Marketing to State Agencies

Marketing is the process or technique of promoting, selling, and distributing a product or service. Your marketing strategy to State Agencies may be different than your marketing strategy to others. This 5-Point Strategy provides resources to highlight your business as a “Ready, Willing and Able” HUB.

1. **Research**

Research is critical in marketing to state agencies that will enable a company to develop a tailored positioning statement. A positioning statement describes to your target customer the benefit of purchasing your product or service, and illustrates how your company stands out from the others in your field. Select several strong selling points to showcase when visiting with state agencies.

**Industry Analysis** - Understanding the industry you are in, the history of that industry, its current challenges and the potential for future growth are critical aspects of the marketing planning process.

**Market Analysis** - The more specifically you define your target market, the more effectively you can communicate your value to that market. Understanding the state government procurement processes will allow you to tailor your marketing efforts specifically to state purchasing needs.

- **The State of Texas Procurement Manual** is available online and offers a wealth of information to help vendors better understand the state of Texas purchasing process. [https://comptroller.texas.gov/purchasing/publications/procurement-manual.php](https://comptroller.texas.gov/purchasing/publications/procurement-manual.php)
- **HUB Report** - Twice a year state entities report their expenditures by specific category. Use the report to determine which entities might be the best matches for your products or services. [https://comptroller.texas.gov/purchasing/vendor/hub/reporting.php](https://comptroller.texas.gov/purchasing/vendor/hub/reporting.php)

**Competitive Analysis** - Competitive analysis is an exploration of the companies in a given industry sector or market niche that are competing for market share with your company’s products or services. One possible analysis may be an in-depth exploration of your top five competitors, or a simple product or service comparison of a larger number of competitors. Accessing the Centralized Master Bidders List (CMBL) to study competitor profiles is an easy way to acquire information.

- [https://comptroller.texas.gov/purchasing/vendor/cmbl/](https://comptroller.texas.gov/purchasing/vendor/cmbl/)

**Internal Analysis** - Know your company’s capabilities by performing a SWOT Analysis, which is a strategic planning method used to evaluate both internal and external factors affecting a project or business venture.

- **Strengths** refer to the assets of your company that need an **internal** analysis and should be market-oriented and customer-focused to meet customer needs.
- **Weaknesses** refer to any **internal** limitations your company may face in developing or implementing a strategy. Weaknesses should also be examined from a customer perspective because they may perceive weaknesses that a company cannot see.
- **Opportunities** are **external** chances to make greater sales or profits in a business environment.
- **Threats** are **external** elements in the business environment that could create difficulties for a business.

2. **Developing SMART Goals**

Your ultimate goal is to obtain a State contract and you may increase your chances by identifying SMART Goals.

- **Specific**: Specific goals allow you to focus and develop a structure for the successful sale of your product or service. A project outline is an excellent tool.
- **Measurable**: Setting intermediate deadlines or milestones to track your progress will assist you in maintaining focus and providing motivation as you complete them.
- **Attainable**: Goals must be attainable and realistic within the guidelines of the State’s procurement processes.
- **Relevant**: Your goals need to be relevant to the project! Goals for securing a private sector contract may be completely irrelevant to the State procurement processes.
- **Timely**: Your goals need to have a well-defined endpoint! In addition to keeping you motivated, State procurement is bound by deadlines. A missed deadline means a missed opportunity.

All of the above goals are interrelated and must be structured to State procurement processes. For example, setting a time frame for your milestones should guarantee that you meet a solicitation deadline.

3. **First Impressions: Indirect Contact**

   **Critical State Databases** - The CMBL is a database used by State of Texas purchasing agencies to develop a contact list for enrolled vendors to receive bids based on the products or services they can provide to the State.

   Each state agency shall make a good faith effort to utilize HUBs in contracts for construction, services (including professional and consulting services) and commodities purchases. The Statewide HUB Program provides HUB certification for minority and woman-owned businesses in the State of Texas. Vendors seeking certification as a HUB are required to submit a completed HUB certification application and supporting documentation, affirming under penalty of perjury that their business qualifies as a HUB. For information on how to register as a Texas Vendor, visit [https://comptroller.texas.gov/purchasing/vendor/registration/](https://comptroller.texas.gov/purchasing/vendor/registration/).

   Once you have registered, ensure that your company’s information is always current and includes the following: accurate email address, a list of purchasing class and item codes closest to the actual product or service you provide, and a clear, concise Business Description that highlights the benefits of doing business with your company.

4. **First Impressions: Direct Contact**

   HUB Coordinators are your individual contacts at State entities. They offer assistance and valuable guidance on their agency’s purchasing requirements and processes. For a list of HUB coordinators, see [www.window.state.tx.us/procurement/prog/hub/contactlist/](http://www.window.state.tx.us/procurement/prog/hub/contactlist/).

   Identify the agencies that purchase in your industry then contact the HUB Coordinators to learn more about their particular procurement processes. Here are some tips to ensure this meeting is productive:

   - Once you determine that their agency purchases your product or service, ask if they have a current contract for that product or service (if so, ask for the contract end date) or whether they purchase as the need arises (spot purchases).
   - Ask the agency the best way to introduce your company to their purchasers.
   - Attend Economic Opportunity Forums Events (EOF) to network and learn more about the state processes, at [http://www.txsmartbuy.com/eof/index.html](http://www.txsmartbuy.com/eof/index.html).

**Email tips**

- Clearly identify your company and your primary product or service
- Make sure that the content of your email is concise and error-free
- Attach a company capabilities statement so that it may easily be shared within the agency
- Select your contact carefully and limit the frequency of your emails

5. **Building Partnerships**

   - Some projects may be too large or too broad for your company and forging a partnership may be a way to win a contract.
   - When a state contract’s expected value is $100,000 or more, state agencies look for subcontracting opportunities.
   - Once HUB certified, your listing in the online Texas HUB Directory will make your business known as a potential subcontracting partner.
   - If opportunities are located, bidding vendors must submit a HUB Subcontracting Plan showing potential use of certified HUBs, visit [https://comptroller.texas.gov/purchasing/vendor/hub/forms.php](https://comptroller.texas.gov/purchasing/vendor/hub/forms.php).
   - We encourage you to use the strategies listed here to market your company to prime contractors.
   - Use all available opportunities to develop working relationships (workshops, seminars, business meetings).
   - Do not wait to network until after a solicitation is advertised.
   - Introduce your company to prime contractors now to familiarize them with your abilities and capabilities so that when an opportunity arises, the first name they think of will be yours!