Focus on marketing

Cultivating a marketing mindset

By John Cross, American Institute of Steel Construction (AISC) (A condensed version of the paper from the South African Steel Conference, reproduced by permission of the South African Institute of Steel Construction)

Structural steel producers (mills), warehouses (steel service centres), detailers, fabricators (steelwork contractors) and erectors are notoriously shy when it comes to promoting their industry and marketing the services they provide.

Mill producers need to recognise that their ultimate customer is the decision maker in the design-construction process who influences the selection of a framing system for a building. Warehouses need to market upstream and increase the demand for structural steel. Fabricators must communicate the value that a structural steel solution can bring to a project while it is in the conceptual design phase.

What simple, memorable message do we want to send to the marketplace? We (AISC) agreed on a simple statement: "There's always a solution in steel." We believe this... our member mills, service centres and fabricators believe this... and if you are going to grow the structural steel market in your locale, you need to believe it as well.

"Why is there always a solution in steel?" The answer to that question is four-fold. As an industry there is always a solution in steel because of our material, our expertise, our ability to deliver projects and our attitude.

At a recent series of roundtables in the United States hosted by AISC, we asked designers, architects, structural engineers, owners, general contractors and construction managers to tell us their issues with structural steel construction. And they shared them with a great deal of passion – schedule delays, extras, change orders, requests for information, vibration concerns, fire protection, achieving low-floor-to-floor heights, and industry capacity. And after they shared them, it was only appropriate to look them in the eye and ask "then why do you use structural steel on your projects rather than concrete?" They said two things:

First, the problems are the same and greater with concrete, but the second was even more

telling: "Structural steel fabricators are a lot smarter than concrete contractors."

Why? Five reasons were given:

- Structural steel fabricators help us face and meet project challenges;
- Structural steel fabricators know how to optimise the use of their material on projects;
- Structural steel fabricators consistently come up with meaningful alternatives for how to approach a project;
- Structural steel fabricators know what the term 'value engineering' means and do not equate it to just reducing the scope of the project; and
- 5. Structural steel fabricators understand the costs associated with what they do.

There's always a solution in steel because of our ability. Ability is different than expertise. Expertise is (in) knowing how to do something in the best way. Ability is the capability of actually doing it. Our industry has the ability to safely deliver projects on time, on budget and with a quality unsurpassed in the construction world.

So why if there's always a solution in steel doesn't every project decision maker select a structural steel framing system? To put it simply, sometimes the attitude of the structural steel industry gets in the way. The structural steel industry all too often communicates a negative attitude. In the face of poor design drawings, volatile costs, supply issues, schedule disruptions, confused architects, unrealistic structural engineers and unreasonable construction managers, instead of communicating "there's always a solution in steel", the industry communicates "there's always a problem in steel."

A study was recently conducted by a public relations firm of the structural steel industry in the US. The bottom line summary of that study was that members of the structural steel industry spend far too much time talking about internal industry issues in public rather than focusing on the solutions that can be provided to our clients. The first three are givens... because of our material, our expertise and our ability. The fourth is under our control. Our attitude is the key to cultivating a marketing mindset.

"Marketing is not an activity that can be delegated to a few 'marketing' types to promote structural steel, but it must become an activity that each member of our industry is involved with."

Over the past several years, AISC Marketing has transitioned from an organisation discussing the general benefits of structural steel to an organisation addressing specific cost and schedule concerns of specific projects. This is done through the services of the AISC Steel Solutions Centre that provides both conceptual and technical support to the design and construction community in the US, complemented by a staff of eight regional engineers scattered throughout the country. Their activities have generated a positive impact in the marketplace increasing the consumption of structural steel by three to five market share points overall.

Today the market share of structural steel in the US stands at 50 percent, including multistorey residential projects and excluding pre-engineered steel buildings. This compares most favourably to steel's next closest competitor, concrete, which holds a 26 percent market share. But the Steel Solutions Centre and our staff of regional engineers can only do so much. Even if the number of regional representatives were doubled, we would still be impacting only two percent of all projects. At the same time, the sales resources of the structural steel industry are typically focused on selling within the industry rather than on specifiers of structural steel systems.

Obviously the answer does not rest in traditional marketing methods. Instead, the structural steel industry in the US has recognised that the two keys to further penetration of the building construction market are: (1) the continuation of a projectspecific marketing approach; and (2) the coupling of that approach with a mobilisation of industry resources, focusing particularly on small to mid-range projects.

This means that every individual in the structural steel industry needs to develop a positive attitude and cultivate a marketing mindset. It is no more difficult than ensuring that every staff member can:

- Recognise potential projects where structural steel could be utilised;
- Know where to communicate information regarding a potential structural steel project;
- Know the location, type of building and when possible, visit completed structures that they have personally worked on; and
- Verbalise their role and their companies' role in the provision of beneficial structural steel framing systems in 15 seconds or less.

Realistically, it is not that all promotional efforts are delegated to a single individual, but that all staff members are actively engaged and passing information to this individual.

If the utilisation of structural steel is to grow, then it must grow through the cultivation of a marketing mindset at every level of our industry. Our attitude must become one of communicating the good news about structural steel construction and our industry's commitment to deliver those solutions to the marketplace.