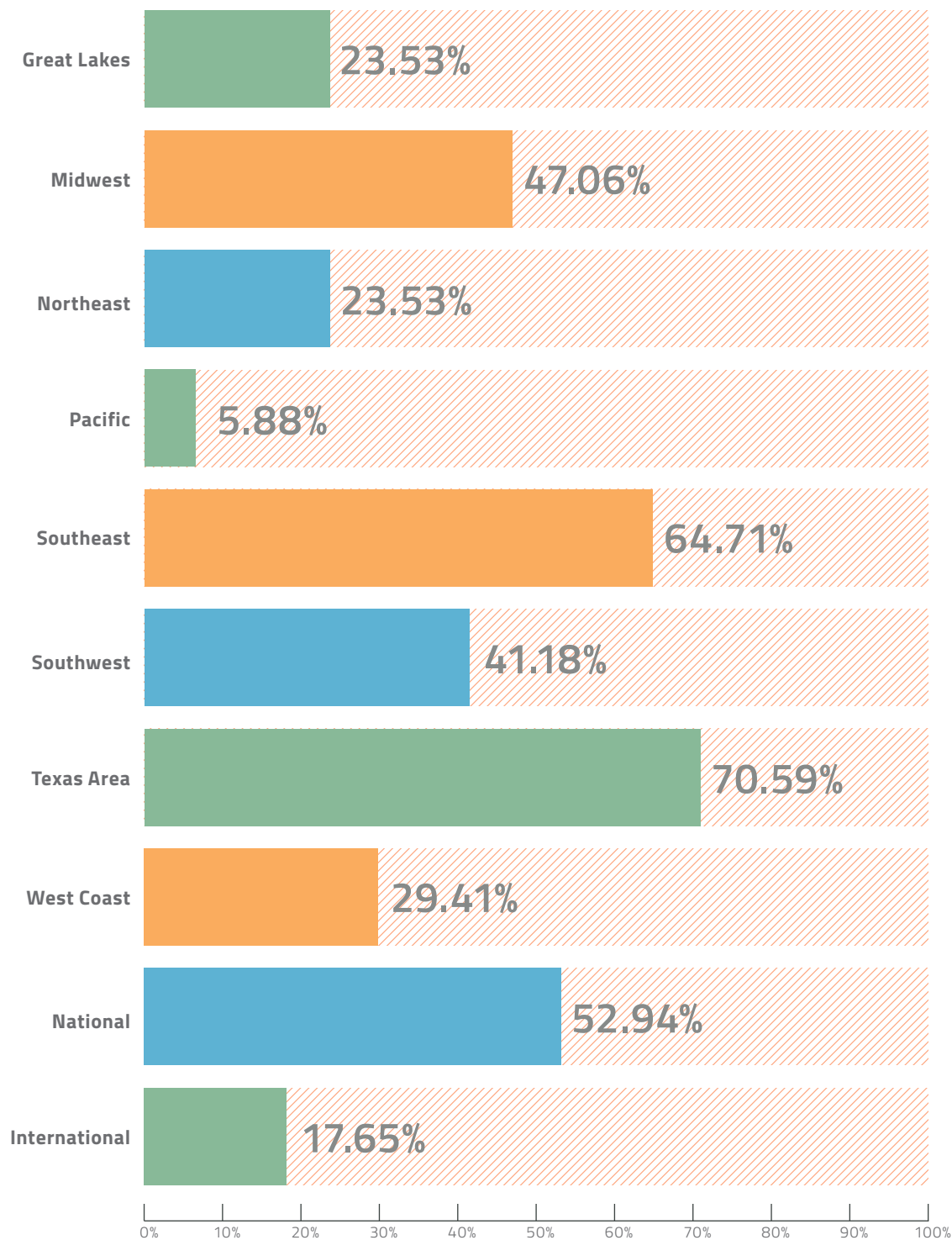
Negotiated ////////////// 56.25%

Best Value Bid ////////////// 18.75%

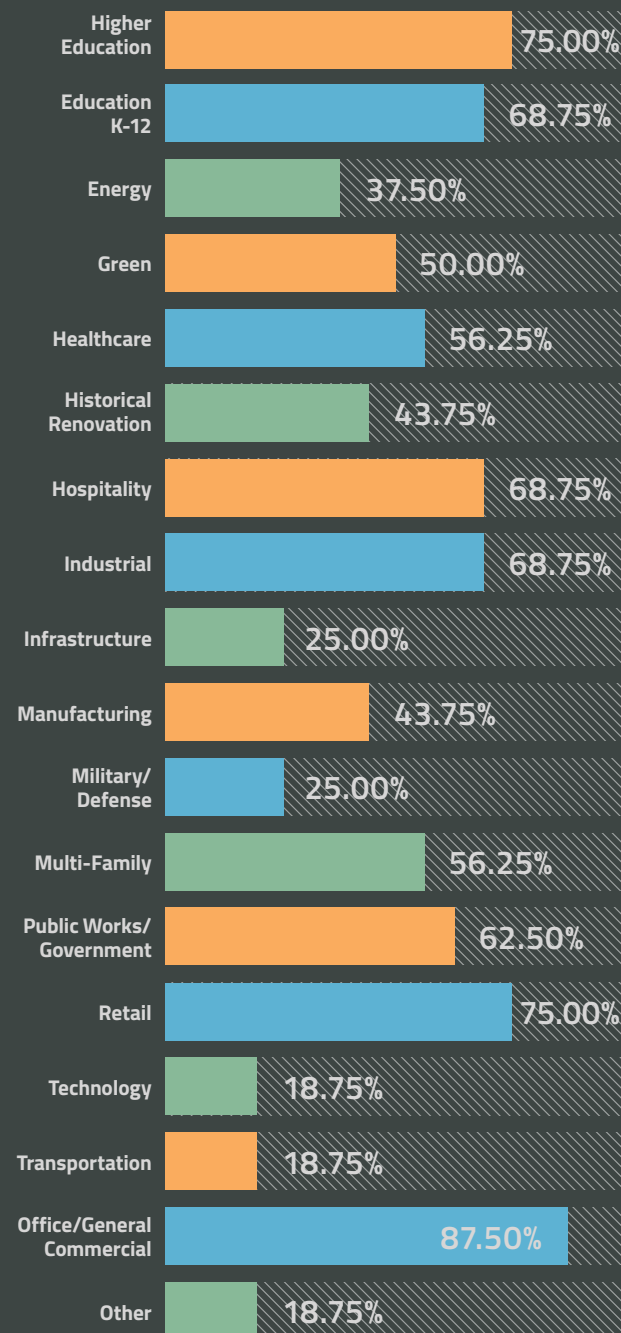
Other ////////////// 25.00%

90% of respondents noted that over half of their business is repeat work, which is fantastic.

