

salesforce

Trends in Manufacturing

Insights on operational and digital transformations from over 800 industry decision makers worldwide



Note from Salesforce's General Manager of Manufacturing



The manufacturing world is moving at an unprecedented pace, fueled by new technologies and shifting market needs.

Manufacturers are under pressure to transform their operations, optimize pricing, strengthen channel partnerships, and improve their services to increase profitability and customer satisfaction. They see technology, especially AI and data-driven tools, as key to overcoming challenges like supply chain disruptions, economic uncertainties, and sustainability pressures. While innovation is a major focus, manufacturers must also address data management, security, and change management concerns to fully tap into the benefits of these technologies.

In our latest Trends in Manufacturing report, we gathered insights from over 800 leaders in the manufacturing sector worldwide. Our findings show a clear view of where the industry stands today, and where it's headed. Of note, several points that struck me were:

- 85% of manufacturers reported that they need to transform their operations to stay competitive
- Only 38% of manufacturers are exceeding their profitability targets
- 97% of manufacturers are pursuing strategic changes to their service and aftermarket operations, including 26% that characterize these as complete overhauls

By understanding the macroeconomic trends, business objectives and challenges, and investment priorities of your peers, this report provides valuable insights to help you navigate the complexities of today's manufacturing industry.

Explore the data and consider how your organization compares to industry benchmarks. We hope this information will help you make informed decisions that drive business success.

Thank you for your time and interest.

Achyut Jajoo

Achyut Jajoo
SVP and GM, Manufacturing and Automotive at Salesforce

What You'll Find in This Report

For the latest "Trends in Manufacturing" report, Salesforce surveyed over 800 manufacturing industry decision makers worldwide to discover:

- Manufacturers' biggest commercial, partner, service, and aftermarket opportunities and challenges
- The operational initiatives being pursued, and why
- How technology, including artificial intelligence (AI), is being evaluated and implemented in the industry
- The economic, geopolitical, and societal trends impacting manufacturers

Unless cited otherwise, data in this report is from a double-anonymous survey conducted from May 30 through June 25, 2024. The survey generated 830 responses from sales, service, marketing, strategy, and operations decision makers in the manufacturing industry across North America, Latin America, Asia-Pacific, and Europe. See page 35 for survey demographics.

Due to rounding, not all percentage totals in this report equal 100%. Comparison calculations are made from total (not rounded) numbers.



**830 manufacturing industry
decision makers surveyed worldwide**

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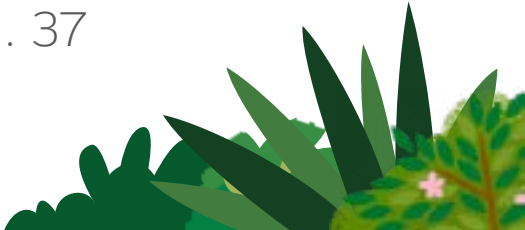
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Executive Summary

01 Manufacturers Set Sights on Operational Transformation

Technology and market forces are prompting manufacturers to evaluate whether business-as-usual will empower them to seize growth opportunities and navigate evolving challenges. **Eighty-five percent of manufacturers believe they must transform their day-to-day operations to remain competitive.**

02 Sales and Marketing Pivot for Greater Agility and Profitability

In an age of high investor demands and inflationary pressures, manufacturers are focused on optimizing pricing strategy and improving profitability. **Only 38% of manufacturers are exceeding their profitability targets.**

03 Manufacturers Seek Better Channel Partner Coordination

Manufacturers increasingly rely on – and see value from – their channel partnerships more than ever before. But with few organizations exceeding their key performance indicators (KPIs), but few organizations exceed their key performance indicators (KPIs), calling for better alignment. **Improved customer service, sales, and marketing coordination are manufacturers' top channel partner priorities.**

04 Service and Aftermarket Investments Pursue Better Efficiency and Customer Engagement

Companies are turning to improved and expanded service and aftermarket offerings to boost revenue streams, stand apart from competitors, and increase customer loyalty. **Revising product/service offering mixes ranks among manufacturers' top five strategic priorities.**

05 AI and Data Technology Come into Focus

Manufacturers rank technology disruption as a top growth opportunity and a top challenge. Budgets are increasing to take advantage of transformative technologies like AI, but concerns around data, security, and change management must be overcome. **Eighty percent of manufacturers have implemented or are experimenting with AI.**

06 Manufacturers Adapt to a Changing World

Supply chain disruptions, on- and nearshoring initiatives, and the shift to a net-zero economy are among the biggest shifts manufacturers are adapting to. **Fifty-nine percent of manufacturers continue to experience some degree of supply chain disruptions.**



1

Manufacturers Set Sights on Operational Transformation



01

Manufacturers Pursue Operational Transformation

Manufacturers know that in today's business environment, business-as-usual isn't a recipe for success.

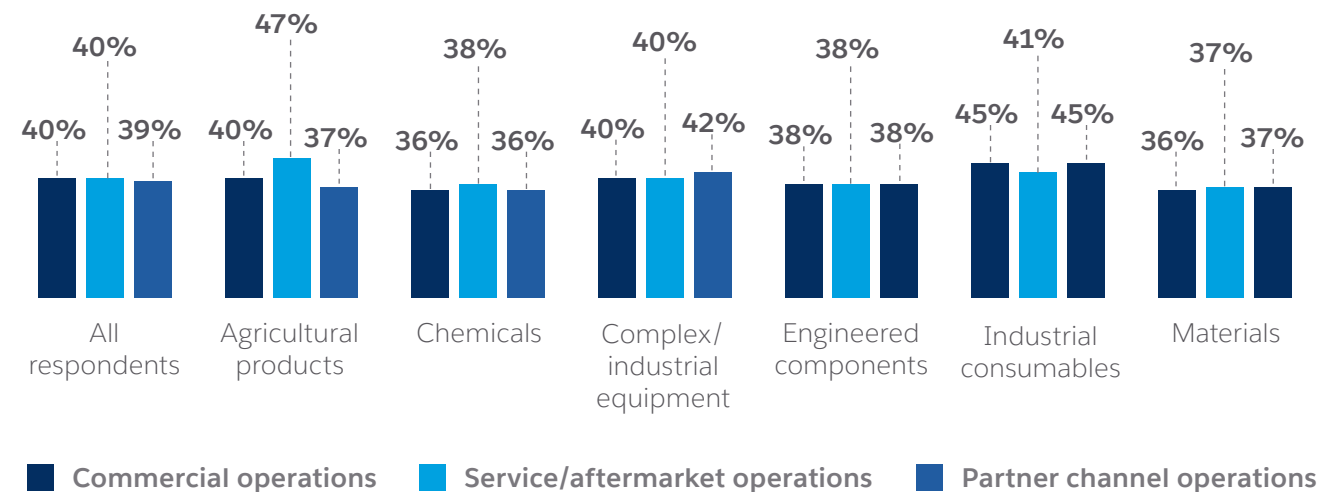
85% of manufacturers believe they must transform their day-to-day operations to remain competitive.

On average, only about 40% of respondents view their sales and marketing, service and aftermarket, and partner channel operations as optimal. This leaves room for improvement in seizing opportunities and overcoming challenges.

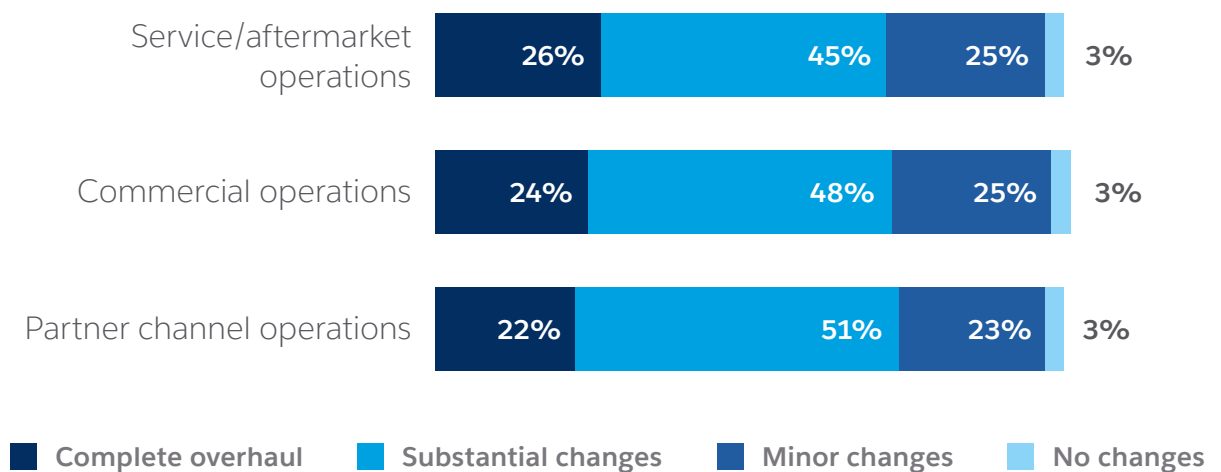
As such, the majority of manufacturers say they're pursuing substantial strategic changes or even complete overhauls to these aspects of their business.

Manufacturers Are Adapting to New Market and Technology Realities

Manufacturers That Rate the Following Aspects of Their Business as Excellent



Extent to Which Manufacturers Are Making Strategic Business Changes



01

Manufacturers See Digital Transformation as a Key Growth Driver

Although recent headlines focus on trends like [industrial policy](#) and [deglobalization](#) as having outsized impacts on the manufacturing industry, survey respondents credit other factors with the biggest growth opportunities.

Second only to new products and services – which was itself a much lower priority in our 2020 survey ¹ – technology disruptions like AI are viewed with particular enthusiasm. Manufacturers in certain markets – like Brazil and France – and in the complex and industrial equipment subvertical rank technology disruption as the top growth factor.

Additionally, manufacturers are keen to reduce revenue leakage through commercial operations optimization and reevaluate which combinations of products and services – such as aftermarket offerings – will bring the most opportunities.

¹[Trends in Manufacturing, 2020.](#)

Technology, Service/Product Mix, and Commercial Operations Among Manufacturers' Top Growth Drivers

Top Growth Opportunities According to Manufacturers

- 1 New product or service offerings
- 2 Technology changes/disruption
- 3 Commercial operations optimization (*e.g., reducing revenue leakage*)
- 4 Updated product/service mix (*e.g., focusing more on software and aftermarket services versus hardware*)
- 5 New markets/customer bases

[See p. 38 for country and subvertical segmentations](#)



01

Technology Disruption Also Brings Challenges

With an aging employee base and difficulty recruiting a new generation, workforce challenges are top-of-mind for the manufacturing industry.

Although technology disruptions like AI, the Internet of Things (IoT), and smart manufacturing are viewed as top growth opportunities, they are simultaneously viewed as potential threats. Many manufacturers – especially those in industrial consumables, engineered components, and complex and industrial equipment – are worried they'll fall behind their competitors when it comes to these developments.

Rising energy costs and high interest rates are hampering growth across the board. And the agricultural and chemical product subverticals – along with those in France, the Nordics, and Japan – are especially conscious of environmental and sustainability concerns, although respondents did not rank regulation as a top concern.

