



THE ADHESIVE AND SEALANT COUNCIL, INC.

SECURING THE FUTURE®

2011
Adhesive & Sealant
**End User
Marketing Perceptions
Survey**

Research and Insight on
Buying & Decision Making
for the END USER market segment

*A special **Members Only** report brought to you by the Adhesive & Sealant Council*

Welcome to the 2011 ASC Adhesive and Sealant End User Marketing Perceptions Survey

ASC's vision is to be the "essential center of knowledge and catalyst for change" for the industry. To this end, ASC conducted a survey of adhesive and sealant end users to help members better understand:

1. How customers gather product information
2. The criteria they use in decision making and
3. Their preferred sources of information about adhesive and sealant products and companies.

The goal of this survey is to provide ASC members practical information and insight on what works – and what doesn't – in reaching the end user market in a highly competitive business environment. The information and conclusions in this survey are action-oriented and designed to support your marketing team.

ASC distributed the survey to 6,000 end users who have used adhesives.org as a business resource, asking key questions to better understand their behaviors and preferences. Of the 6,000 invites, 197 responded (a 3.3% response rate.) This survey has produced a wealth of data and insights that will prove valuable to companies marketing to the end user segment.

The respondents consisted of end user companies and industry professionals representing market segments including:

- Building and Construction
- Transportation
- General Manufacturing
- Paperboard and Packaging
- Woodworking and Joining
- Electronics
- Assembly Operations
- Consumer
- Marine
- Solar
- Oil & Gas
- Aerospace
- Ship Building
- R&D

The respondents were users of adhesives and sealants, both large and small, ranging from under \$1 million to over \$50 million in annual purchases. Results were categorized accordingly, showing comparative data between large users and all users.

Respondents' primary roles included purchasing/sourcing, senior and general management, research and development, engineering, design professionals and project managers as examples.

This survey was developed with the support of ASC's Global Resources Committee, and included guidance volunteered by Scott Detiveaux from Orr & Boss.

As always, we value your membership, welcome your comments and trust that this product supports your company's business objectives.

Best regards,

Matt Croson
President
Adhesive and Sealant Council

Executive Summary

This survey was designed to examine how end users in the adhesive and sealant market gather information, the criteria and sources they use to evaluate products and companies and, ultimately, how they make buying decisions. Respondents represented users of all sizes – from under \$1 million to over \$50 million – in annual adhesive and sealant purchases.

End users primarily use search engines and company websites to gather information about adhesive and sealants. Secondly, they use trade magazines, industry portals, online buyer's guides, banner ads and tradeshows (in order of importance). Large users use tradeshows more than small users to gather information, however.

Google is, by far, the preferred search engine used by end users (79% on average vs. 10% for second best Yahoo.) To a much smaller degree end users use Bing and other search engines to gather information. Large users surveyed do not use search engines other than Google, Yahoo and Bing.

End users are primarily looking for technical specifications when visiting manufacturers' websites. Additionally they are searching for information on pricing, case studies, delivery time, standards and approvals, green or sustainable criteria and videos on application (in order of importance).