Regions Served by Respondents



Markets Served by Respondents

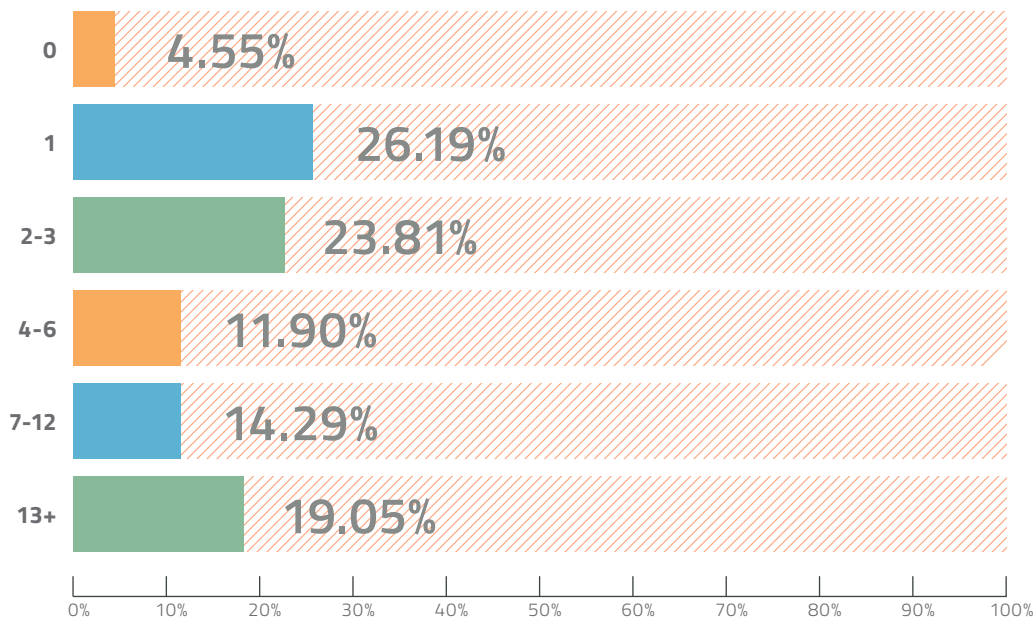




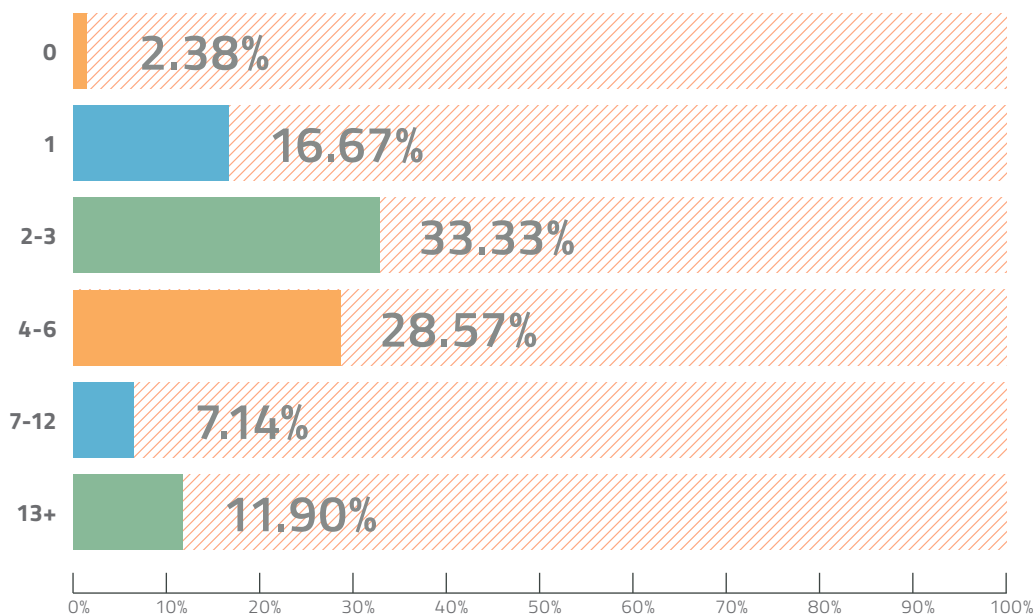
PERSONNEL



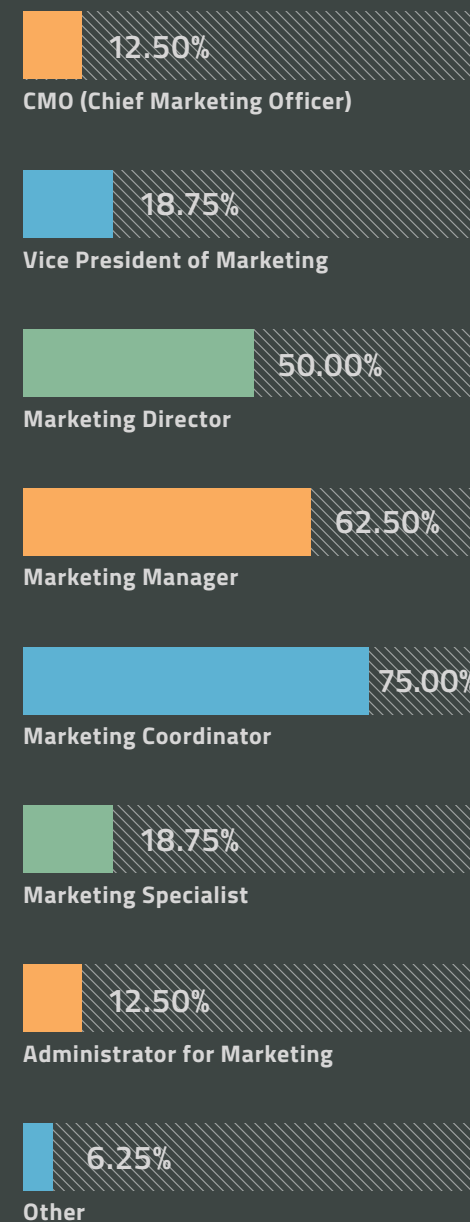
Number of in-house marketers



Number of in-house business developers



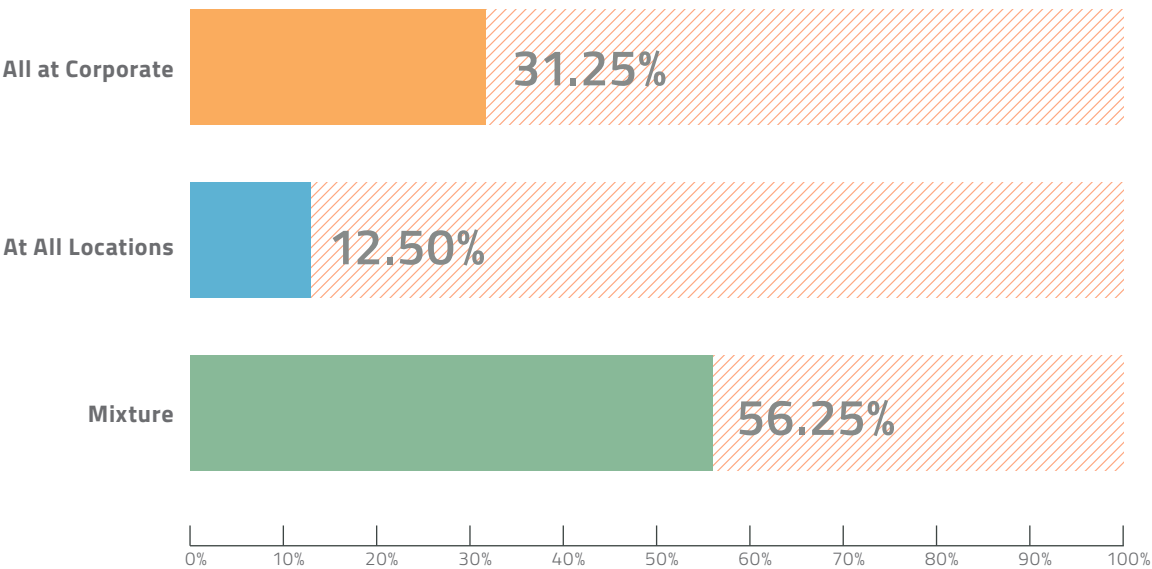
Marketing positions currently in house



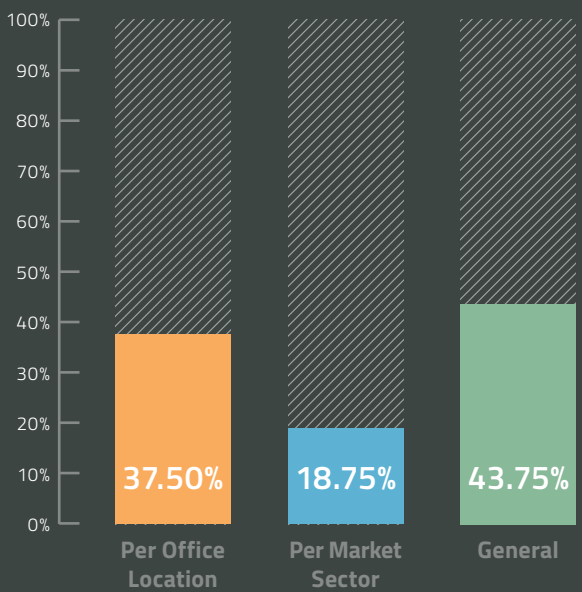


Marketers' Location

Historically, small construction companies have one location with all marketers working at that location, while the mega firms have marketers spread across each location. Our survey's