Despite Technology's Potential to Drive Growth, Manufacturers Are Wary of Disruption Impact on Growth

Top Growth Challenges According to Manufacturers

- 1 Workforce challenges
(e.g., ability to hire, aging employee base)
- 2 Technology changes/disruption
- 3 Energy costs
- 4 Interest rates and cost of capital
- 5 Environmental/sustainability concerns
(e.g., ethical mineral sourcing, decarbonization initiatives)

[See p. 38 for country and subvertical segmentations](#)



01

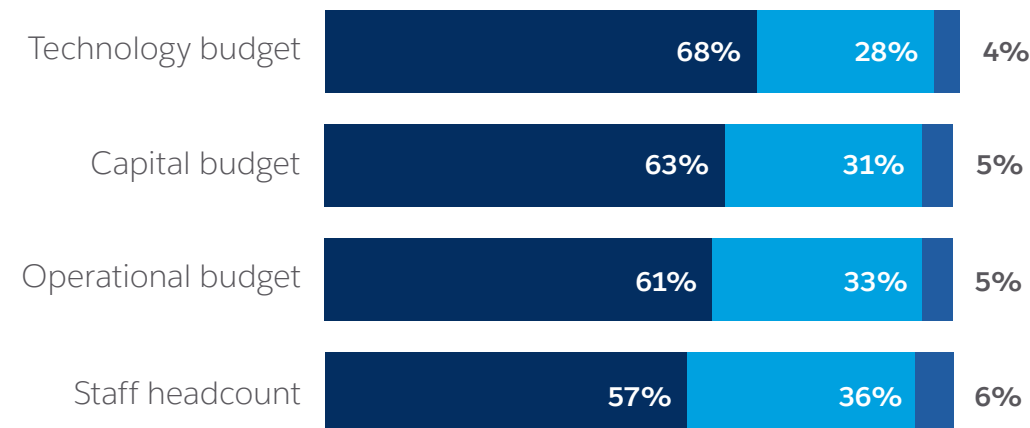
Investment Priorities Come into View

Manufacturers broadly expect increased resources over the coming year, in part to fund their operational transformation initiatives. Survey respondents feel most confident they'll see a boost in technology budgets, followed closely by other types of capital budgets like those allocated to plants and equipment. Hiring is also largely expected to increase – a nod to persistent workforce challenges.

Despite this, sales and marketing initiatives are viewed as the top investment priority for the industry – a testament to just how much go-to-market tactics have shifted along with customer preferences and technology. This is followed closely by product development and technology investments. Just as notable is what types of initiatives manufacturers are *not* prioritizing, such as mergers and acquisitions, which are less attractive in a high interest rate environment.

Sales and Marketing Is the Top Investment Priority as Resources Are Expected to Increase

Expected Changes in Manufacturing Resources Over Next Year



■ Increase ■ No change ■ Decrease

Top Investment Priorities According to Manufacturers

- 1 Sales and marketing
- 2 Product development
- 3 Technology
- 4 Manufacturing process efficiency
- 5 Supply chain

[See p. 39 for country and subvertical segmentations](#)



2

Sales and Marketing Pivot for Greater Agility and Profitability



Manufacturers Expand Sales and Marketing Metrics, But Aren't Satisfied

The majority of manufacturers have expanded their definitions of sales and marketing success beyond metrics like profitability and sales volume. For example, over two-thirds of manufacturers are also concerned with KPIs like sales cycle length – which nearly half (45%) of manufacturing salespeople polled in a separate survey say has been a bigger challenge over the past year.¹

Yet sales and marketing excellence is the exception rather than the rule, even for tried-and-true foundational metrics. For example, few respondents report outstanding profit margins, order values, or sales volume, among others.

¹[Salesforce State of Sales, July 2024.](#)

AI Boosts Customer Experience, Saves Time, and Reduces Costs

Manufacturing Commercial Operations Metrics



*Base: Organizations that track the indicated metric



What's Driving Change in Sales and Marketing?

97% of manufacturers are making some degree of strategic changes to their commercial operations.

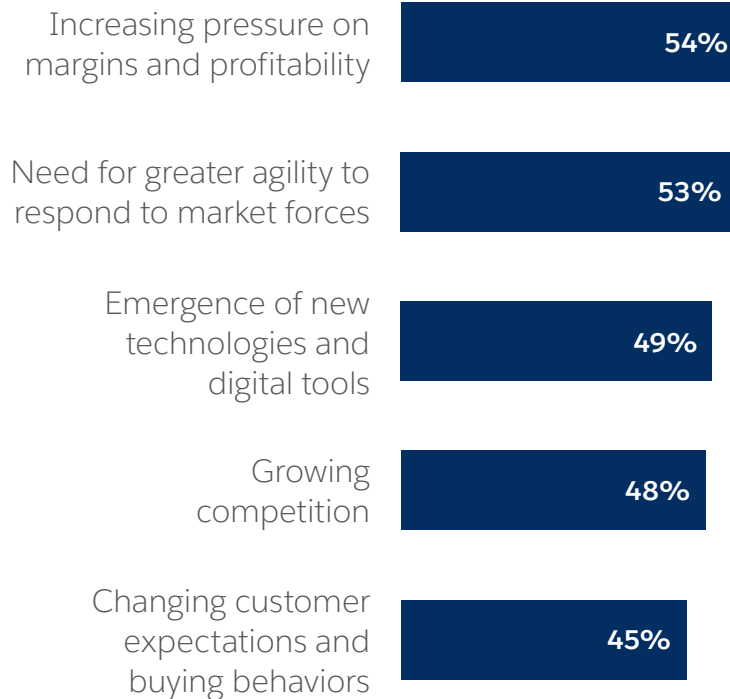
As is typically the case for any business, rising costs of doing business that squeeze profit margins is the top driver of change.

Following closely is a recognition that the speed at which market supply and demand changes in a digitally-driven economy requires greater agility, along with the emergence of new technologies and digital tools for sellers and marketers, like those underpinned by AI.

Commercial operations optimization is viewed as the top growth opportunity in Germany and the Nordics, as well as in the industrial consumables subvertical.

Squeezed Margins and Market Shifts Drive Sales and Marketing Initiatives

Factors Driving Change in Manufacturers' Commercial Operations



Multiple responses allowed



Pricing and Profitability Take Precedent

Given the primary driver of margin pressure, it's no surprise that manufacturers' top commercial operations priorities are focused on pricing strategy and improved profitability. In fact, every subvertical surveyed included both of these objectives in their top three initiatives.

Additional priorities involve maximizing the effectiveness of sales and marketing strategies and tactics, and accelerating the pace that new products are brought to market – a nod to the need for increased agility.

These aren't the only goals that are top-of-mind for commercial operations, however. Respondents in agricultural products or in the United Kingdom, for example, are particularly focused on customer experience and retention.

Sales and Marketing Initiatives Focus on Margins

Top Commercial Operations Priorities in Manufacturing

- 1 Pricing strategy and optimization
- 2 Improved profitability and cost reduction
- 3 Sales effectiveness and lead generation
- 4 Improved time-to-market for new products
- 5 Marketing strategy and segmentation

[See p. 39 for country and subvertical segmentations](#)



3

Manufacturers Seek Better Channel Partner Coordination



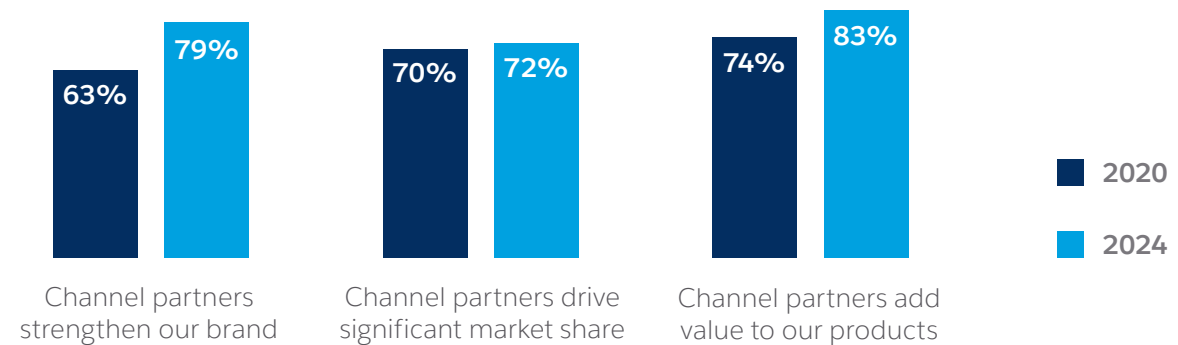
Channel Partners' Strategic Importance Is Growing

Eighty percent of surveyed manufacturers sell through distributors, dealers, and franchises. As markets grow more complex, 86% of manufacturing salespeople in Salesforce's most recent State of Sales report agreed that these programs have an a growing impact on revenue.¹

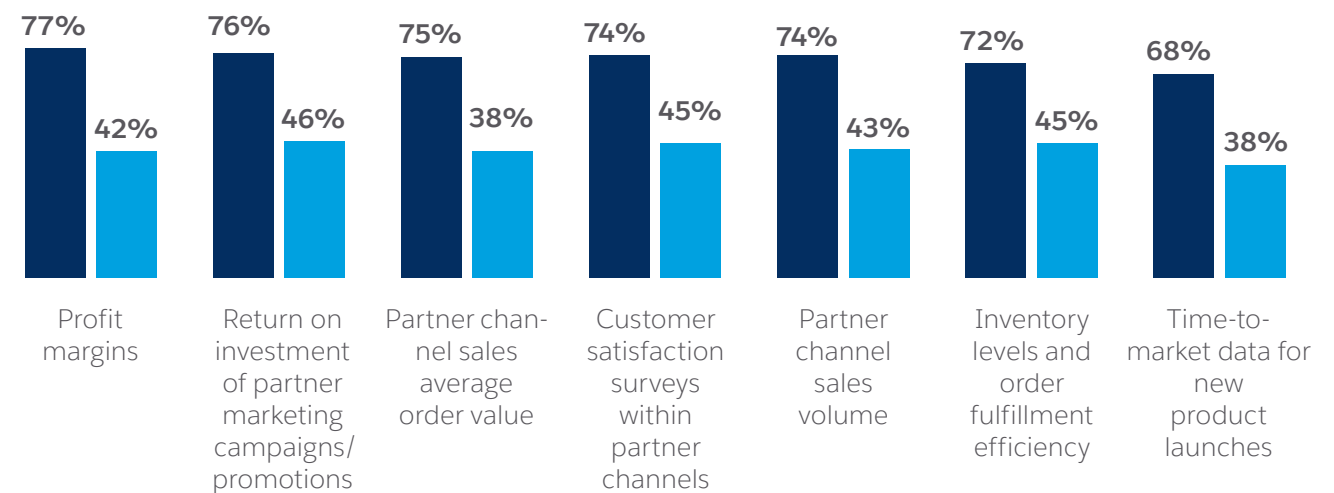
Manufacturers surveyed agree that channel sales are becoming more important, with significantly more respondents saying these programs strengthen their brands and add value to their products than they did in a 2020 survey. Still, there is room for improvement, with relatively few seeing outstanding results across metrics ranging from product time-to-market to average order volumes and profitability.

Satisfaction With Channel Partners Rises, but Outstanding Results Remain Elusive

Respondents Who Agree With the Following Statements



Respondents Who Track and Exceed the Following Channel Partner Metrics



■ % of organizations tracking ■ % of organizations exceeding goals*

*Base: Organizations that track the indicated metric

¹Salesforce State of Sales, July 2024.

Channel Initiatives Focus on Bringing Partners Closer

With so much revenue dependent on indirect sales channels, manufacturers must maintain a continuous focus on transparency, consistency, and communication with their partners such that they act as an extension of their team rather than a separate entity.

Indeed, the biggest driver of partner channel initiatives is a need for improved communications, whether that be to ensure alignment on the latest packaging and promotions, reliable inventory management, or otherwise.

Other common drivers of partner channel initiatives include new market expansion and growing competition within the partner ecosystem.

Improved Communications, Profitability, and Market Reach Drive Partner Channel Initiatives

Factors Driving Change in Manufacturers' Partner Channel Operations



Multiple responses allowed.



Service, Sales, and Marketing Alignment Are Top-of-Mind

Providing customer support after a sale is made through a partner channel is a shared responsibility. In a customer's mind, for example, it may be logical to contact the end seller when their issue is better addressed by the manufacturer itself. Thus, improved service and support transparency and collaboration is critical. As such, better service and support coordination is ranked as the top partner channel initiative. Better sales and marketing coordination to maximize return on investment (ROI) of joint promotions is a close second.

While improved coordination is far and away the top focus across the manufacturing sector, certain regions and subverticals are more focused on other objectives. Japanese manufacturers, for example, put greater emphasis on improved incentive and loyalty programs, whereas those specializing in engineered components are most concerned with order processing and logistics.