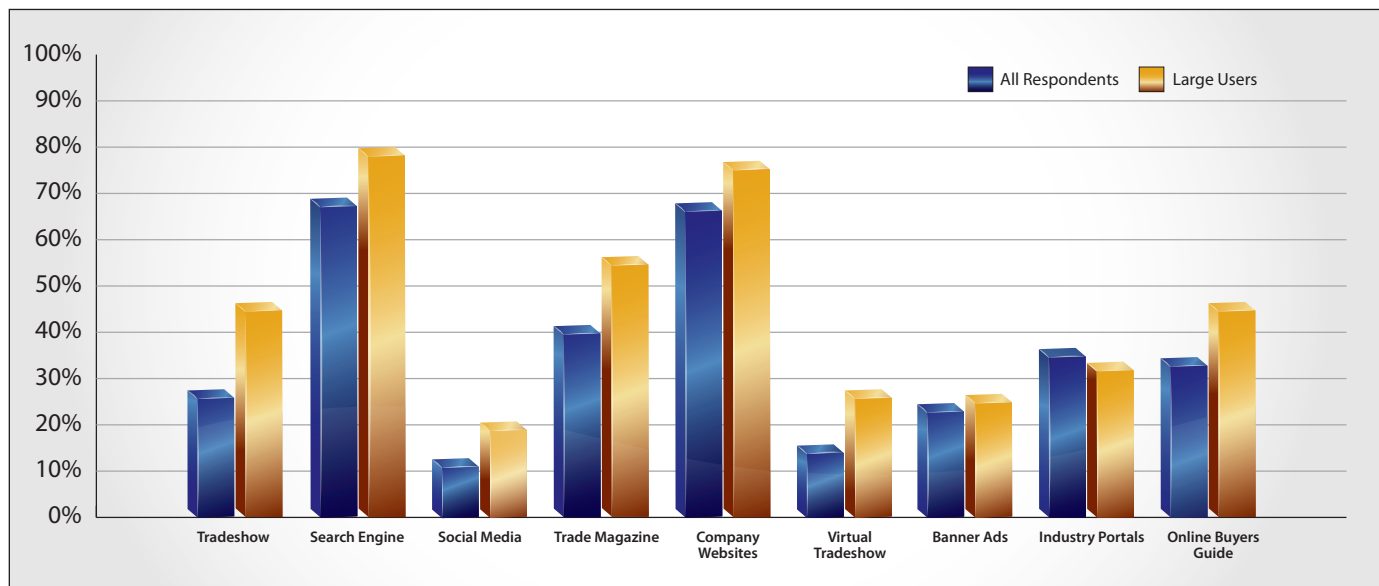
Performance, above all else, is the criteria most important to end users when evaluating adhesive and sealant products. Price, delivery time, domestic supplier, green or sustainable features and global footprint (in order of importance) are secondary criteria used in their decision making. Large users surveyed generally value sustainable product features higher than all users.

The survey makes the following conclusions and recommendations:

- End users predominantly use search engines and company websites to gather information. Member companies should therefore have a prominent web presence and SEO initiatives in place to compete in this electronic arena. End users also use trade magazines, buyer's guides and industry tradeshows to gather information. Member companies should also use a mix of marketing vehicles within these avenues to reach the end user market, create greater brand awareness, and remain top of mind among buyers.
- Google is the primary search tool used by end users. Member companies should have an aggressive and effective strategy in place to rank high in organic search results on important keywords. Additionally, a paid search program and website optimization should be considered as a method of ranking higher on Google and other search engines.
- End users are looking for technical specifications when visiting manufacturers' websites. Members' websites should have an abundant technical library or robust tech specification tool available to end users. Marketing efforts should promote this technical content to attract end users and build web traffic in order to convert visitors to prospects.
- Product performance is the primary criteria used by end users when evaluating adhesive and sealant products. Members should focus effort on connecting with end users to better understand their needs and ultimately maximize product performance. Pricing products correctly, improving delivery time, developing green or sustainable products and expanding global reach are also important to end users – this information should be readily available to them on your website and in company collateral.

Relative Importance of Adhesive and Sealant Information Sources

Q: Which of the following tools do you use when researching adhesive manufacturers and products? Please check all that apply and rate how valuable a method you find each tool to be in finding product information.



Statistical Results:

End users primarily use search engines (68%) and company websites (67%) to gather information about adhesive and sealant products and companies. Trade magazines (40%) ranked third, followed by industry portals (35%), online buyer's guides (33%) fifth, followed by tradeshows (26%), online banner ads (23%) seventh, virtual trade shows (26%) and social media (11%) last.

Large users also rate search engines (79%) and company websites (76%) at the top of their list for information gathering. Additionally, they do not significantly differ in their rankings of other methods, with the exception of tradeshows. Large users rate tradeshows fourth (45%) on their list of information sources vs. sixth (26%) for all users.

Implications:

The Internet is king. Search engines and company websites are the prevalent tool used by end users for gathering information on what products, and from which companies, they will buy. Without a prominent presence in search engine results and an informative website built with end users needs in mind, companies will not effectively reach buyers in this segment and increase sales in a highly competitive electronic marketing arena.

Additionally, keeping the end user segment of the market aware of your company in trade magazines, buyer's guides, banner ads and at tradeshows is important in the overall marketing mix in order to reach buyers not always using search engines or web visits to continue to build brand awareness. Large users are more likely to attend trade shows than small users to gather information about the industry.