data supports that norm with mid-ranged companies reporting a mixture of marketing staff across the company's locations.



Business Developers per location or sector?



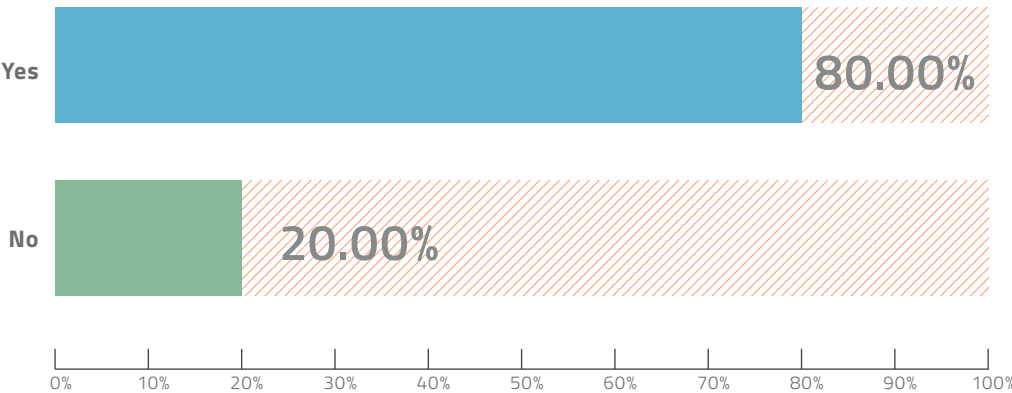
A respondent noted that his/her company of 70 had everyone involved in business development.



MARKETING RESOURCES



Do you currently have a budget for marketing?

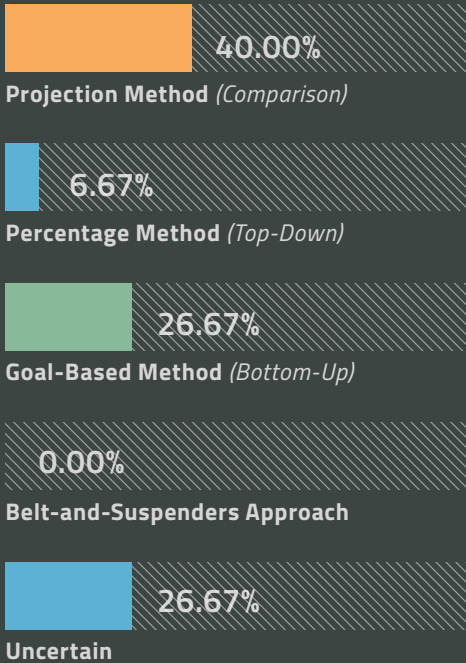


Approximate annual marketing budgets

Budget amounts for our survey respondents varied wildly from \$0 to \$1 million annually. This dichotomy is representative of our respondent's