Service, Sales, and Marketing Coordination Are Top Priorities

Top Partner Channel Priorities in Manufacturing

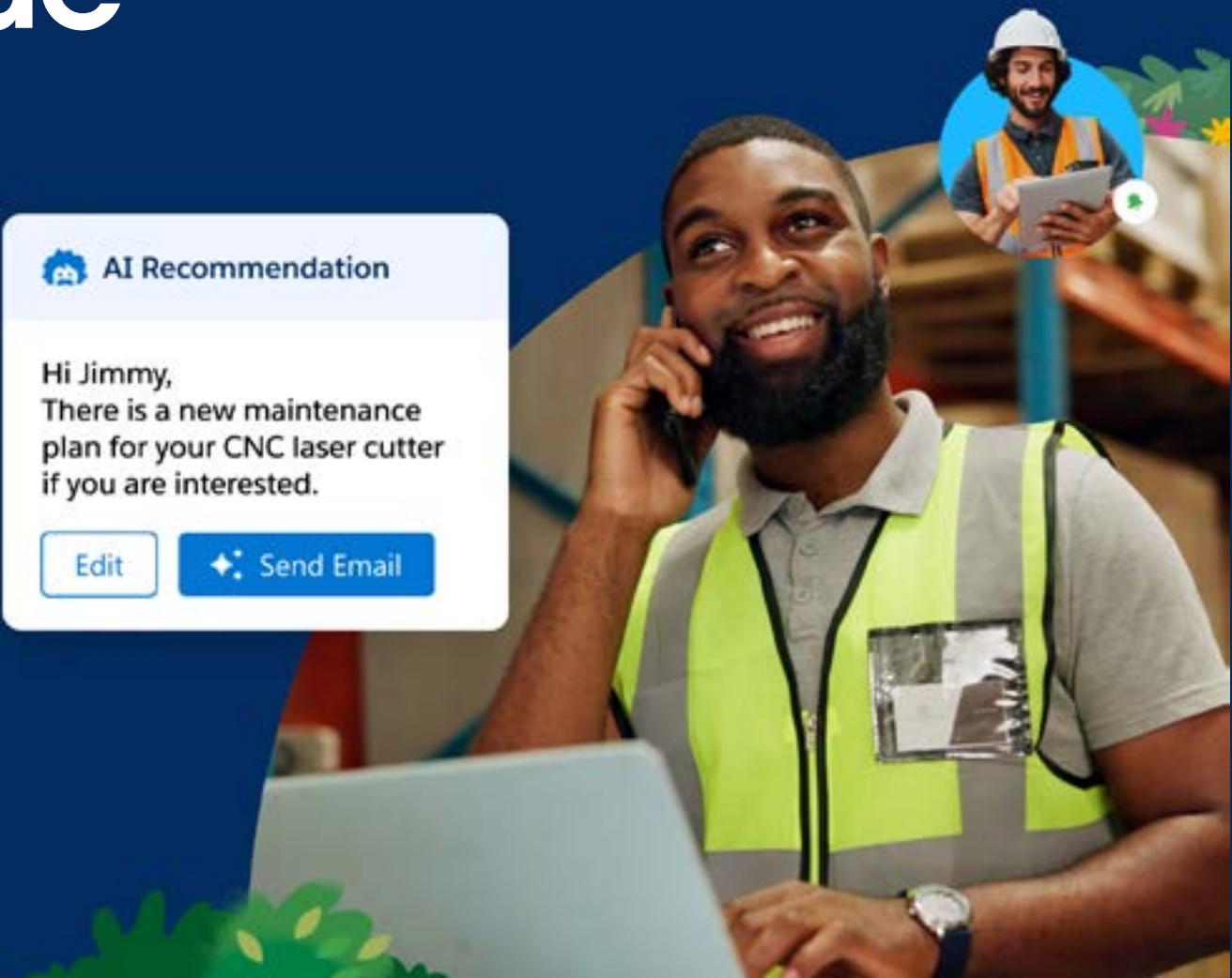
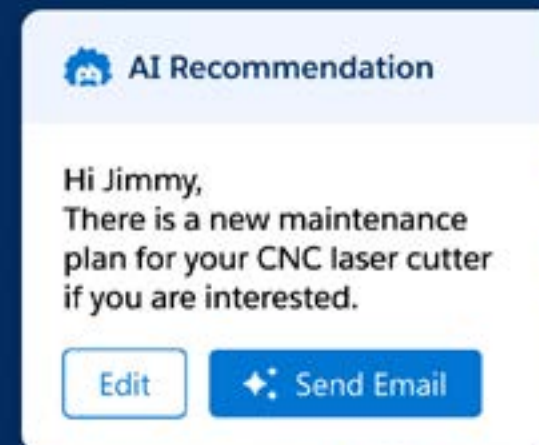
- 1 Customer service and support coordination
- 2 Sales and marketing coordination
- 3 Partner training and performance management
- 4 Price protection and rebate management
- 5 Channel incentive and loyalty programs

[See p. 40 for country and subvertical segmentations.](#)



4

Service and Aftermarket Investments Pursue Better Efficiency and Customer Engagement



Customer Service Performance Is Lackluster

Exceptional customer service can be the deciding factor in making a purchase and nurturing valuable, sustained customer relationships. Seventy-one percent of customers make purchase decisions based on customer service quality.¹

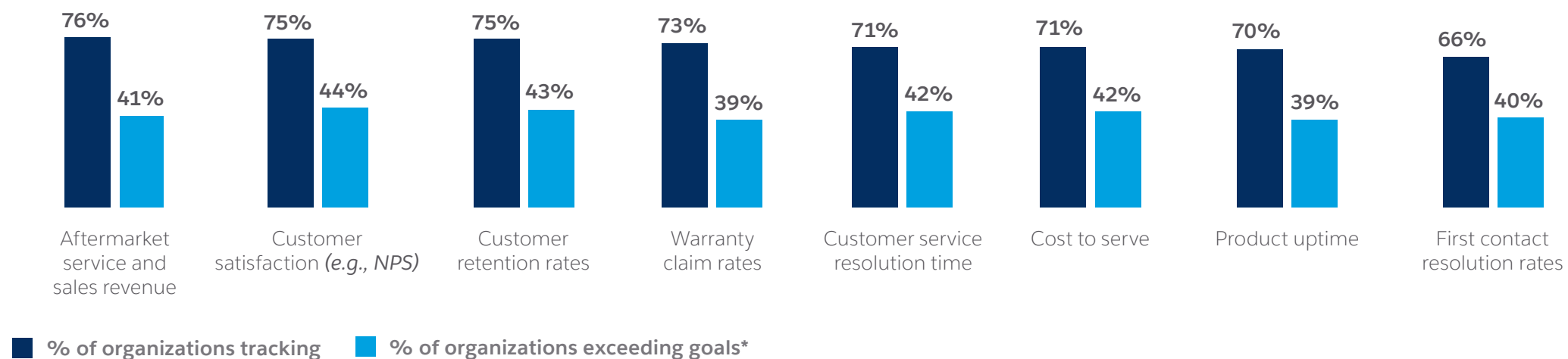
Manufacturers have adopted a myriad of KPIs to track customer service success, but performance is average at best for most of them. Few teams say they excel at delivering an outstanding customer experience through measures like customer satisfaction rates and product uptime. Additionally, few teams also say they're outstanding at measures that impact their bottom lines, like warranty claim rates and aftermarket/service revenue.

Performance across subverticals varies extensively. Half of respondents in agricultural products say they excel at generating revenue from aftermarket service and sales compared to just 34% in the chemicals space, for example. And while those in engineered components and production parts are relatively happy with their first contact resolution (FCR) rates, firms in the materials sector are especially disappointed in their performance.

¹[Salesforce State of the Connected Customer, August 2023.](#)

For Most Manufacturers, Customer Service Performance is Average at Best

Manufacturing Service & Aftermarket Metrics



*Base: Organizations that track the indicated metric



Service Initiatives Are Underway

97% of manufacturers are pursuing strategic changes to their service and aftermarket operations.

Twenty-six percent of respondent characterize these changes as complete overhauls.

Recognizing that great service leads to great customer relationships, manufacturers cite improved customer loyalty and satisfaction as the top driver of these initiatives, followed closely by improved competitive differentiation, and improved brand reputation and customer advocacy.

While less common, a substantial share of respondents are also addressing customer demand for solutions that extend beyond the time of purchase – a common theme in the Nordics and South Korea. Others – such as those in engineered components – are motivated by the prospect of new or expanded recurring revenue streams.

Manufacturers Seek Loyalty and Differentiation Through Service and Aftermarket Offerings

Factors Driving Change in Manufacturers' Service and Aftermarket Operations



Multiple responses allowed.

[See p. 41 for country and subvertical segmentations.](#)



Manufacturers Act to Get Service and Aftermarket Supply Chains in Order

Although supply chain considerations no longer rank in manufacturers' primary growth obstacles, the disruptions from earlier this decade are still being addressed, particularly when it comes to service and aftermarket operations. The top service and aftermarket priorities relate to service parts management. These initiatives include inventory management that ensures efficient ordering, storage, and use of components. Next up is logistics optimization that moves goods through a complex matrix of suppliers and transportation routes efficiently. And third in line is improved service parts availability that meets customer demand.

Significant shares of respondents are also focused on product customization and engineering as well as enhanced support and maintenance services. In contrast, relatively few manufacturers are doubling down on initiatives like training and education services or service insourcing.

Companies Are Focused on the Infrastructure Underpinning Service and Aftermarket Offerings

Top Service/Aftermarket Priorities in Manufacturing

- 1 Inventory management
- 2 Logistics optimization
- 3 Service parts availability
- 4 Product customization and engineering services
- 5 After-sales support and maintenance services

[See p. 40 for country and subvertical segmentations.](#)



SPOTLIGHT: Manufacturers Embrace Field Service

With many companies providing complex, stagnant equipment – or materials dependent on it – field service is a natural opportunity for added value and revenue growth for manufacturers.

70% of manufacturers have field service operations.¹

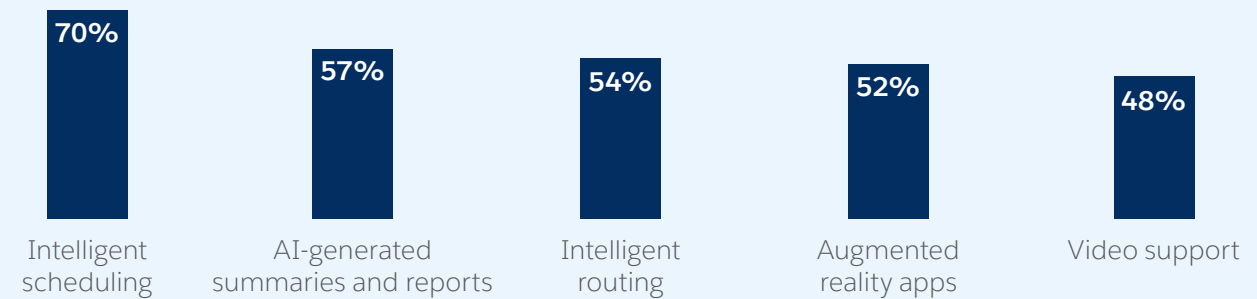
Like other service and aftermarket considerations, most manufacturers see opportunities to refine and enhance their field service delivery and ROI, with particular attention to partner channel operations and mobile technology.

Still, most manufacturers have adopted sophisticated field service technology like intelligent scheduling and routing.