Social media proved the least significant tool with over 80% of end users surveyed currently not using social media as an information gathering tool.

Action:

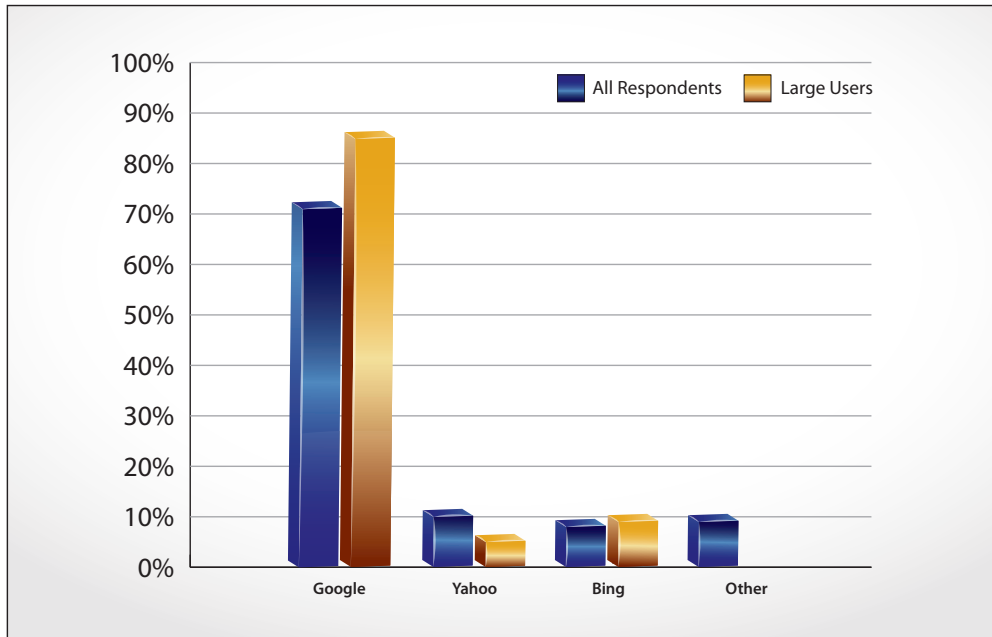
Focus resources on building and maintaining a prominent web presence, search engine optimization (SEO) initiatives and the effectiveness of the company website to convert web traffic into qualified leads.

Additionally, creating a greater awareness of your brand in trade magazines, buyer's guides and industry tradeshows is important to building brand equity and being top of mind with end users, especially large users.

Social media efforts should not be discontinued as these efforts can help support brand awareness and SEO rankings. However, considerable resources should not be exhausted in social media with the hopes of reaching end users.

Search Engines Used to Obtain Adhesive and Sealant Information

Q: What search engines do you use when researching adhesive or sealant manufacturers?



Statistical Results:

End users use Google (72%) by a wide majority over other search engines to find information about adhesive and sealant products and companies. Yahoo (10%), other search engines (9%) and Bing (8%) represent a much smaller percentage of the search engines used by end users.

Large users also rate Google high (86%). Bing (9%) ranked a distant second and Yahoo (5%) a distant third. The large users surveyed do not use other search engines to obtain information about adhesives and sealants.

Implications:

Google is the primary and most popular search engine used by end users, both large and small, to gather information about adhesives and sealants. Without an aggressive and effective strategy to rank high in Google search results, you will not be seen by the end user market during their adhesive and sealant search engine queries.

