

IS PITCHING TO PROCUREMENT REALLY THE BIG BAD WOLF WE MAKE IT OUT TO BE?

Many researchers think that pitching to clients who use procurement departments when buying research is going to be a more difficult, and tedious, process than if procurement were not part of the equation. Indeed when you ask researchers what they think about a procurement brief, typical words that come back are long-winded, time consuming, prescriptive and, unsurprisingly, price driven...If that wasn't enough, there is also the sense that procurement is stifling our ability to think about creative and innovative solutions to briefs because these ideas do not tick the right boxes when assessing proposals.

But is this a true reflection of the role procurement plays in research? At the BIG (Business Industry Group) Conference in Chepstow on May 23, BPRI's Eleanor Shaw presented a very convincing alternative view of procurement. Using insight gathered from several depth interviews with clients and procurement experts, Eleanor argued that procurement can actually be beneficial to both clients **and** agencies.

Central to her argument is the fact that clients are using procurement in increasingly high numbers, strongly suggesting that they find it (very) useful to their businesses. This is why research agencies need to embrace it fast if they wish to thrive in the modern research world. Clients themselves highlighted four advantages to professional procurement:

- **Helps achieve value for money:** by using a robust and well-executed procurement process, proposals are analysed based on specific objectives, and a number of pre-determined criteria. While price is clearly important, it is not the be all and end all (a strongly held perception of researchers):

"To be honest I was sceptical when I first used procurement to make these decisions, but I do see the value now. What the procurement team does is ...make us focus on our objective and analyse, relatively scientifically, which agency deliverable will achieve it. Yes we look at the question "can we afford them," but it's not about choosing the cheapest unless they answer that central question." Marketing Manager, UK Corporate

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- **Corporate Security:** by asking suppliers to provide details of accounts and other corporate policies, clients are ensuring that the company is stable and in good financial shape. They need to rely on the agency to finish the work which is especially important when dealing with new and smaller suppliers.
- **Transparency:** because the decision about which supplier to use has been conducted by a formal and open process, it is much easier for clients to justify their decision to all tendering parties.
- **Encourages competition:** by opening up the process clients are exposed to a variety of offers rather than just approaching who they know, this obviously also benefits suppliers.

Eleanor then went on to argue that even more motivating than the fact that procurement is here to stay are the strong business benefits to agencies:

- **A level playing field:** procurement introduces a rational process to the decision about which agency to appoint, taking it beyond the personal 'gut feel' of the marketing team. All pitching agencies have an equal chance because they are responding to the same set of requirements and being assessed against the same criteria. Procurement also protects an agency from one of its biggest threats – when a relationship with a client is tied too closely to an individual. If and when that individual moves on, the agency's relationship is threatened by their absence, but also the possibility of a new entrant with his or her own favourite/s.
- **Realistic creativity:** if it is clear about what is required and what budgets are available then proposals must stick within these parameters when designing the programme. Researchers have to think very hard about what is being proposed and to innovate and think creatively if the standard or obvious solution does not fit. For example, how long does this questionnaire really need to be? Have we really thought about how we are defining our sample – is the key

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decision maker in this equation the CFO or can a (cheaper) member of his team respond as accurately? Arguably procurement actually encourages us to think and innovate more than we might if given a free rein – when ‘being creative for creativity’s sake’ can be an expensive and irrelevant temptation.

- **Helping suppliers build their contacts and opportunities within other areas of a business:** It is well known that marketing teams often work in silos, focused on their area and their research needs. Procurement teams, on the other hand, work across business units and often have wide networks of connections within the organisation. They can therefore share examples of best practice and spot opportunities for introductions.

Having argued the benefits from both sides Eleanor concluded that procurement is a fact of life and not necessarily the big bad wolf ready to eat us up that research agencies sometimes make it out to be. In fact, where it is professionally executed, it is Grandma - wise and experienced, well-intentioned and someone to respect. Agencies must start to work with procurement departments and client marketing teams to understand their needs and motivations for introducing the procurement process. The end aim should be to create a process which can benefit all parties.