¹[Salesforce State of Service, April 2024.](#)

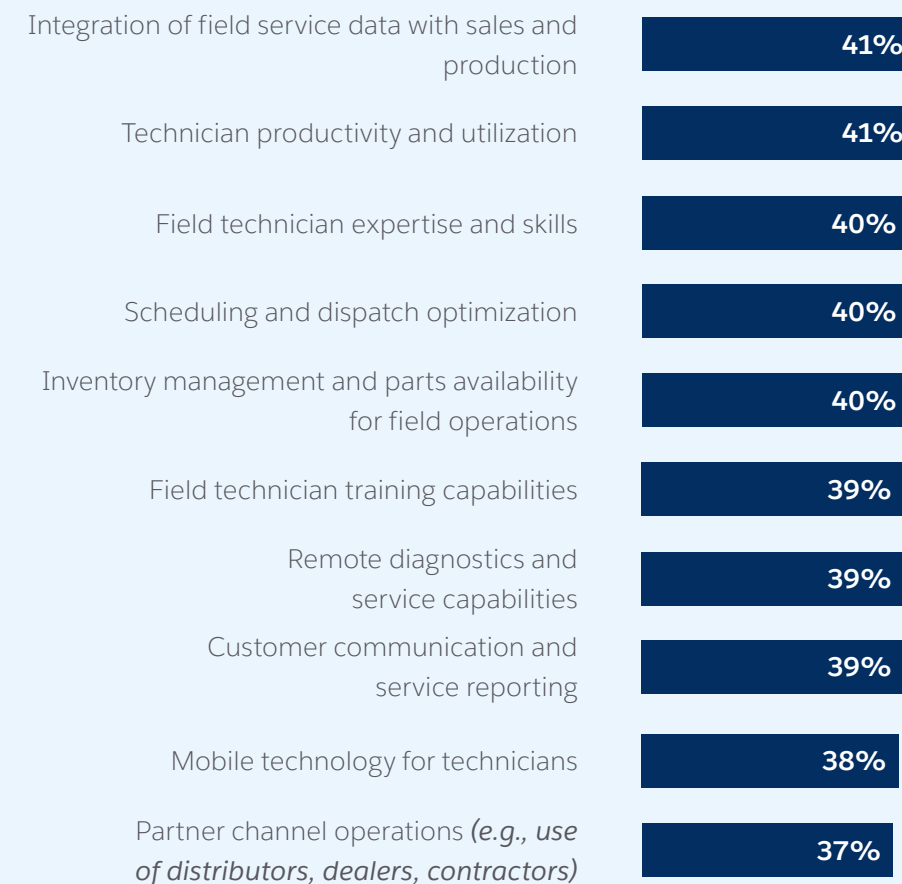
Field Service Excellence Eludes Manufacturers

Manufacturing Field Service Organizations with the Following Capabilities¹



Base: Respondents at organizations with field service operations.

Manufacturers That Say They Excel at the Following Aspects of Field Service

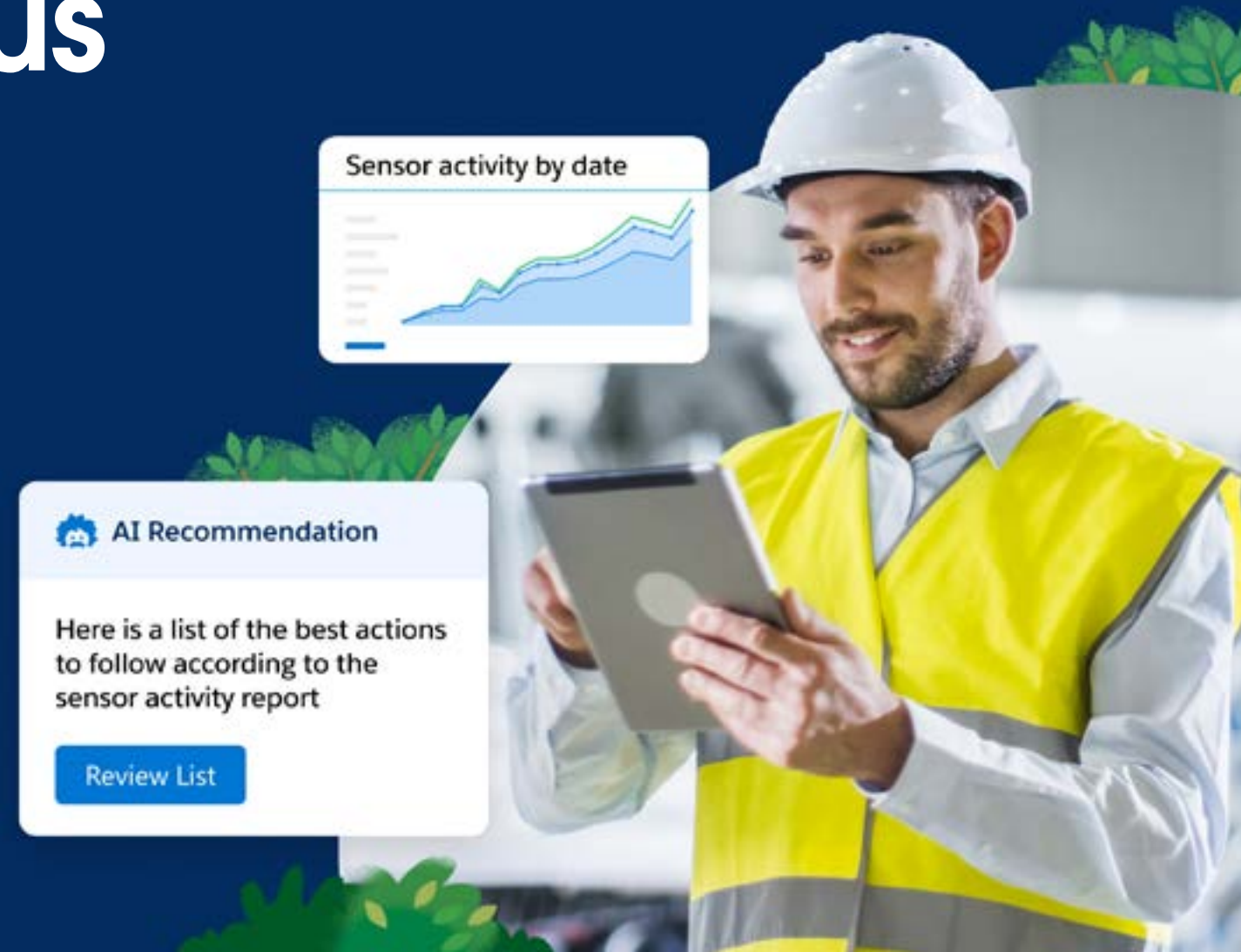


Base: Respondents at organizations with field service operations.



5

AI and Data Technology Come into Focus



Technology Investments Ramp Up

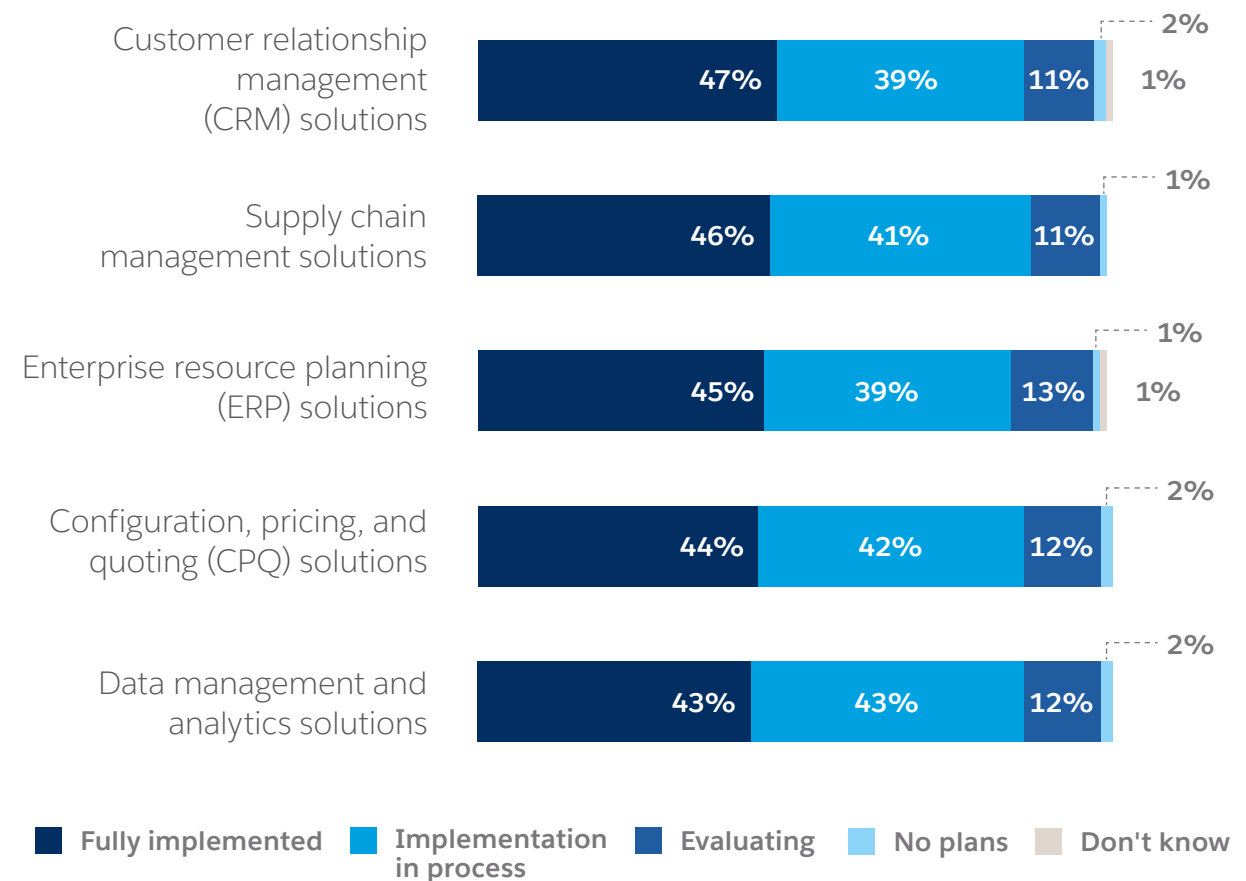
In their pursuit of operational transformation, most manufacturers have either completed or are pursuing a variety of technology implementations to help them meet their goals.

Customer relationship management (CRM) solutions are most likely to be fully implemented, although its status varies by subvertical. At least half of agricultural products and materials firms have fully implemented CRM versus only 43% of those in complex and industrial materials.

Supply chain management and enterprise resource planning (ERP) solutions are also popular. Similar shares of respondents are using, constructing, or considering solutions related to configuration, pricing, and quoting (CPQ) and data management and analytics.

Manufacturers Are Implementing Various Technologies to Support Operational Transformation

Status of Technology Implementation in Manufacturing



[See p. 43 for country and subvertical segmentations](#)



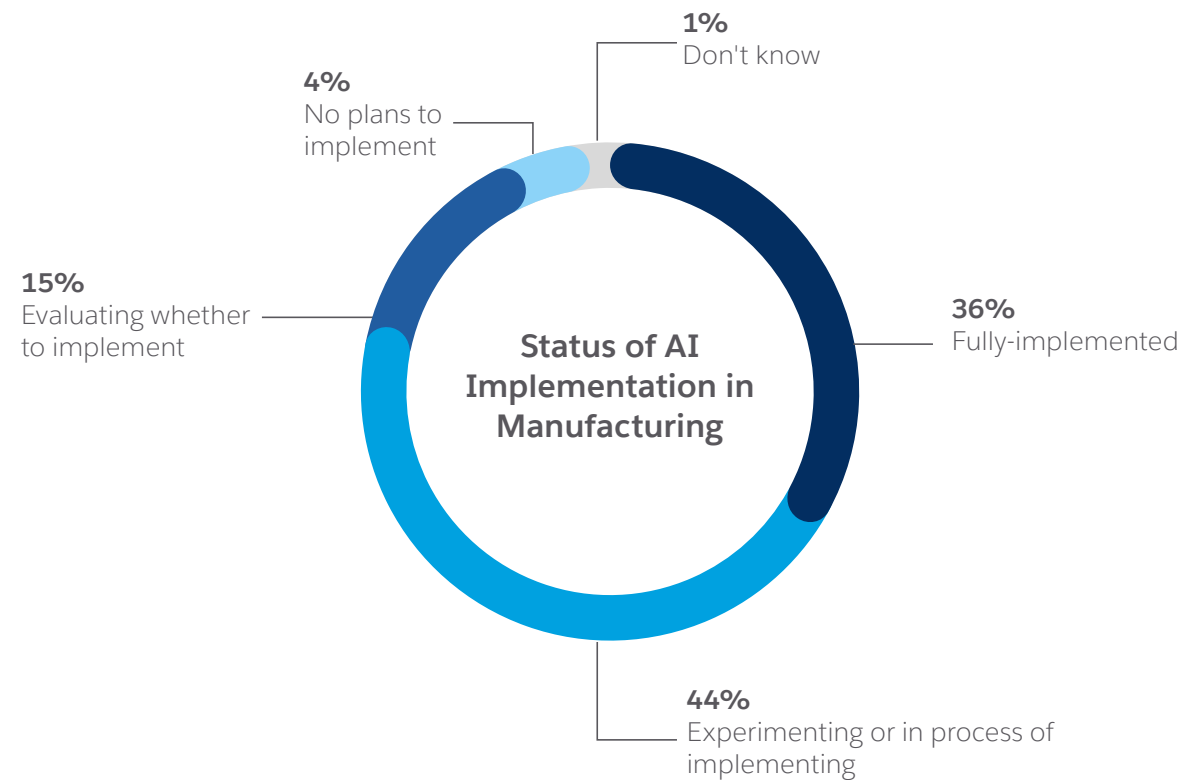
Manufacturing Enters the AI Era

AI is arguably the most transformational technology in generations, and manufacturers are leaning in.