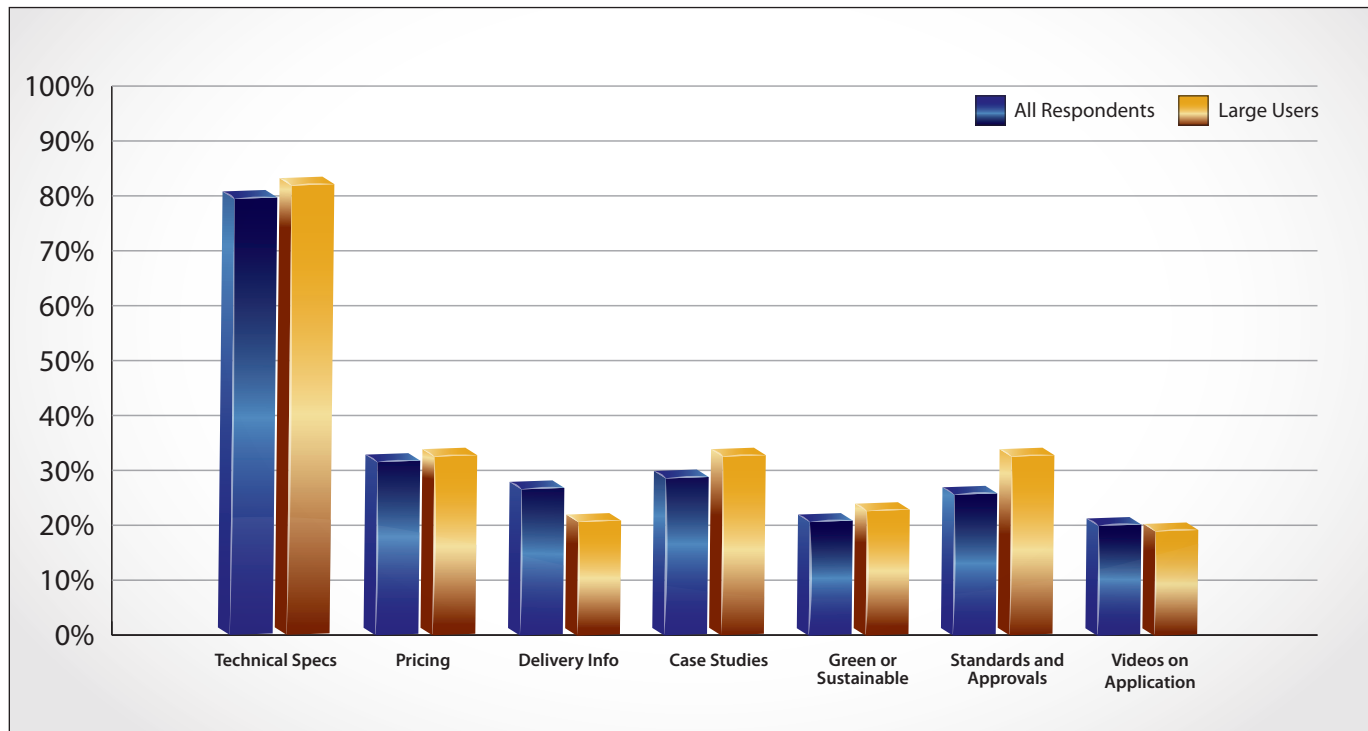
Action:

Focus effort on Google SEO initiatives, website optimization, keyword analysis and a keyword program to support improving search rankings. Analyze your website's search engine results using Google tools, as one of several tools available, and adjust accordingly to maximize search results for important keywords and phrases used by end users to find adhesive and sealant products.

Additionally, a paid search program (PPC / Google AdWords) should be considered as a method of quickly ranking high on Google. A paid program could also be effective in tandem with organized search initiatives.

Relative Importance of Adhesive and Sealant Manufacturer Website Information

Q: What information is of most importance when visiting a manufacturer's website?
Place in rank order.



Statistical Results:

End users overwhelmingly rate technical specifications (80%) as the most important information they're in search of on manufacturers' websites. Pricing (32%) ranked a distant second, followed by case studies (29%), delivery (27%) fourth, standards and approvals (26%), green or sustainable information (21%) sixth and videos on application (20%) last.

Large users also rate technical specifications (83%) very high on the list of information they look for on manufacturers' websites. Large users also rate other types of information on websites similarly to all users. Large users varied most significantly from all users with regard to value standards and approvals, rating this 27% higher (33% vs. 26%) than all users.

