



White Paper



ABM Keeps
Aerospace Parts
Companies Soaring



The aerospace industry is set for takeoff into a new era. After years of cruising on robust growth, projections for aircraft demand are now in freefall. As industry fundamentals are in flux, so are the research and buying habits of companies that build aircraft. Aerospace parts manufacturers face significant challenges in reaching current and prospective clients with adequate leeway to influence sales.

The aircraft, engine and parts industry grew at a steady clip of 3.8% annualized growth from 2012 to 2017. This was driven largely by commercial segment demand as global air travel rose and airlines upgraded their fleets, even as decreased spending on defense hampered

overall demand¹. In the export-oriented market, 20% of products and services are accounted for by aircraft parts and auxiliary equipment. Another 19% is aircraft engines and engine parts, leaving the remaining 60% to overall aircraft.

Aircraft, engine and parts manufacturing peaked in 2017 as a \$240 billion a year industry.

But the headwinds have changed. Record years of production and deliveries are being followed by slowing world economic growth—a foreboding cue for aircraft demand—particularly in vital emerging markets. Aircraft manufacturing is projected to plummet to a mere 0.8% annualized growth

¹ Longo, Daniel. Aircraft Engine & Parts Manufacturing in the US. IBISWorld. 2017.

from 2017 through 2022 to total \$246 billion each year. As the aerospace industry tracks to overall world economic health, gains are expected to falter amid slowed growth, declining oil prices—which diminishes demand for fuel-efficient aircraft—and flight overbooking by commercial airlines, resulting in fewer empty seats and less need to build fleets. In an environment of ambiguity surrounding defense budgets, commercial demand is projected to drive growth as industry consolidation continues.

Amid turbulent market conditions, business for aerospace parts manufacturers can be made or broken by getting spec'd into new aircraft designs. These blueprints become the planes that will form commercial and defense fleets for decades to come. Winning these contracts ensures a secure demand for parts throughout the aircraft's decades-long operating life as those elements are replaced multiple times, creating ongoing demand for those parts.

Technology—including green air vehicle design, nanotechnology and energy-optimized aircraft equipment systems²—has advanced the aerospace industry in recent years. Meanwhile, technology has also shifted the B2B buying cycle. Aircraft producers are front-loading their R&D process, putting parts manufacturers at a marked disadvantage and setting the stage for sizable losses.

At the same time, the buying process for aerospace parts has changed. Researchers prefer to work alone rather than relying on sales representatives for information. Anonymous designers are researching possible aircraft parts for their designs earlier than ever, aided by the anonymity of the internet. Up to 67 percent of the buying process is conducted digitally³. Research shows that the buying cycle has typically been underway for 9.3 months before aerospace companies reach out to suppliers. In this scenario, sellers then have a mere 7.4 months after being brought in the loop to educate

² Aerospace Industry Overview." SIS International Research. <https://www.sisinternational.com/aerospace-industry-overview/>. April 2017.

³ Craig More. "Maybe You Already Have Enough Data for Analytics: Part III: Marketing Mix Analysis." Sirius Decisions. <https://www.siriusdecisions.com/blog/maybe-you-already-have-enough-data-for-analytics-part-iii-marketing-mix-analysis>. June 6, 2013.

aircraft manufacturers on the benefits of their parts.

Traditional online B2B marketing relies on email campaigns, lead generation and cold-calling to deliver messages to current and potential buyers. These methods lag behind the standards necessary to inform modern buyers. But there is a simple, yet strategic, formula to secure early contact with online researchers, as well as entire design committees of aerospace engineers, and even assembly plants and maintenance facilities. ABM, also known as account-based marketing, puts

targeted marketing messages in the sight line of the right people in the exact location they are looking for it—online. ABM gives aerospace parts manufacturers a pivotal advantage by delivering marketing messages through IP targeting. Through a vast, proprietary database loaded with IP addresses related to the accounts of major aircraft designers,

Jabmo's ABM ensures that researchers from key firms are presented with the information to make customers' products rise to the top. After initial familiarity in the earliest segment of the buying cycle,



R&D teams can use this information to build consensus with buying committees. With a focus on B2B manufacturing companies, ABM outranks typical email marketing in precision and effectiveness. ABM customers earn bigger deal sizes, experience faster pipeline velocity, and enjoy higher win rates.

ABM also boasts account-sensing capabilities tailored to aerospace parts manufacturers' sales goals. Website personalization, sales

enablement, account-based retargeting, analytics, and advertising provide B2B manufacturers with the cutting-edge tools they need to reach, inform and engage present and potential customers.

In the cut-throat business of manufacturing aerospace parts, there are a few methods to soar beyond the competition. Getting a foot in the door early in the buying process via ABM is a sure way keep sales aloft despite weakening market conditions.

The Jabmo solution provides digital, sequenced, personalized communications to anonymous & known buyers at your target accounts.

Global companies such as Sealed Air, Fives, and Schneider Electric have chosen Jabmo to manage their ABM programs, increasing win rates, deal size, and pipeline velocity.

The logo for JABMO, featuring the word "JABMO" in a bold, sans-serif font. Above the letter "A" is a red triangle pointing to the right.

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