



# Marketing to the Federal Government



Using marketing techniques customized for the federal government will increase your ability to win business



# Learning Objectives

- At the end of this module, you will be able to:
  - Market your product or services to the federal government.
  - Understand the differences between marketing to the federal government and to the private sector.
  - Prepare to market to the federal government.
  - Understand the three types of government customers.
  - Understand the basic concepts around getting on a GSA Schedule

The logo of the Federal Deposit Insurance Corporation (FDIC) is located in the top left corner. It features a circular emblem with the text "FEDERAL DEPOSIT INSURANCE CORPORATION" around the perimeter and the year "1933" in the center. The emblem is set against a blue background with a subtle pattern.

# About FDIC Small Business Resource Effort

- The Federal Deposit Insurance Corporation (FDIC) recognizes the important contributions made by small, veteran, and minority and women-owned businesses to our economy. For that reason, we strive to provide small businesses with opportunities to contract with the FDIC. In furtherance of this goal, the FDIC has initiated the FDIC Small Business Resource Effort to assist the small vendors that provide products, services, and solutions to the FDIC.
- The objective of the Small Business Resource Effort is to provide information and the tools small vendors need to become better positioned to compete for contracts and subcontracts at the FDIC. To achieve this objective, the Small Business Resource Effort references outside resources critical for qualified vendors, leverages technology to provide education according to perceived needs, and offers connectivity through resourcing, accessibility, counseling, coaching, and guidance where applicable.
- This product was developed by the FDIC Office of Minority and Women Inclusion (OMWI). OMWI has responsibility for oversight of the Small Business Resource Effort.



# Executive Summary

- A commercial business and a government buyer may need the same item, but their approach is very different.
- In the government world, your “market” is a single customer or a small number of customers who are specifying what they want from you. There are few sales people, and little “typical” marketing is required.
- In the government world, most of your marketing plan includes targeting the internal customers within the agency and aligning your business’ solution to the government’s needs.



# The Government Operates Differently

- The term “marketing” is a common term but its meaning in the government world is very different from the commercial world. Marketing to the government generally means selling.
- Most businesses that deal with the government don’t do much in the way of marketing as defined in the commercial world.
- In the commercial world, a buyer usually has a good idea of what they are buying, what the processes are, what machines are used, etc.
- Government buyers buy the product, not the process.



# Preparing to Market to the Federal Government

## Answer these questions as you prepare to market:

- How does selling to the government fit in your overall business strategy?
  - What are your core competencies?
  - Which agencies need what you provide?
  - What sets you apart from the competition?
  - Are you willing and able to devote resources to win the government's business?
- What is your output?
  - What products or items do you make?
  - What products or items are you capable of making?
- How can you use your same equipment and process to make things that the government needs and wants?
- What haven't you considered before?
- How can you collaborate with other businesses to give the government a "total" package?



# Knowing Your Government Customer

- Target government agencies that may need what your business does. A wealth of market research is available free and online.
  - [Search www.FedBizOpps.gov](http://www.FedBizOpps.gov).
  - Use the personal touch and network.
  - Subscribe to a bid-matching service.
  - Work with a Procurement Technical Assistance Center (PTAC).
  - Learn more about the General Services Administration (GSA).
- Examine each agency's five-year strategic plan to learn about its upcoming priorities.
- Anticipate future business opportunities by tracking bills as they work their way through Congress and by monitoring the priorities of the administration. Note which agencies are on the hot seat.
- Consider selecting and targeting three top agencies who procure your product or service and understand their needs and buying process. Narrowing your scope, at least initially, may increase your chances of successfully competing for business.



# Targeting Three Types of Government Customers

- **Procurers** (including contracting officers/specialists)

Procurers are the “gate-keepers” to the program managers and end users. Although program managers know what they want, contracting specialists help them get the needed materials/services and give advice on the best way to get those services. The contracting officers/specialists are key customers because of their influence over the project manager/end user and their responsibility for selecting the contracting method.