Implications:

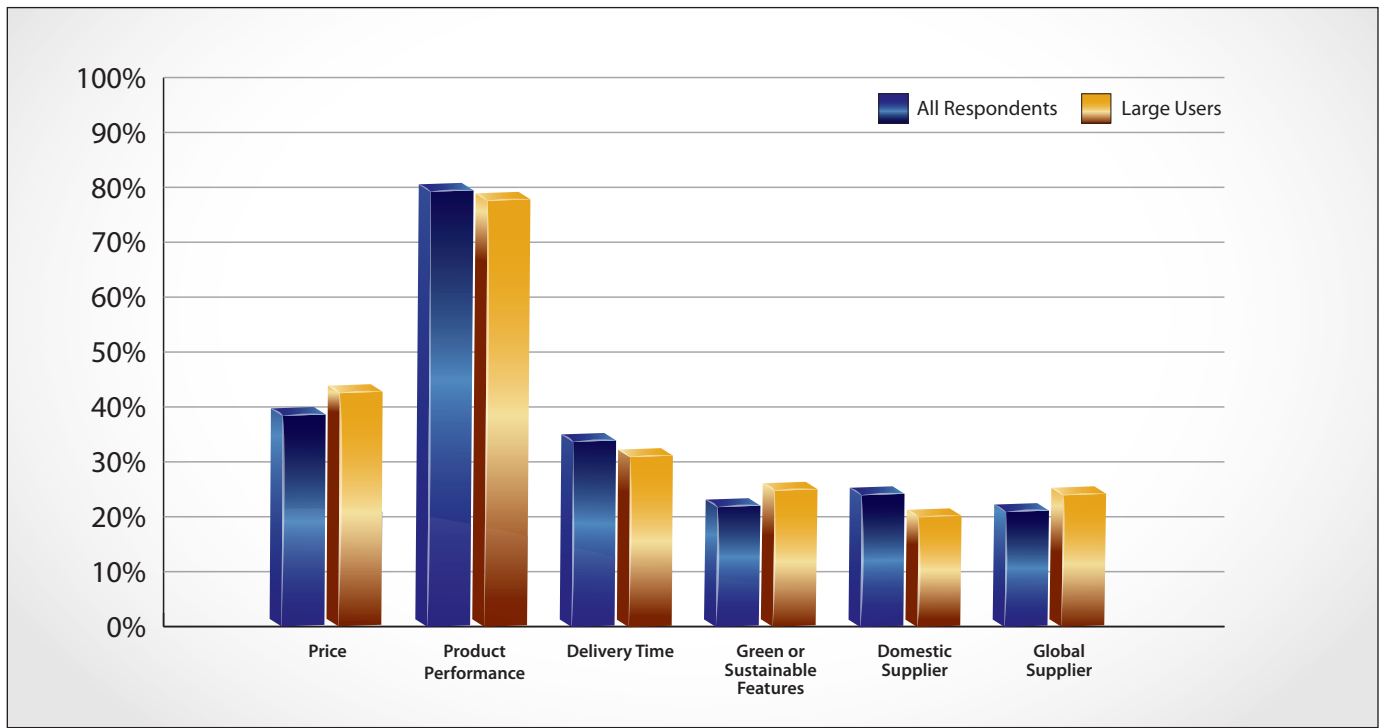
End users predominantly use manufacturers' websites to gather technical specifications on products. They are also looking for pricing, case studies, delivery, standards and approvals, green or sustainable criteria and videos on application information but to a much lesser extent than technical specs.

Action:

Manufacturers' websites should be chocked full of product specifications. Creating an extensive library of spec sheets or a dynamic specifications selection tool on the site is paramount to delivering the *primary* content for which end users are looking. Additionally, marketing efforts should promote the availability of technical content to attract end users to the website, build traffic and convert visitors into qualified leads.

Relative Importance of Key Buying Factors When Selecting Adhesives and Sealants

Q: Which buying criteria do you use when purchasing adhesives? Place in rank order.



Statistical Results:

End users value product performance first and foremost (79%) when selecting adhesives and sealants, followed second by price (38%), delivery time (34%), domestic suppliers (24%) fourth, green or sustainable features (22%) fifth and global reach (21%) last.

Large users rate these buying factors similarly to all users with the exception of placing more value on green or sustainable product features as opposed to sourcing from a domestic or global supplier.

Implications:

Performance is paramount to end users' buying decision. They value performance 2 to 1 or more over price, delivery time, green or sustainable features and domestic or global supplier criteria.

Price, though an important criteria, did not rate significantly higher than other buying criteria, indicating that end users generally place equal emphasis on price, delivery, sustainability and domestic or global sourcing criteria.