diversity, and is in line with the surveyed companies' gross revenue and employee size. One respondent noted a sizable budget per location, which represented a significant deviation from the range.

A challenge with comparing marketing budgets among companies is not knowing if the budgets are only for marketing materials and tools. Some companies include proposal pursuits (many times budgeted under pre-construction), or their budgets may also include their marketer(s) and/or business developer(s)' salaries and benefits.

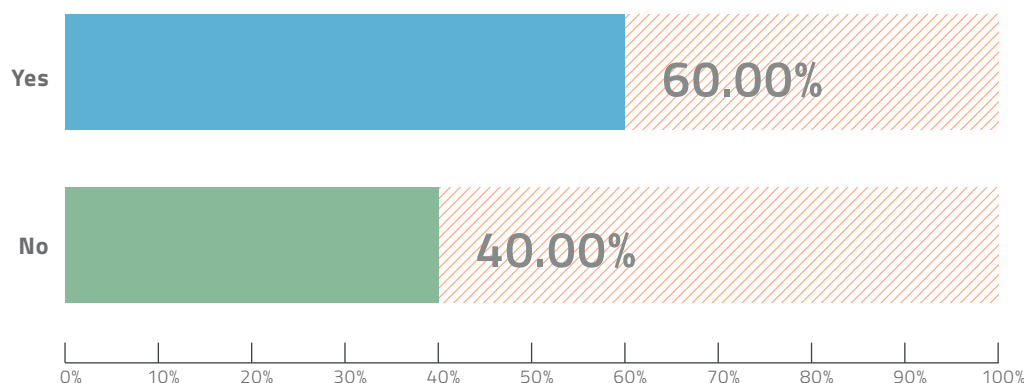
How do you determine your budget?