Thirty-six percent of respondents describe AI as fully implemented at their organizations, although this may not be a true representation given how rapidly the technology is evolving. More significant is the fact that a mere 4% of respondents have no plans for the technology, and that the bulk are either actively experimenting with or evaluating AI.

Predictive AI, which uses data to predict a next best action, provide recommendations, or flag anomalies has been commercially available for much longer than generative AI, which uses data to generate content like text and images based on a prompt. Yet, despite being much newer to the market – ChatGPT was released in November 2022 – generative AI has seen much higher adoption among our sales, service, marketing, operations, and strategy respondents.

Nearly All Manufacturers Use or Are Evaluating AI



See p. 42 for country and subvertical segmentations.

Among Teams Using AI

74%

have used generative AI

47%

have used predictive AI



Security, Cost, and Transparency Are AI Sticking Points

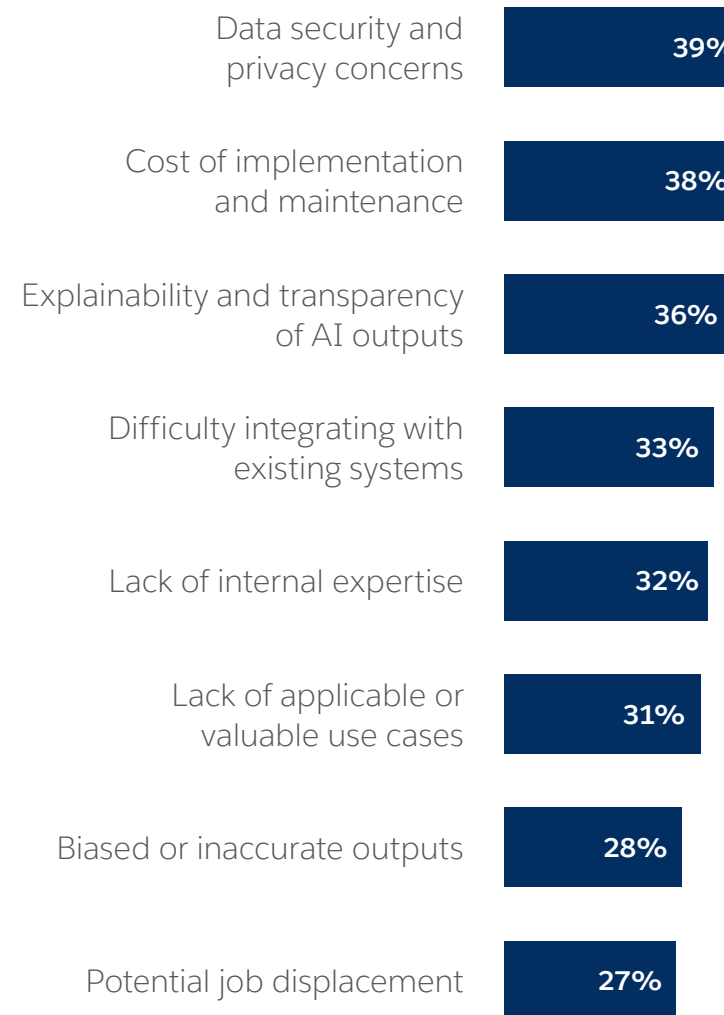
Given its transformative scope and implications, it's little surprise that manufacturers – like those in any industry – find they must address several prerequisites before harnessing AI's potential.

Data security and privacy concerns are naturally the top concern, especially given the types and amount of business and customer data that are required to train models on company-specific expertise. This is followed closely by cost concerns – as AI is indeed a significant investment – and ensuring that AI's outputs can be explained and verified as accurate.

Not all companies, or subverticals, are alike: While those in the engineered components space share concerns around data security and explainability, they are most troubled by uncertain use cases, and those in industrial consumables worry most about how AI can be integrated with existing systems.

Respondents Worry About Trust, Cost, and Transparency With AI

Challenges Cited in Implementing or Maximizing Value from Generative AI



Multiple responses allowed.



Manufacturers Shore Up Their AI Data Foundations

Comprehensive, trusted data is the foundation upon which all modern strategic and technological transformations are built, but business stakeholders and technical stakeholders alike see room for improvement to maximize their data's value.

85% of technical decision makers in manufacturing say AI's outputs are only as good as its data inputs, and 91% say the need for trustworthy data at their company is higher than ever.¹

When it comes to their data infrastructure, improving data quality, implementing data-specific AI capabilities, and improving how end users interpret, manipulate, and understand data in the first place are the top priorities for manufacturers. These initiatives will only grow in complexity given that manufacturers' data volumes are expected to increase by over one-fifth annually

¹[Salesforce State of Data & Analytics, November 2023.](#)

As Enterprise Data Grows Year-Over-Year, Manufacturers Focus on Its Quality and AI Readiness

Top Data Priorities in the Manufacturing Industry¹

- 1 Improved data quality
- 2 Building AI capabilities
- 3 Improving company-wide data literacy
- 4 Strengthening security/compliance
- 5 Modernizing tools and technologies

+22%

Forecasted data volume increase at manufacturing companies between 2023 and 2024.

Data Security, Harmonization, and Access Are Barriers

Forty-eight percent of technical decision makers in the manufacturing industry lack full confidence in their data's accuracy.¹ In addition to quality, data accessibility remains an issue for manufacturers. While most types of data key to operations – like customer data, supplier data, and telemetry data – are accessible to those who need it, half or fewer of teams say the data they need is integrated from its disparate sources and compiled in a single location.

78% of respondents say they spend a substantial amount of time looking for information across systems.

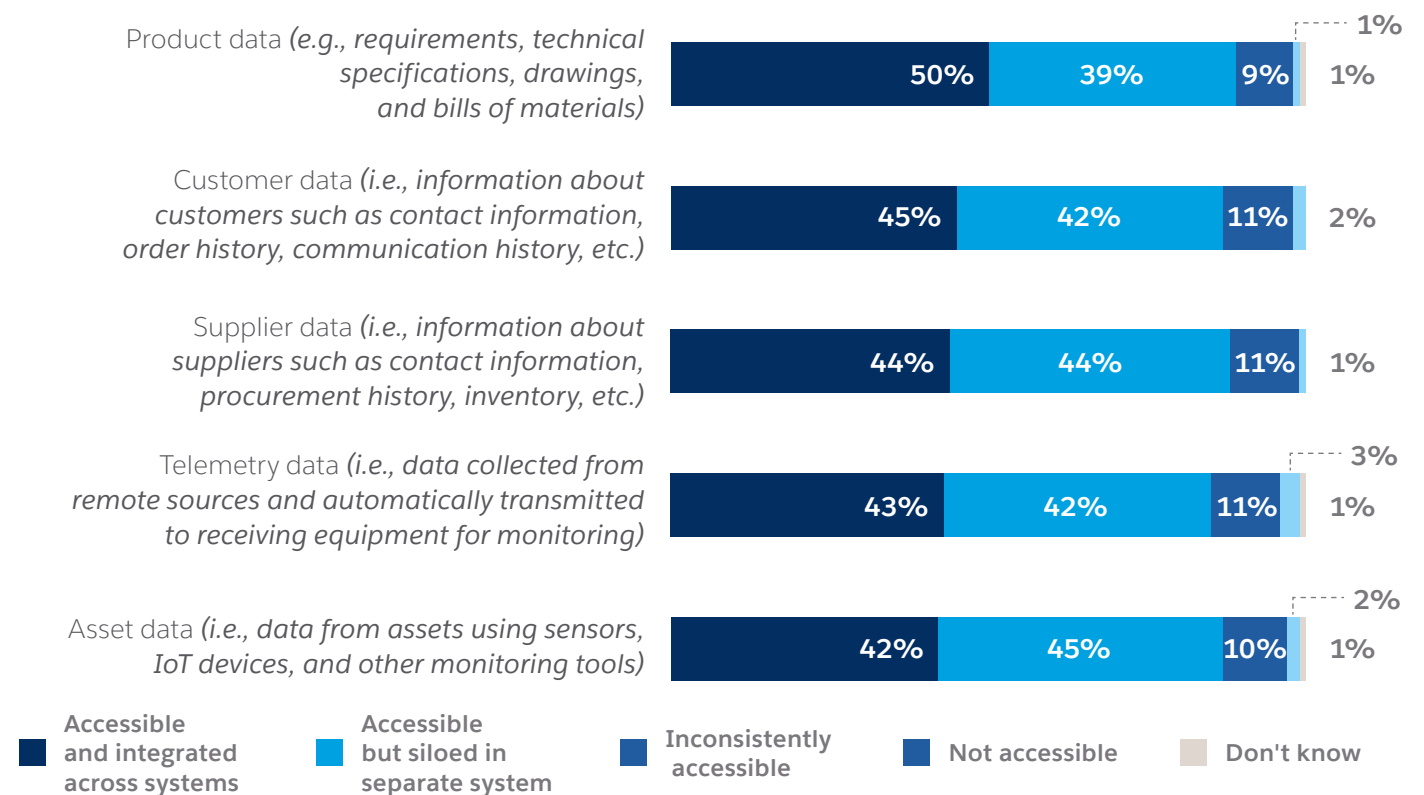
¹Salesforce State of Data & Analytics, November 2023.