Large users value green/sustainable product features more than a supplier's domestic or global supply chain.

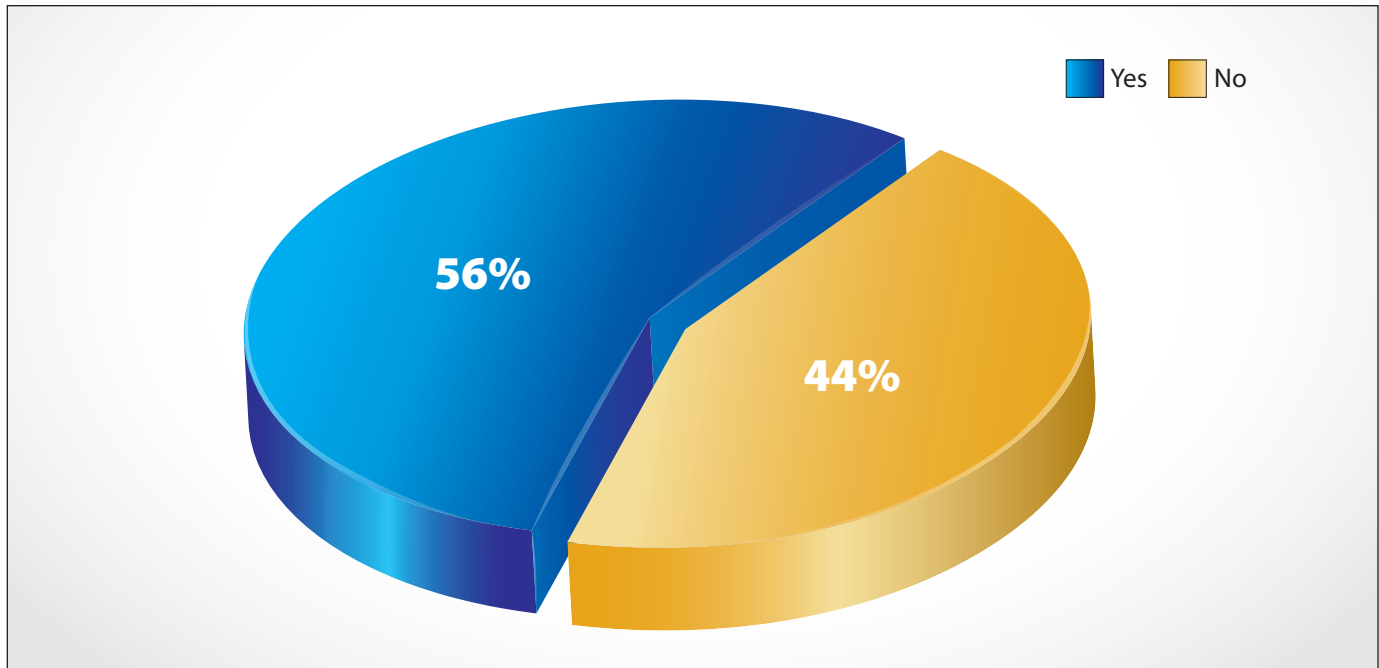
Action:

Focus resources on connecting with end users to better understand their product needs and performance issues, ramp up research & development to deliver high performance products, enhance existing product lines to improve product performance and communicate product performance data to end users.

Additionally, pricing products correctly, maximizing delivery times, developing green or sustainable products and expanding global reach are also important factors to increase sales to end users.

Prevalence of Need for “High End” Solutions When Selecting Adhesives and Sealants

Q: When searching for adhesives and sealant manufacturers and products, are you seeking “high end” technology solutions?