Regardless of how your company's marketing budget is determined, the important thing is that marketing needs to be budgeted and planned.



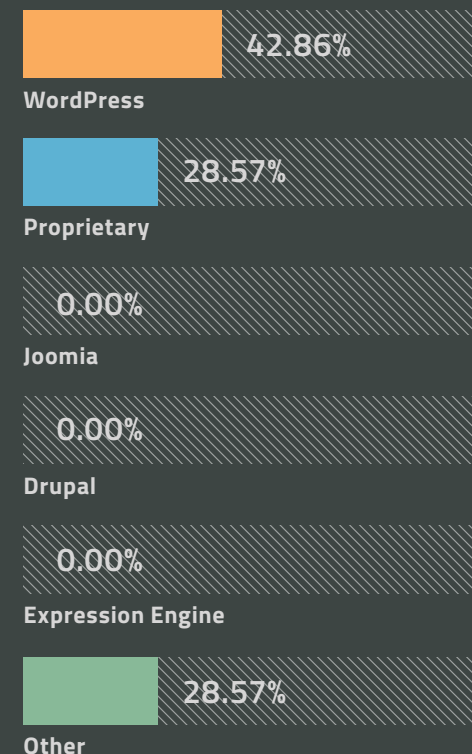
Do you get Business from your website?



We know this question is challenging. Most construction companies struggle with it because of a lack of metrics, needing multiple touch points including a proposal to win a project, and struggling to define how a “sale” is made online.

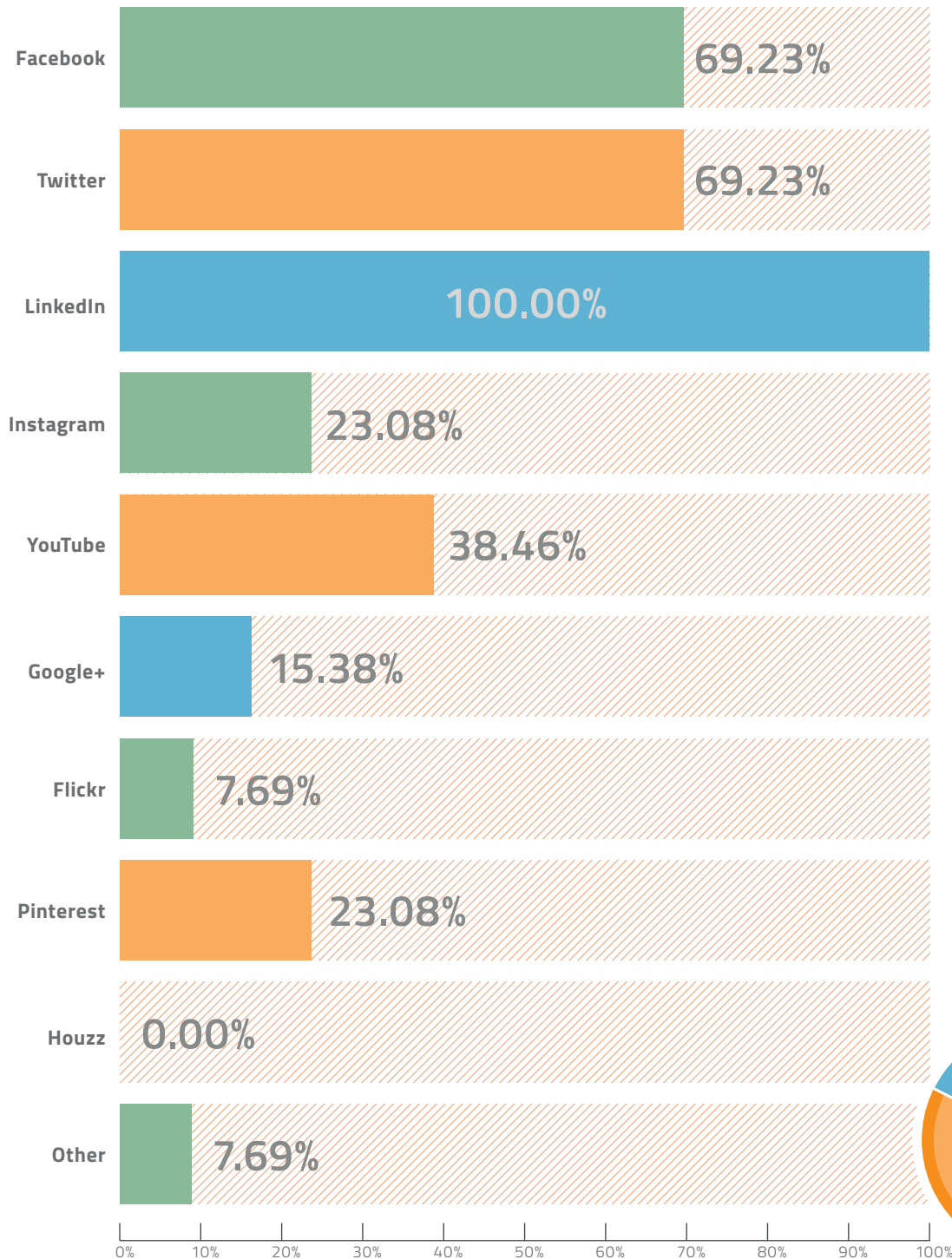
With over 60% of respondents claiming their website is a business-generating tool, we can make some assumptions about their web marketing integration. However, unless tracking systems are fully integrated into the websites, or the marketing staff is aggressively inquiring about the origins of new projects, this number may be skewed.