- **Influencers** (including program managers/high-level decision makers)

Program managers and high level decision makers are individuals who generate the contracting requirement or are responsible for facilitating its execution. These individuals may exercise influence over an individual contracting or organization-wide contracting policy, but do not actually conduct the contracting process itself.

- **End Users** (including the staff who use your service/product)

Most end users are far removed from the contracting process and turn to their contracting specialist for help. They do not care how they get the contractor; they want the quickest mechanism to get the contractor. End users often have input in selecting the contractor, and can be a key contact in the working relationship with the contractor.



# Getting in Front of the Decision Makers *(Slide 1 of 2)*

- Despite all the rules and procedures, people ultimately make the buying decisions. Finding the right people, hearing what they need, and telling them how you can help is essential, but not easy.
- How do you find these decision makers?
  - Network:
    - Attend traditional tradeshows.
    - Attend agency events.
    - Attend pre-bid conferences.
    - Submit an invitation for bid.
  - Call the office(s) listed and make an appointment:
    - Introduce yourself and your business.
    - Provide your business card, a capabilities statement, and your business web site.
    - Give buyers another opportunity to see who you are and what you can do.
  - Hire an experienced government “marketing” executive: Have someone lead your government sales efforts who knows their way around your target agencies.



# Getting in Front of the Decision Makers *(Slide 2 of 2)*

- Why make the effort to get in front of these decision makers?
  - Opportunities that are less than \$25,000 do not have to be publicly advertised or open to bidding. Federal procurement or contracting officers select a business and award the contract.
  - The procurement or contracting officer cannot select your business if they are not aware of you. Building a relationship with these decision makers and being the first to inquire about an opportunity may be enough to be the successful contractor.
  - The Small Business Set-Aside (SBSA) Program requires government agencies to obtain two or more bids from qualified and registered small businesses for contracts between \$25,000 and \$100,000. Notifying these agencies of your qualifications may be enough to be the successful contractor.



# Marketing Your Benefits

**Emphasize the following benefits to contracting officers/specialists, program managers, and end users:**

■ **Ordering:**

- Ease of ordering.
- Meets all applicable regulations and competition requirements (including FAR & Competition In Contracting Act).
- The government issued charge card, GSA SmartPay<sup>®</sup>, can be used to make purchases.

■ **Pricing:**

- GSA Schedule pricing is guaranteed to be fair and reasonable.
- Flexible pricing.
- Discount volume pricing.

■ **Control of solutions:**

- Access to industry leaders.
- Contractor teaming arrangements allow agencies to customize solutions.
- Orders placed under the GSA schedule program can count toward the agencies' socioeconomic goals and accomplishments.



# Getting on a Schedule

- Becoming a GSA schedule contractor can be highly profitable. It prequalifies you for just about any government work you pursue, including competitive bids.
- If a product or service is a commercial-type or general purpose item, GSA probably buys it for all government agencies, including the Department of Defense.
- Schedule contracts are not easy to obtain, often taking months to process as the government thoroughly vets a business' financials, operations, and references.
- The GSA has two service organizations:
  - Public Buildings Service (PBS)
  - Federal Acquisition Service (FAS)
- The FAS has six primary business lines:
  1. Commercial Acquisition
  2. Transportation Programs
  3. Travel Programs
  4. Vehicle Acquisition & Leasing Services
  5. Property Management
  6. GSA Global Supply



# Marketing Your Schedule *(Slide 1 of 2)*

- Use a five-step approach to marketing your business to all federal agencies that shop for supplies and services through the GSA Schedule:
  1. Create an attractive electronic and printed flyer that is easy-to-read for your authorized Federal Supply Schedule Price List and send it to a tailored distribution list.
  2. Prepare your electronic company catalog and submit it to GSA Advantage!
  3. Place an ad in GSA's *MarkeTips Magazine*.
  4. Use GSA logos on all your marketing materials.
  5. Make your web site “GSA-friendly.”
- If your business currently does not have the resources to obtain a GSA Schedule Contract, make sure your marketing initiative includes getting on as many individual agency preferred vendor lists as possible.