Data Security and Harmonization Are Prioritized to Address Shortcoming

Top Data Priorities in the Manufacturing Industry¹

- 1 Security threats
- 2 Lack of data harmonization
- 3 Budget constraints
- 4 Lack of real-time data
- 5 Too many manual processes and poor accuracy/quality (tie)

Extent to Which Manufacturing Data Is Accessible



6

Manufacturers Adapt to a Changing World



Supply Chain Modernization Takes Hold

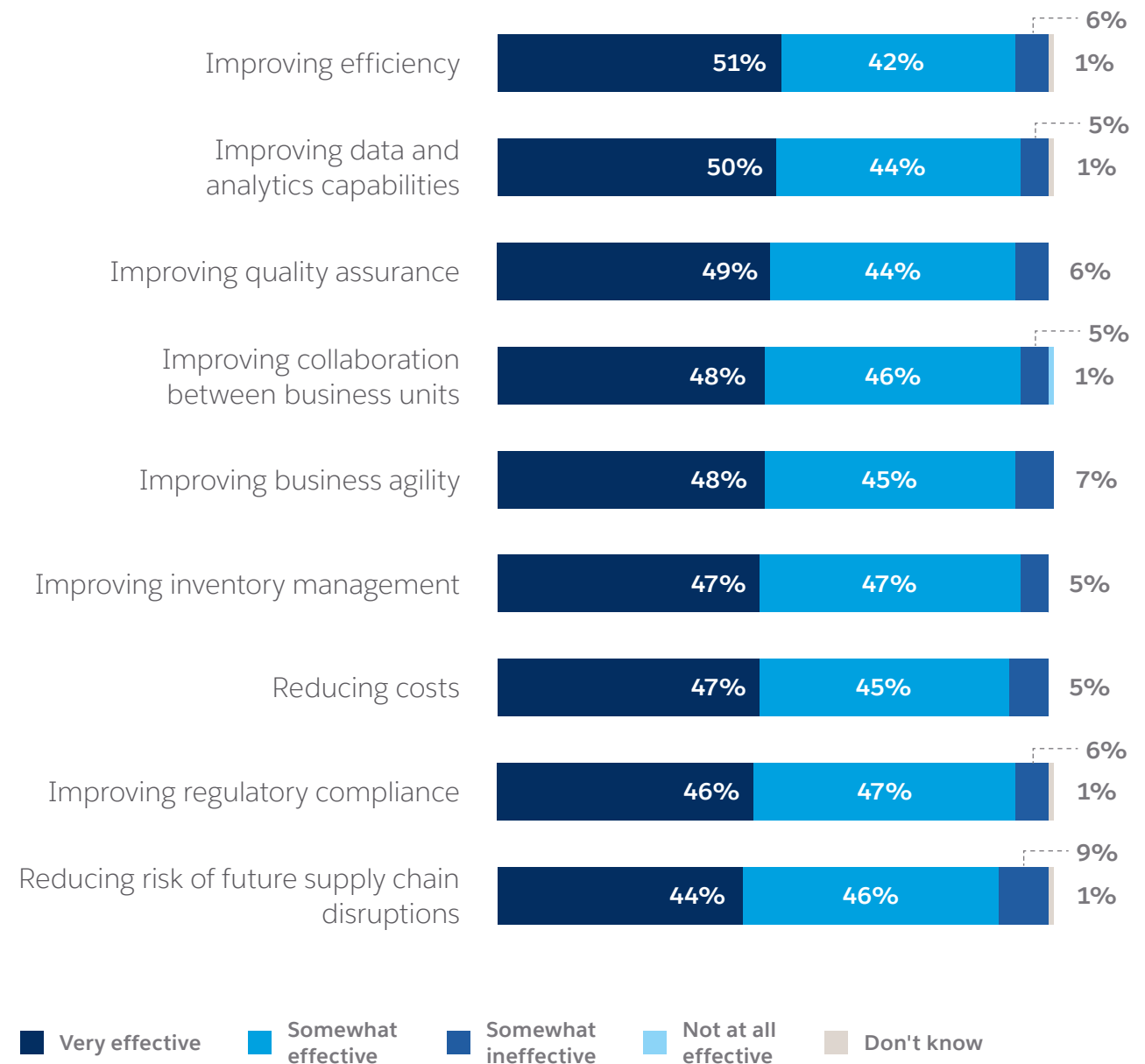
The headlines that detailed a global supply chain in chaos have faded from public consciousness. But while the severity of these disruptions has lessened dramatically, the majority of those surveyed say they are still present.

67% of manufacturers have experienced supply chain disruptions since 2020, and 59% say these persist to some degree today.

Eighty-three percent of manufacturers have supply chain modernization initiatives which, much like the supply chain itself, are moving at a slower pace than some would like. Most manufacturers with such initiatives report some degree of effectiveness across a variety of metrics, but relatively few characterize these as very effective. Perhaps most significant is that fewer than half (44%) of respondents believe these initiatives were very effective at reducing the risk of future supply chain episodes.

Few Supply Chain Initiatives Have Been Very Effective

Effectiveness of Manufacturing Supply Chain Modernization Initiatives on the Following Objectives



Base: Respondents at companies with supply chain modernization initiatives



U.S. Manufacturers Look Closer to Home

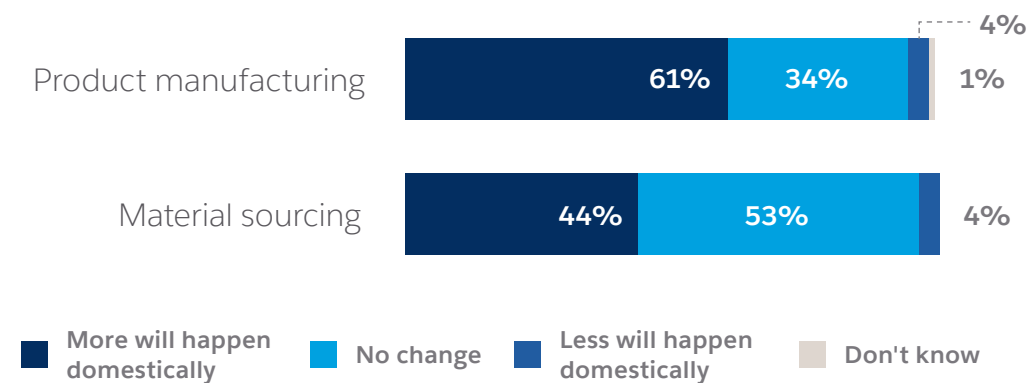
A combination of supply chain and geopolitical factors are prompting many U.S. manufacturers to rethink the offshoring movements of the past several decades and bring some operations back home.

49% of U.S. manufacturers have onshoring initiatives, and 43% have nearshoring initiatives.

Even if a company doesn't have explicit on- or nearshoring initiatives, many U.S. respondents expect their companies' outputs to be increasingly produced domestically. Manufacturing of products is more likely to be moved closer to home than sourcing of materials, which may be more geographically constricted by necessity.

Onshoring and Nearshoring Initiatives Continue

Expected Shifts in Domestic Sourcing and Manufacturing Over the Next Year Among U.S. Manufacturers





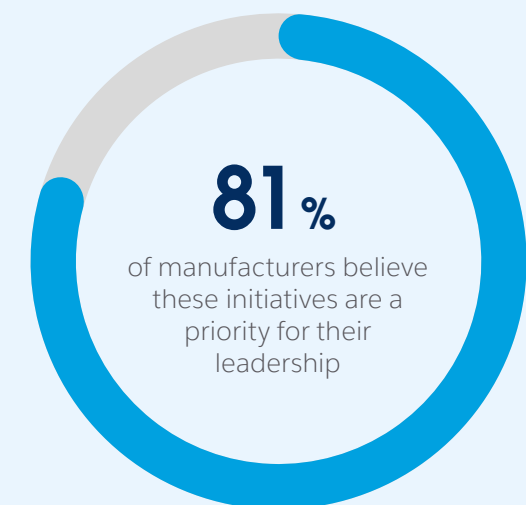
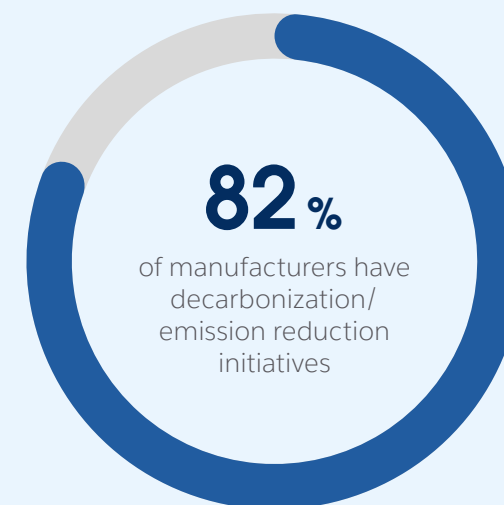
LOOK AHEAD: Manufacturing's Transition to Net-Zero

As the planet warms and emissions are viewed as a top issue, new rules on emission and climate risk are under scrutiny. In response, many manufacturers are serious about decarbonization. For manufacturers in agricultural, chemical, and material products, and those based in the Nordics, Japan, and France, environmental and sustainability concerns are cited as a top overall challenge.

In any event, regulations from entities like the European Union and U.S. Securities and Exchange Commission will bring such concerns to the top of nearly every manufacturer's agenda.

Manufacturers across the globe are preparing themselves for business models more focused on sustainable operations and supply chains, with more than four out of five respondents saying they have visibility into progress made on such initiatives.

Manufacturers Are Well on Their Way to More Sustainable Business Models



Additional Information



Survey Demographics

Country

Brazil	N=70, 8%
Canada	N=70, 8%
France.....	N=70, 8%
Germany	N=70, 8%
Japan	N=70, 8%
Mexico.....	N=70, 8%
Nordics (DK,FI,NO,SE)	N=70, 8%
South Korea	N=70, 8%
United Kingdom.....	N=70, 8%
United States	N=200, 24%

Sub-Industry

Process	N=317, 38%
Agricultural products	N=86, 10%
Chemicals	N=145, 17%
Materials.....	N=89, 11%
Discrete	N=504, 61%
Complex equipment, industrial equipment.....	N=149, 18%
Engineered components and production parts.....	N=180, 22%
Industrial consumables; maintenance, repaid, and operations (MRO); building products	N=175, 21%
Other	N=9, 1%

Department

Customer service	N=200, 24%
Marketing.....	N=153, 18%
Operations.....	N=200, 24%
Product strategy/pricing	N=77, 9%
Sales	N=200, 24%

Business Model

C-level executive	N=83, 10%
VP+ executive, excluding C-level.....	N=310, 37%
Director or department head.....	N=345, 42%
Manager or supervisor	N=92, 11%



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Modernize Your Commercial Operations

Learn best practices for today's sales and service teams.

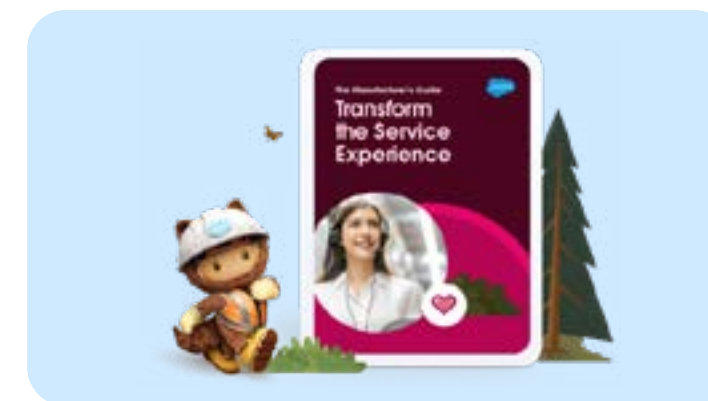
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Simplify Partner Engagement

See how manufacturers and their channel partners can function as one team.

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Transform the Service Experience

Extend customer relationships after the sale.