Which CMS (Content Management System) does your website use?



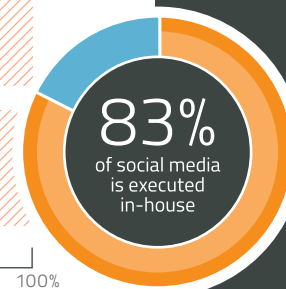
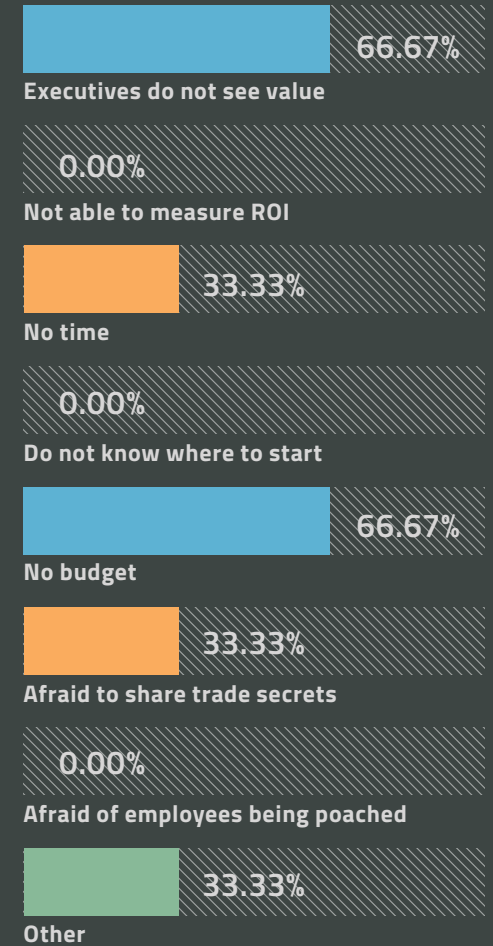
*We were surprised
by the lack of
usage of Joomla
and Drupal.*

Social Media Channels In Use



WHY NOT?