# Marketing Your Schedule *(Slide 2 of 2)*

- Your marketing approach should reflect your knowledge of the benefits that GSA Schedules offer to buyers.
  - Know your GSA Schedule contract and its terms.
  - Understand your costs and rates, and understand the GSA task ordering process.
  - Understand the benefits to the customer of using a GSA Schedule contractor and incorporate these benefits into your marketing language.
  - Additional marketing support is provided by the GSA’s group “Schedules Contractor Success - Marketing Matters!” This group was created to help current GSA Schedule contract holders successfully market themselves to the federal government. More information is available at [interact.gsa.gov/groups/contractor-success](https://interact.gsa.gov/groups/contractor-success).



# Requesting a Debrief

- Selling to the federal government is a much more transparent process.
  - If your company loses a bid, you have the right to request a debriefing to find out why.
  - The contracting officer has to explain to you where you were weak, and where you were strong.
- Many federal contractors request debriefings on a regular basis.
- Debriefings help you understand why your business won or lost a bid. It is a very powerful opportunity to learn which parts of your marketing and bidding strategy are effective and which need improvement.



# Additional Marketing Resources *(Slide 1 of 2)*

- Associations & Forums
  - Federal Executive Boards ([feb.gov](http://feb.gov))
  - Coalition for Government Procurement ([thecgp.org/](http://thecgp.org/))
- Conferences
  - The Excellence in Government Conference ([excelgov.com](http://excelgov.com))
  - GSA Expo ([expo.gsa.gov](http://expo.gsa.gov))
- Direct Mail Lists:
  - Federal Yellow Book Leadership Directory ([leadershipdirectories.com](http://leadershipdirectories.com))
  - Dun & Bradstreet ([dnb.com](http://dnb.com))
  - Amtower & Company ([federaldirect.net](http://federaldirect.net))
  - Various readership lists: Many publications will provide you with the readership lists if you advertise in their publications.
- Small Business Administration (SBA) Procurement Marketing and Access Network (Pro-Net) ([web.sba.gov/pro-net/search/dsp\\_dsbs.cfm](http://web.sba.gov/pro-net/search/dsp_dsbs.cfm))



# Additional Marketing Resources

*(Slide 2 of 2)*

- Publications
  - *Armed Forces Journal* (magazine, [armedforcesjournal.com/](http://armedforcesjournal.com/))
  - *Federal Times* (newsweekly, [federaltimes.com](http://federaltimes.com))
  - *Government Executive* (magazine, [mediakit.govexec.com/](http://mediakit.govexec.com/))
  - *GSA MarkeTips* (magazine, [gsa.gov](http://gsa.gov))
- Web Sites
  - *FirstGov* ([firstgov.gov](http://firstgov.gov))
  - *Federal Employment Statistics* ([opm.gov/feddata](http://opm.gov/feddata))
  - *Federal Gateway* ([fedgate.org](http://fedgate.org))
  - *Federal Telephone Directories* ([usa.gov/Contact/Directories.shtml](http://usa.gov/Contact/Directories.shtml))
  - *FedWorld* ([fedworld.gov](http://fedworld.gov))

The seal of the Federal Reserve System is visible in the top-left corner, featuring a central shield with scales of justice, a key, and a laurel wreath, surrounded by the text "FEDERAL RESERVE SYSTEM" and the year "1913".

# Key Takeaways from This Module

- Over 17,000 government contracting officers buy goods and services.
- Detailed targeting of the right opportunities will determine your success.
- Federal agencies are often required to publish their purchasing needs, so any business can go to a web site, such as Federal Business Opportunities (FBO), to see available contracts. This openness provides an advantage to small businesses.
- While it may be difficult to qualify for it, a GSA Schedule offers many benefits to small businesses.
- When the federal government buys, it knows the item it needs, but it does not know the process or type of business that makes the item.



# Sources and Citations

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- Government Procurement Services, *Government Marketing vs. Commercial Marketing*
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- San Diego News Network Marketing Technology, *Government vs. Commercial Customers*
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- Government Contracting Tips, *Why Do You Need to Market to the Government?*