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Appendix



Top Growth Opportunities

Brazil

- 1 Strategic partnerships
- 2 Technology change/disruption
- 3 Expanded revenue streams

France

- 1 Technology change/disruption
- 2 New products or services
- 3 Updated product/service mix

Japan

- 1 New products or services
- 2 Technology change/disruption
- 3 Commercial operations optimization

Nordics

- 1 Commercial ops optimization
- 2 Technology change/disruption
- 3 New products/services

United Kingdom

- 1 New markets/customer bases
- 2 Technology change/disruption
- 3 Strategic partnerships

Canada

- 1 New markets/customer bases
- 2 Technology change/disruption
- 3 Expanded revenue streams

Germany

- 1 Commercial operations optimization
- 2 Updated product/service mix
- 3 Technology change/disruption

Mexico

- 1 Updated product/service mix
- 2 Technology change/disruption
- 3 Commercial ops optimization

South Korea

- 1 Updated product/service mix
- 2 Commercial operations optimization
- 3 New products/services

United States

- 1 New products or services
- 2 Expanded revenue streams
- 3 Commercial ops optimization

Agricultural Products

- 1 New markets/customer bases
- 2 Technology change/disruption
- 3 New products/services

Complex/Industrial Equipment

- 1 Technology change/disruption
- 2 Commercial ops optimization
- 3 New products/services

Industrial Consumables

- 1 Commercial ops optimization
- 2 Technology change/disruption
- 3 New markets/customer bases

Chemicals

- 1 Updated product/service mix
- 2 Commercial ops optimization
- 3 Technology change/disruption

Engineered Components

- 1 New products or services
- 2 Expanded revenue streams
- 3 Updated product/service mix

Materials

- 1 New products or services
- 2 Updated product/service mix
- 3 Strategic partnerships



Top Growth Challenges

Brazil

- 1 Energy costs
- 2 Workforce challenges
- 3 Interest rates/cost of capital

France

- 1 Regulatory environment
- 2 Workforce challenges
- 3 Environmental/sustainability concerns

Japan

- 1 Technology change/disruption
- 2 Environmental/sustainability concerns
- 3 Workforce challenges

Nordics

- 1 Energy costs
- 2 Commodity/supply chain constraints
- 3 Environmental/sustainability concerns

United Kingdom

- 1 Interest rates/cost of capital
- 2 Energy costs
- 3 Commodity/supply chain constraints

Canada

- 1 Energy costs
- 2 Technology change/disruption
- 3 Environmental/sustainability concerns

Germany

- 1 Interest rates/cost of capital
- 2 Technology change/disruption
- 3 Regulatory environment

Mexico

- 1 Workforce challenges
- 2 Energy costs
- 3 Regulatory environment

South Korea

- 1 Commodity/supply chain constraints
- 2 Interest rates/cost of capital
- 3 Regulatory environment

United States

- 1 Workforce challenges
- 2 Technology change/disruption
- 3 Interest rates/cost of capital

Agricultural Products

- 1 Energy costs
- 2 Workforce challenges
- 3 Environmental/sustainability concerns

Complex/Industrial Equipment

- 1 Energy costs
- 2 Technology change/disruption
- 3 Workforce challenges

Industrial Consumables

- 1 Technology change/disruption
- 2 Commodity/supply chain constraints
- 3 Regulatory environment

Chemicals

- 1 Interest rates/cost of capital
- 2 Environmental/sustainability concerns
- 3 Energy costs

Engineered Components

- 1 Workforce challenges
- 2 Technology change/disruption
- 3 Commodity/supply chain constraints

Materials

- 1 Energy costs
- 2 Workforce challenges
- 3 Environmental/sustainability concerns



Top Investment Priorities

Brazil

- 1 Product development
- 2 Sales and marketing
- 3 Manufacturing process efficiency

France

- 1 Sales and marketing
- 2 Technology
- 3 Human resources

Japan

- 1 Product development
- 2 Sales and marketing
- 3 Manufacturing process efficiency

Nordics

- 1 Sales and marketing
- 2 Technology
- 3 Supply chain

United Kingdom

- 1 Supply chain
- 2 Product development
- 3 Sales and marketing

Canada

- 1 Manufacturing process efficiency
- 2 Sales and marketing
- 3 Technology

Germany

- 1 Technology
- 2 Product development
- 3 Manufacturing process efficiency

Mexico

- 1 Technology
- 2 Product development
- 3 Manufacturing process efficiency

South Korea

- 1 Product development
- 2 Technology
- 3 Sales and marketing

United States

- 1 Sales and marketing
- 2 Manufacturing process efficiency
- 3 Product development

Agricultural Products

- 1 Product development
- 2 Sales and marketing
- 3 Supply chain

Complex/Industrial Equipment

- 1 Technology
- 2 Product development
- 3 Supply chain

Industrial Consumables

- 1 Technology
- 2 Manufacturing process efficiency
- 3 Sales and marketing

Chemicals

- 1 Product development
- 2 Sales and marketing
- 3 Technology

Engineered Components

- 1 Sales and marketing
- 2 Product development
- 3 Manufacturing process efficiency

Materials

- 1 Manufacturing process efficiency
- 2 Supply chain
- 3 Sales and marketing



Top Sales and Marketing Priorities

Brazil

- 1 Profitability/cost reduction
- 2 Marketing strategy/segmentation
- 3 Pricing strategy

France

- 1 Sales effectiveness/lead generation
- 2 Pricing strategy
- 3 Product time-to-market

Japan

- 1 Pricing strategy
- 2 Sales effectiveness/lead generation
- 3 Marketing strategy/segmentation

Nordics

- 1 Marketing strategy/segmentation
- 2 Profitability/cost reduction
- 3 Pricing strategy

United Kingdom

- 1 Pricing strategy
- 2 Product time-to-market
- 3 Customer experience/retention

Canada

- 1 Profitability/cost reduction
- 2 Pricing strategy
- 3 Marketing strategy/segmentation

Germany

- 1 Product time-to-market
- 2 Profitability/cost reduction
- 3 Marketing strategy/segmentation

Mexico

- 1 Profitability/cost reduction
- 2 Sales effectiveness/lead generation
- 3 Product time-to-market

South Korea

- 1 Profitability/cost reduction
- 2 Pricing strategy
- 3 Customer experience/retention

United States

- 1 Profitability/cost reduction
- 2 Pricing strategy
- 3 Marketing strategy/segmentation

Agricultural Products

- 1 Improved profitability/cost reduction
- 2 Customer experience/retention
- 3 Pricing strategy

Complex/Industrial Equipment

- 1 Pricing strategy
- 2 Profitability/cost reduction
- 3 Sales effectiveness/lead generation

Industrial Consumables

- 1 Sales effectiveness/lead generation
- 2 Profitability/cost reduction
- 3 Pricing strategy

Chemicals

- 1 Pricing strategy
- 2 Profitability/cost reduction
- 3 Marketing strategy/segmentation

Engineered Components

- 1 Profitability/cost reduction
- 2 Pricing strategy
- 3 Product time-to-market

Materials

- 1 Profitability/cost reduction
- 2 Pricing strategy
- 3 Product time-to-market



Top Channel Partner Operations Priorities

Brazil

- 1 Customer service coordination
- 2 Sales/marketing coordination
- 3 Price protection/rebate management

Canada

- 1 Customer service coordination
- 2 Price protection/rebate management
- 3 Sales/marketing coordination

Agricultural Products

- 1 Sales/marketing coordination
- 2 Price protection/rebate management
- 3 Customer service coordination

Chemicals

- 1 Customer service coordination
- 2 Sales/marketing coordination
- 3 Price protection/rebate management

France

- 1 Claims automation
- 2 Sales/marketing coordination
- 3 Order processing/logistics

Germany

- 1 Sales/marketing coordination
- 2 Customer service coordination
- 3 Training and performance management

Complex/Industrial Equipment

- 1 Customer service coordination
- 2 Sales/marketing coordination
- 3 Order processing/logistics

Engineered Components

- 1 Order processing/logistics
- 2 Customer service coordination
- 3 Sales/marketing coordination

Japan

- 1 Incentive/loyalty programs
- 2 Customer service coordination
- 3 Sales/marketing coordination

Mexico

- 1 Sales/marketing coordination
- 2 Order processing/logistics
- 3 Customer service coordination

Industrial Consumables

- 1 Customer service coordination
- 2 Sales/marketing coordination
- 3 Order processing/logistics

Materials

- 1 Customer service coordination
- 2 Sales/marketing coordination
- 3 Training and performance management

Nordics

- 1 Customer service coordination
- 2 Training and performance management
- 3 Sales/marketing coordination

South Korea

- 1 Customer service coordination
- 2 Partner selection
- 3 Training and performance management

United Kingdom

- 1 Customer service coordination
- 2 Training and performance management
- 3 Incentive/loyalty programs

United States

- 1 Sales/marketing coordination
- 2 Customer service coordination
- 3 Price protection/rebate management



Top Service/Aftermarket Priorities

Brazil

- 1 Inventory management
- 2 Logistics optimization
- 3 Service parts availability

France

- 1 Service insourcing
- 2 Logistics optimization
- 3 Service parts availability

Japan

- 1 Inventory management
- 2 Product customization/engineering
- 3 After-sales support/maintenance

Nordics

- 1 Product customization/engineering
- 2 Logistics optimization
- 3 After-sales support/maintenance

United Kingdom

- 1 Service parts availability
- 2 Product customization/engineering
- 3 Logistics optimization

Canada

- 1 Product customization/engineering
- 2 Inventory management
- 3 Service/production/sales integration

Germany

- 1 Product customization/engineering
- 2 Logistics optimization
- 3 Training and education services

Mexico

- 1 Inventory management
- 2 Logistics optimization
- 3 Service parts availability

South Korea

- 1 After-sales support/maintenance
- 2 Service/production/sales integration
- 3 Service parts availability

United States

- 1 After-sales support/maintenance
- 2 Inventory management
- 3 Logistics optimization

Agricultural Products

- 1 Product customization/engineering
- 2 Service parts availability
- 3 Inventory management

Complex/Industrial Equipment

- 1 After-sales support/maintenance
- 2 Product customization/engineering
- 3 Service parts availability

Industrial Consumables

- 1 Logistics optimization
- 2 Product customization/engineering
- 3 Service parts availability

Chemicals

- 1 Inventory management
- 2 Logistics optimization
- 3 Service insourcing

Engineered Components

- 1 Service parts availability
- 2 Inventory management
- 3 After-sales support/maintenance

Materials

- 1 Logistics optimization
- 2 Product customization/engineering
- 3 After-sales support/maintenance



Top Drivers of Service/Aftermarket Initiatives

Brazil

- 1 Customer loyalty/satisfaction
- 2 Competitive differentiation
- 3 Customer lifetime value (CLV)

France

- 1 Competitive differentiation
- 2 Customer feedback collection
- 3 Customer lifetime value (CLV)

Japan

- 1 Expanded recurring revenue streams
- 2 Customer loyalty/satisfaction
- 3 Brand reputation/customer advocacy

Nordics

- 1 Customer demand
- 2 Competitive differentiation
- 3 Customer loyalty/satisfaction

United Kingdom

- 1 Customer loyalty/satisfaction
- 2 Competitive differentiation
- 3 Brand reputation/customer advocacy

Canada

- 1 Customer lifetime value (CLV)
- 2 Customer loyalty/satisfaction
- 3 Competitive differentiation

Germany

- 1 Product customization/engineering
- 2 Logistics optimization
- 3 Training and education services

Mexico

- 1 Customer loyalty/satisfaction
- 2 Brand reputation/customer advocacy
- 3 Customer demand

South Korea

- 1 Competitive differentiation
- 2 Customer loyalty/satisfaction
- 3 Customer demand

United States

- 1 Customer loyalty/satisfaction
- 2 Brand reputation/customer advocacy
- 3 Competitive differentiation

Agricultural Products

- 1 Competitive differentiation
- 2 Customer loyalty/satisfaction
- 3 Brand reputation/customer advocacy

Complex/Industrial Equipment

- 1 Competitive differentiation
- 2 Customer loyalty/satisfaction
- 3 Brand reputation/customer advocacy

Industrial Consumables

- 1 Customer lifetime value (CLV)
- 2 Customer loyalty/satisfaction
- 3 Brand reputation/customer advocacy

Chemicals

- 1 Customer loyalty/satisfaction
- 2 Brand reputation/customer advocacy
- 3 Competitive differentiation

Engineered Components

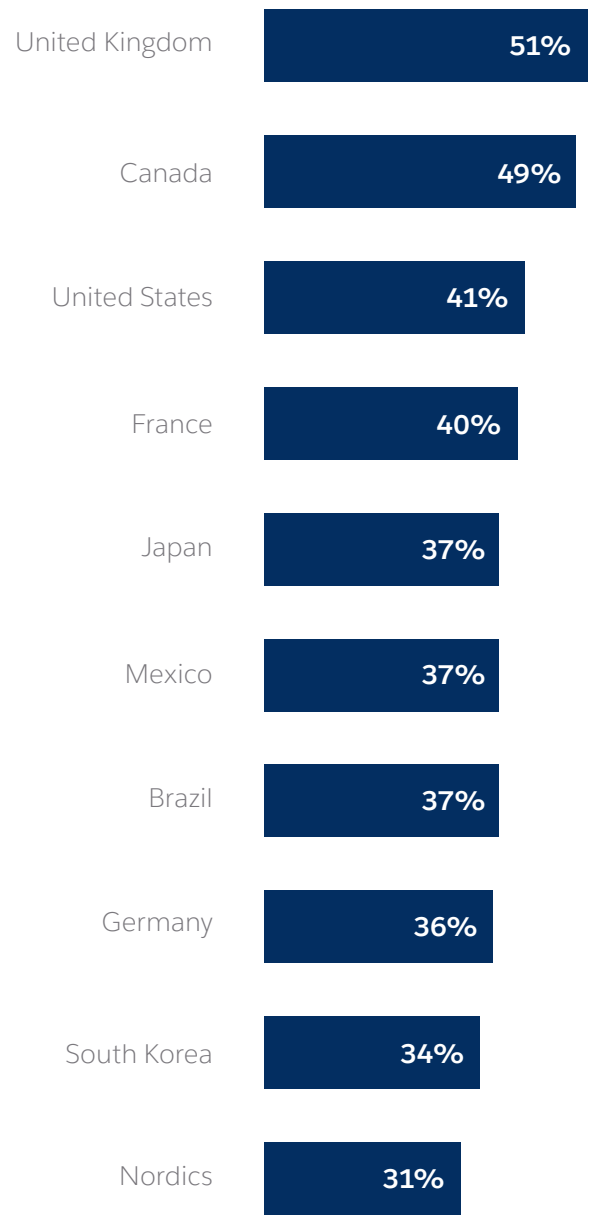
- 1 Customer loyalty/satisfaction
- 2 Brand reputation/customer advocacy
- 3 Expanded recurring revenue streams