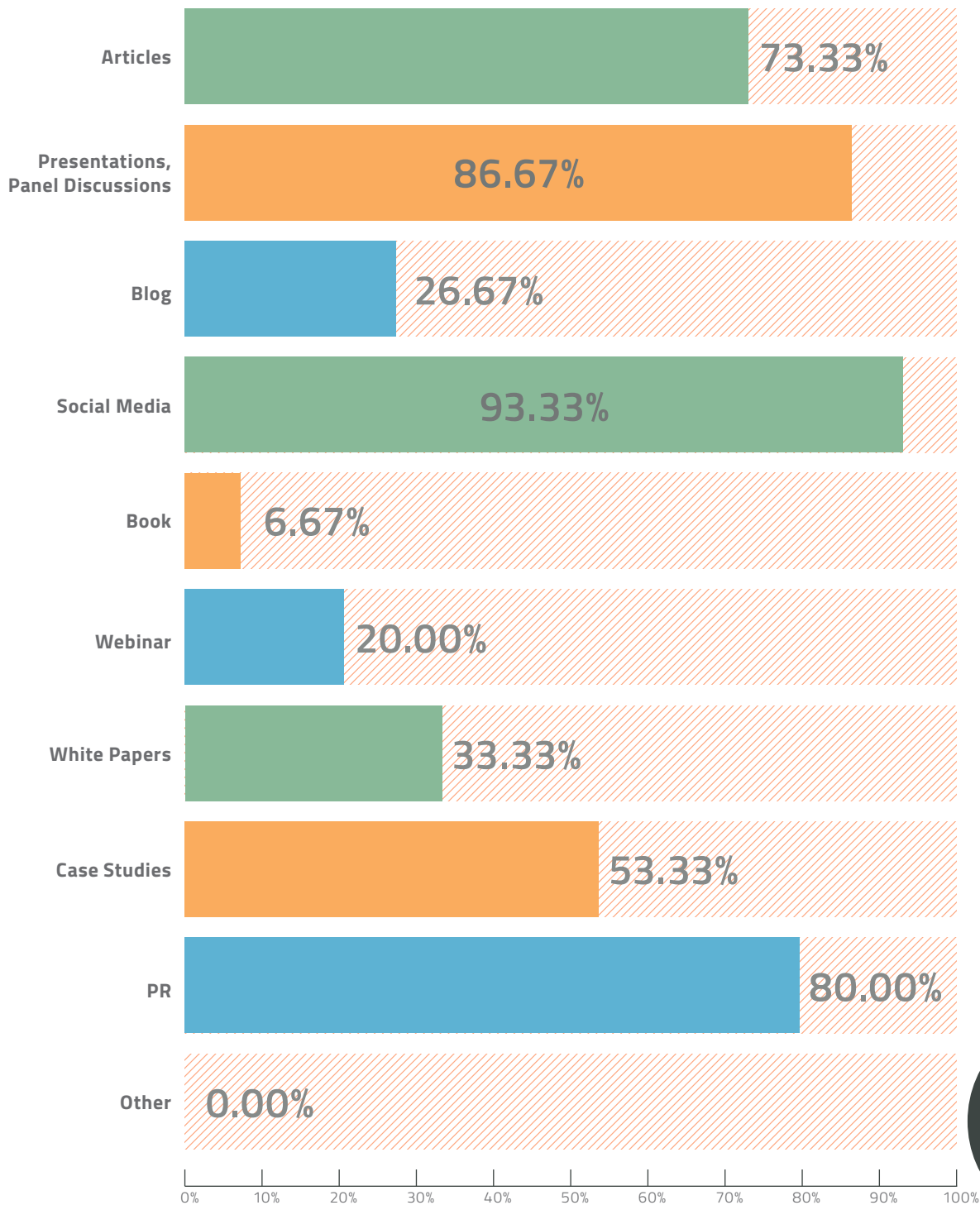
Reasons you do not use social media



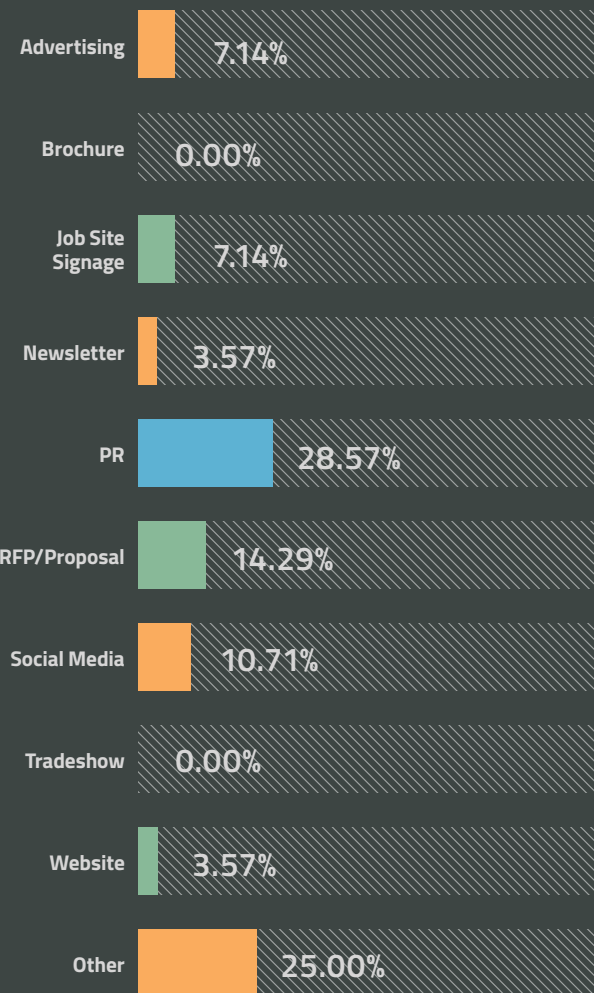
Social media has matured to a point where the challenges have evolved away from lack of value and knowledge.



Content Marketing Methods Utilized



Which tool do you **wish** you had in your **marketing toolkit?**



89%
of respondents
have internal
communication
tools

PR seems to be a "magical" expense for many construction executives, therefore most marketers do not have that resource available to them or within their budget.



BIGGEST CHALLENGE



Biggest Challenges

Our anonymous survey allowed respondents to put it all out there.
Their unedited challenges:

"How do [you] make sure people are exposed to relevant news and information and how do we make sure they know where to go to retrieve more information? Constant challenge at a company with over 9,000 people."

"Getting everyone in the organization to understand what marketing is, what we can do, and why we're important."

*"Crippled by our existing website - in FLASH, with **no analytics**."*

"Differentiation, not getting lost in the crowd with all of the competition in this market."

"We are at a point in our company growth where we need to transition the market perception from a mom & pop shop to a professional organization.

As such, we are developing short- and long-range marketing plans, brand guidelines, a new website, etc. The challenge is being able to make any progress in between RFQ/P responses."

"Poor marketing and brand strategies."

"Getting our C-suite to understand the connection between Business Development strategies/efforts and how marketing activities/campaigns support and elevate the strategic plan."

"Determining ROI."

"Limited budget. I would like to be able to do more of the things that we are doing."

"Consistency."