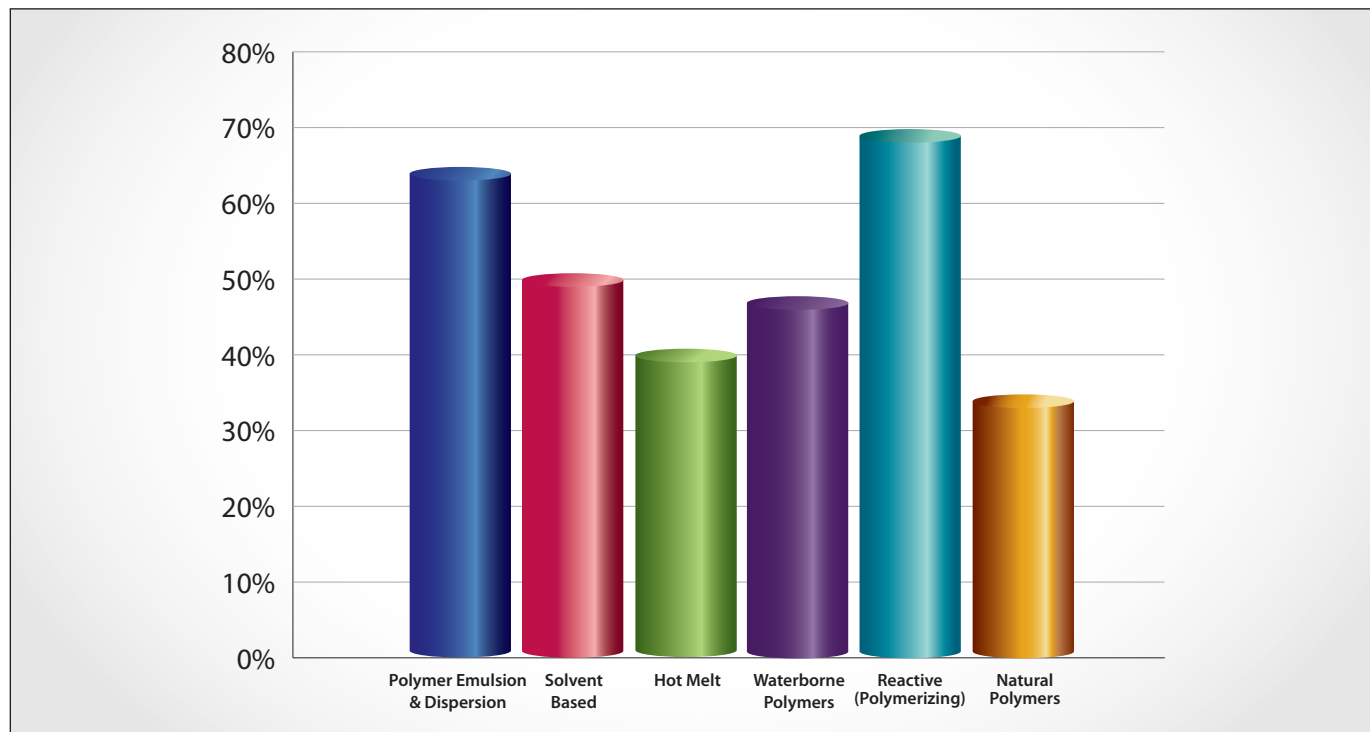


Results & Implications:

End users are looking for “high end” technology solutions a majority of the time (56%) when selecting adhesives and sealants. High end solutions should, therefore, be offered by companies to meet the high end needs of this segment of the market and stay competitive in the marketplace.

Relative Interest in Chemistry Types When Selecting Adhesives

Q: Which of the following adhesive chemistry types is of most interest to your company? Place in rank order.