Materials

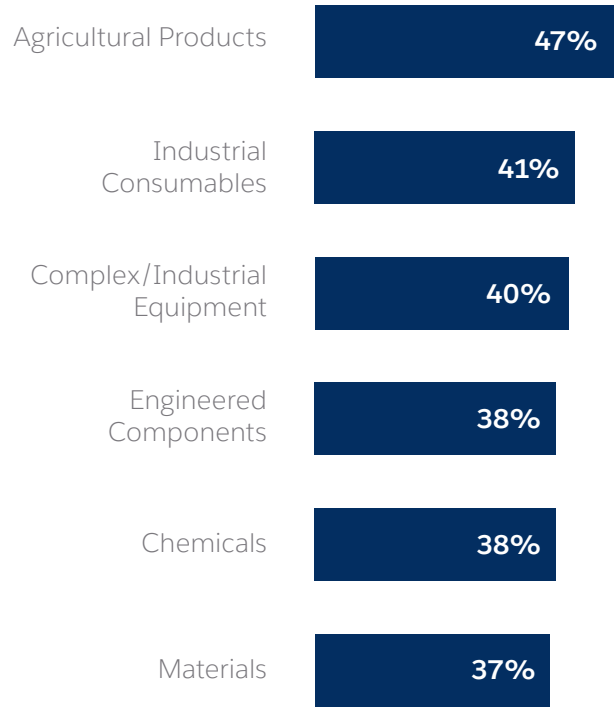
- 1 Competitive differentiation
- 2 Customer lifetime value (CLV)
- 3 Customer loyalty/satisfaction



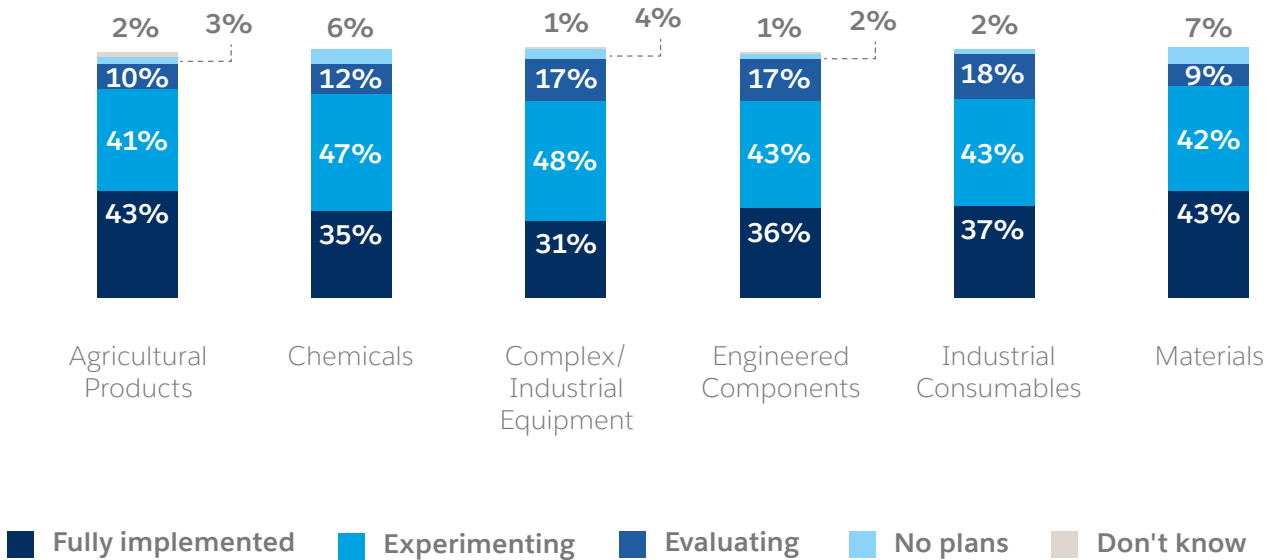
Manufacturers Who Say They Provide Excellent Service and Aftermarket Offerings, by Country



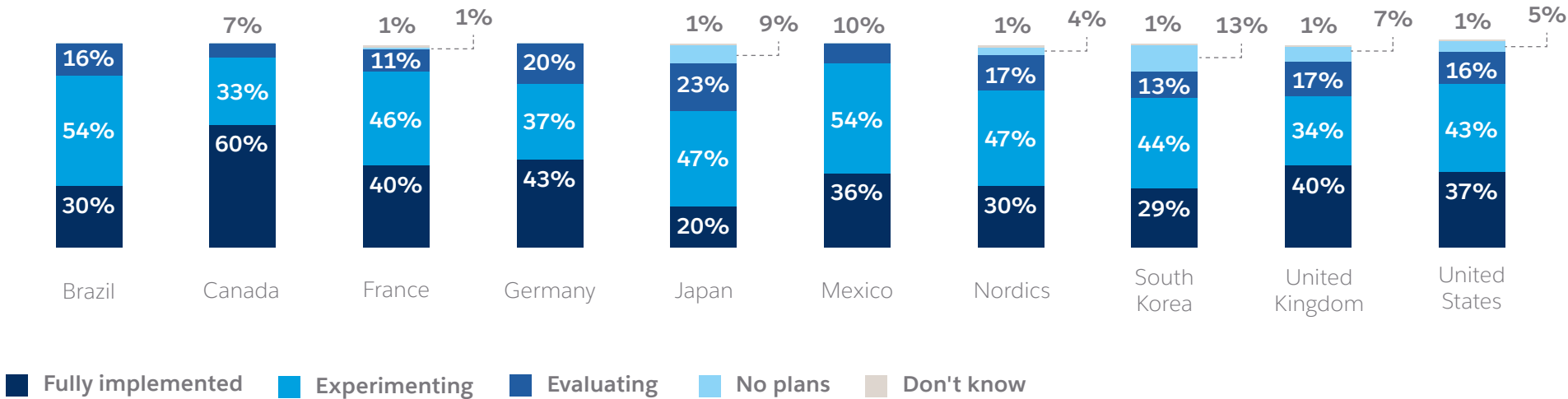
Manufacturers Who Say They Provide Excellent Service and Aftermarket Offerings, by Subvertical



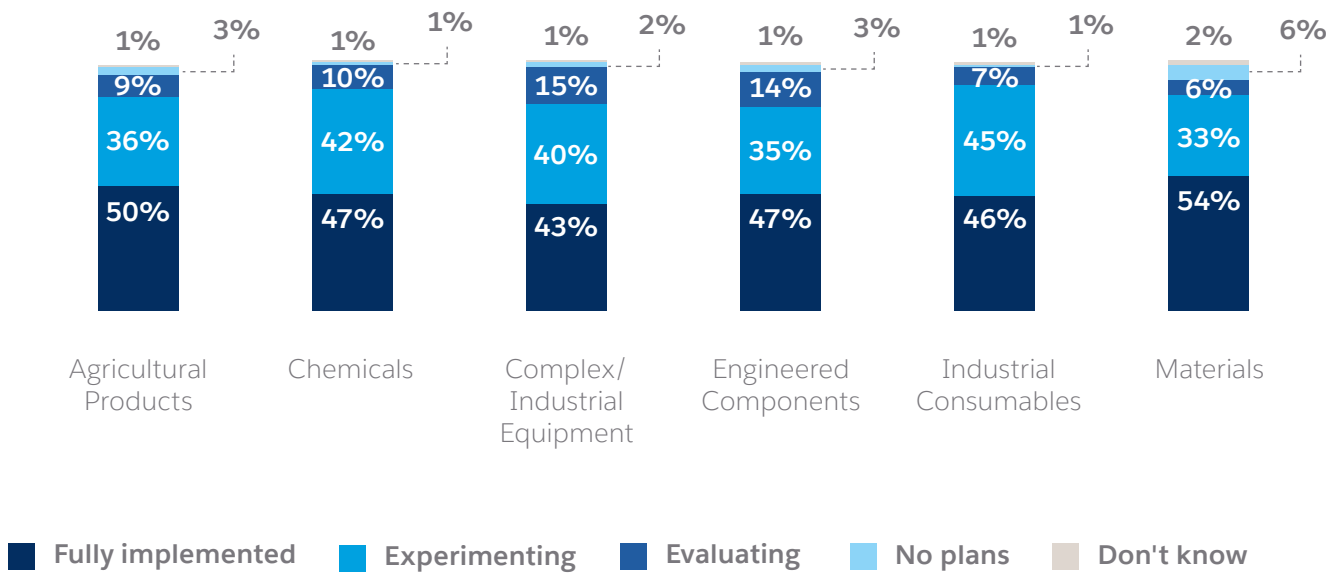
AI Implementation in Manufacturing, by Subvertical



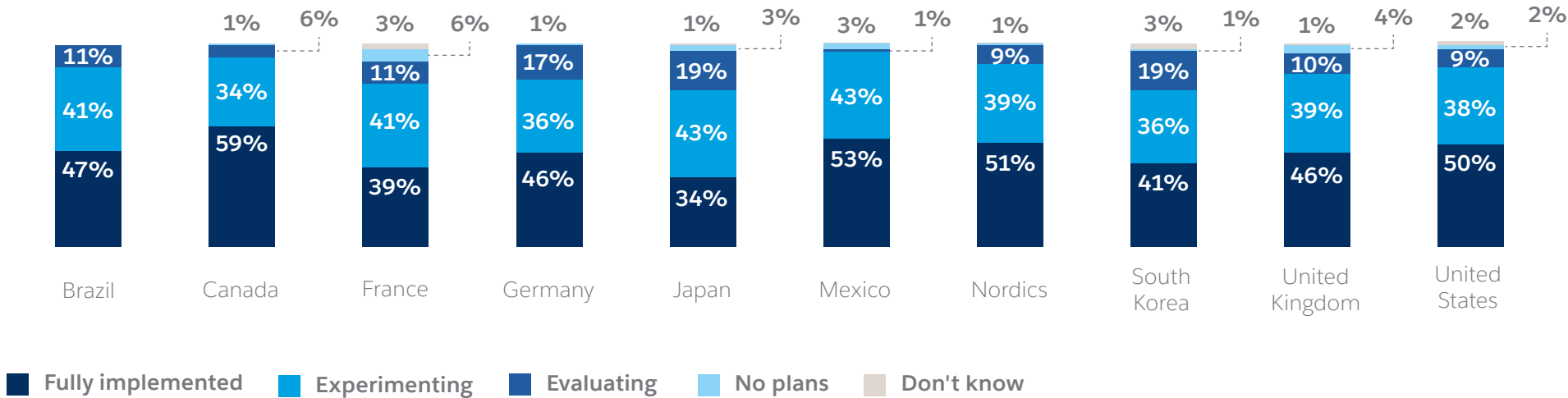
AI Implementation in Manufacturing, by Country



CRM Implementation in Manufacturing, by Subvertical



CRM Implementation in Manufacturing, by Country





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