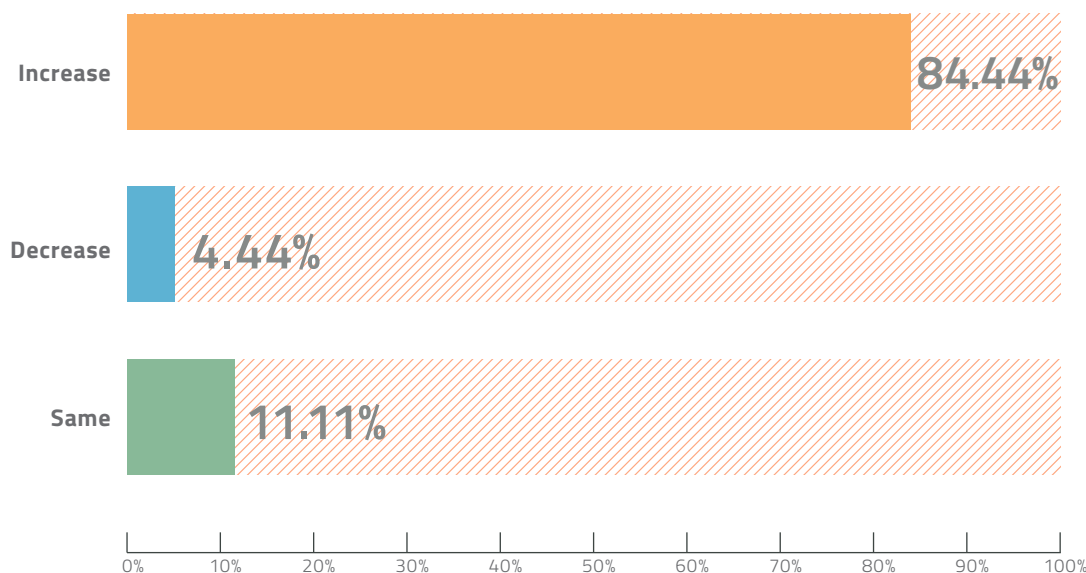


FUTURE

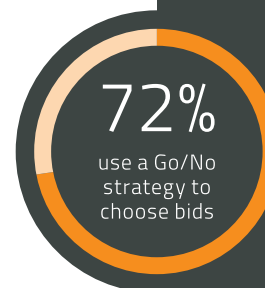
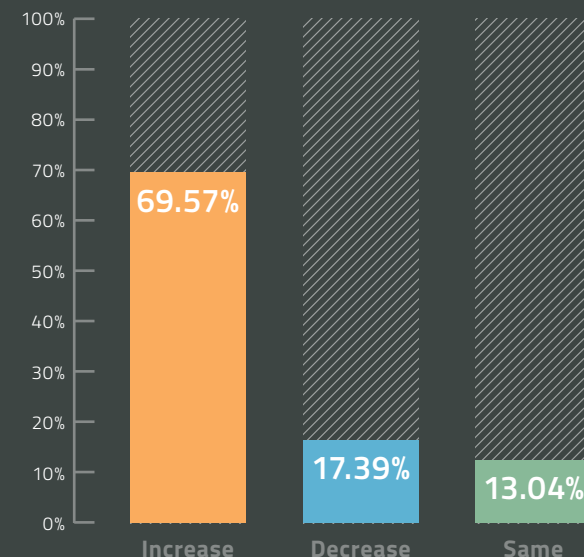


How do you expect 2015's gross income to compare to 2014?

As you can see from these graphs, the answers to these questions are exciting and encouraging for our industry. Many experts state the recent recession is winding down, but the construction industry still has many companies struggling with low-profit margins due to low-bid projects and high operational costs.



2014's gross income compared to 2013?



Many construction companies are entering new geographic markets and industry sectors to increase revenue.

About the Brand Constructors

The Brand Constructors are a dynamic team of marketers, graphic designers, web developers, and business consultants focused on maximizing the effectiveness of your construction company's marketing communications and dollars. We work as a partner with our clients, augmenting in-house talents and capabilities to provide them with the marketing and business development tools needed to get the job done.

*Our primary goal is to help you streamline your marketing efforts and become more profitable. Construction industry pros understand the value of sub-contracting work to specialists. So whether it's serving as a CMO (Chief Marketing Officer) for small construction companies and strategizing with the in-house marketing team of larger teams or developing the marketing tools needed to win, the Brand Constructors are **Your Marketing Subcontractors.***



PERRY OLSON, CCMP, CPSM

is president of The Brand Constructors. He is an award-winning, multi-disciplined designer, business developer, and marketer and holds marketing certifications with the Construction Marketing Association and SMPS (Society of Marketing Professional Services). Perryn is the president-elect of SMPS Southeast Louisiana and co-chair of SMPS Southern Regional Conference (SRC) 2015.

Author of *Construction Executive's Guide to Brand Marketing* in 2014, he regularly writes for CFMA, SMPS, AGC, ABC, and AIC. Perryn speaks at national and regional conferences nationally on Brand Marketing, Social Media, Websites, and Marketing Construction Companies.

Perryn is active on the company's blog, LinkedIn, and Twitter (@brandconstruct).

He is an Eagle Scout and was selected as one of *ENR Texas & Louisiana's* 20 Under 40 for 2014.



SURVEY CREATED BY

More information available at
BrandConstructors.com

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