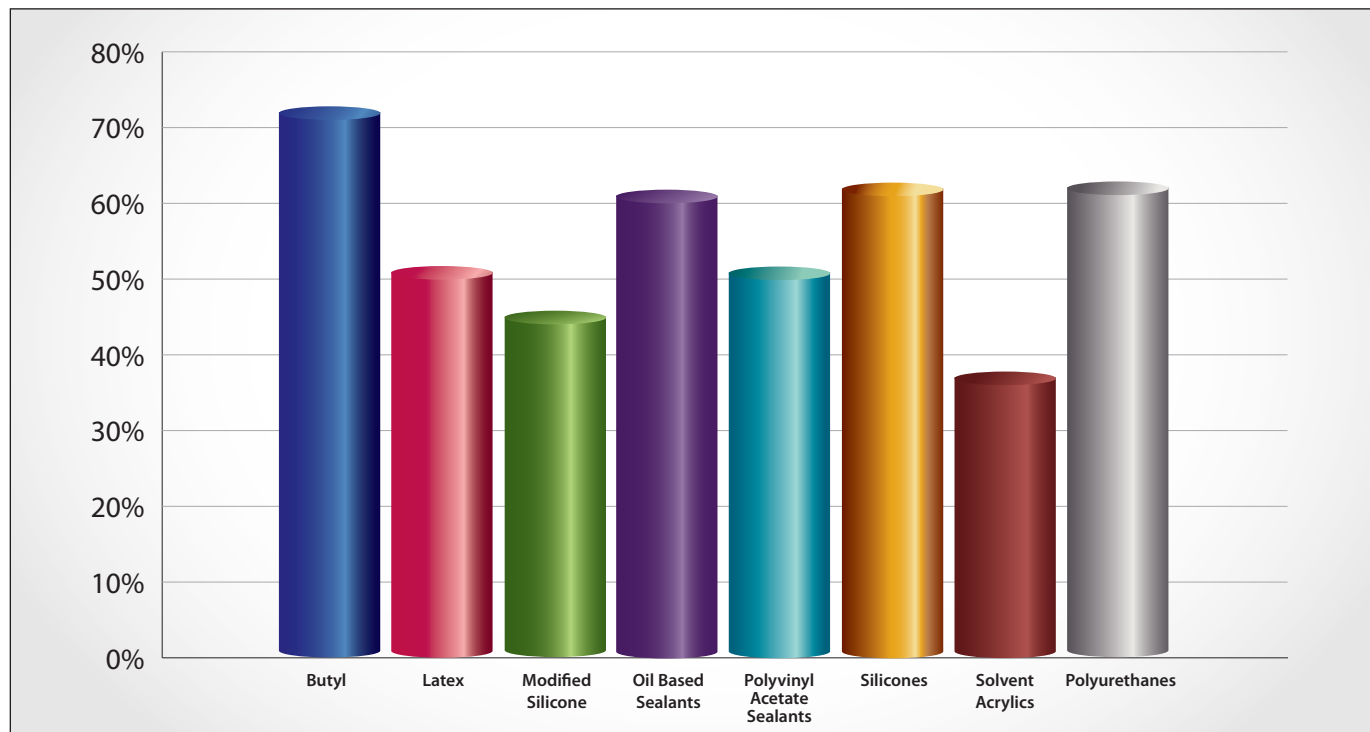
Results & Implications:

A majority of end users are interested in Reactive/Polymerizing (68%) and Polymer Emulsion & Dispersions (63%) chemistry types when selecting adhesives. Additionally, they are interested in Solvent Based (49%) and Waterborne Polymers (46%) and also, to a lesser extent, Hot Melt (39%) and Natural Polymers (33%).

End users are interested in a wide variety of chemistry types when selecting adhesives. Companies that offer a full line of adhesives products to will appeal to a wider base of customers and, ultimately, sell more. Particular attention should be paid to Reactive/Polymerizing and Polymer Emulsion & Dispersion based adhesives products since a majority of end users indicate interest in these particular types.

Relative Interest in Chemistry Types When Selecting Sealants

Q: Which of the following sealant chemistry types is of most interest to your company? Place in rank order.



Results & Implications:

A majority of end users are interested in Reactive/Polymerizing (68%) and Polymer Emulsion & Dispersions (63%) chemistry. A large majority of end users are interested in Butyl based sealants (71%). Silicones (61%), Polyurethanes (61%) and Oil Based (60%) sealants rank close behind. Latex (50%), Polyvinyl Acetate (50%) and Modified Silicone (44%) are also of interest with Solvent Acrylics (36%) ranking last.

End users are interested in a wide variety of chemistry types when selecting sealants. Companies that offer a full line of sealants products will appeal to a wider base of customers and, ultimately, sell more. Particular attention should be paid to Butyl, Silicone and Polyurethane based sealants since a majority of end users indicate interest in these particular types.

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The Adhesive and Sealant Council (ASC) is a North American trade association dedicated to representing the adhesive and sealant industry. Incorporated in 1958, ASC is bound by the collective efforts of its members, and strives to improve the industry operating environment and strengthen its member companies. ASC members represent more than 75% of the U.S. industry. The Council is comprised of 117 adhesive and sealant manufacturers, raw material and equipment suppliers, distributors and industry consultants. For more information about ASC, visit www.ascouncil.org.

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