

# APTAC Body of Knowledge Competency Guide

## C. Basics of Contracting with Government Entities

### C.21 Marketing to Government Agencies

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#### **Description:**

The American Marketing Association defines marketing as “the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.”<sup>1</sup> The government has very clear rules and regulations on how government officials may or may not interact with industry throughout the acquisition process.<sup>2, 3</sup> These rules are intended to maintain the integrity of the government’s acquisition processes, improve the understanding of government requirements and industry capabilities, and to ensure all potential offerors are treated fairly. However, there are few industry focused guidelines for businesses to follow on how to market their goods and services to the government buyer. This BoK topic will offer insight on how to effectively market products and services to federal, state and local government agencies.

**Learning Objectives:** With the background information and resources listed in this BoK topic, the PTAC Advisor will be able to help businesses customize a marketing plan for government contracting that highlights the company’s strengths and meets the needs of their targeted government customer(s).

#### **Discussion & Insights:**

It is widely accepted in government that “access to current market information is critical for agency program managers as they define requirements and for contracting officers as they develop acquisition strategies and seek opportunities for small businesses. The government’s industry partners are often the best source of this information, so productive interactions between federal agencies and industry partners should be encouraged to ensure that the government clearly understands the marketplace and can award a contract for an effective solution at a reasonable price.”<sup>4</sup> However some government agencies do not take advantage of the broad range of opportunities for vendor communication<sup>3</sup> for fear of protests or fear of making an unauthorized commitment. Similarly, some government contractors may be concerned that talking with an agency may create an organizational conflict of interest that would preclude the company from participating in future contract opportunities.<sup>4</sup>

Since there are many misconceptions concerning the allowability of communications between the government and industry, government procurement counselors should become familiar with how the government conducts market research under FAR Part 10 and how to dispel common communications misconceptions outlined in the following three Office of Federal Procurement Policy (OFPP) Myth-Busting Memorandums.

[“Myth-Busting”: Addressing Misconceptions to Improve Communication with Industry during the Acquisition Process](#), February 2, 2011

[“Myth-Busting 2”: Addressing Misconceptions and Further Improving Communication during the Acquisition Process](#), May 7, 2012

[“Myth-busting 3” Further Improving Industry Communication with Effective Debriefings](#), January 5, 2017

It is important for counselors and PTAC clients to understand that the government buys virtually everything, but not every government agency or prime contractor buys everything. The counselor needs to help the business determine who buys what they sell. Before marketing their products and/or services, the vendor will need to develop a marketing plan that identifies potential customers, as well as those customers' specific needs, challenges, and preferred way of doing business. These types of business intelligence can be found in current solicitations in [FBO.Gov](#) and other solicitation portals, [agency recurring acquisition forecasts](#), historical contract award data in [Federal Procurement Data System - Next Generation](#) and [USASpending.Gov](#), bid match results, and via discussions with agency contracting officers, end users, and [small business specialists](#).

One of a PTAC counselor's most important roles is to assess a client's potential for government contracting. It is important for the business owner to also understand their limitations and "differentiators", (what makes them different from their competitors) and know how their differentiators benefit the targeted agency. To increase their likelihood of success, the business should relate their key differentiators to the specific needs of the targeted agency, prime contractor, or teaming partner. In the event the business does not have all of the requisite capabilities or capacity to successfully compete for prime contract opportunities, the counselor should consider referring the business to an SBA Small Business Development Center (SBDC), Service Core of Retired Executives (SCORE) or other business resource, and/or recommend they consider subcontracting and teaming to overcome any noted capability or competitive shortfalls.

Marketing should be an ongoing activity and the business needs to take advantage of every potential "touch" point with a government decision maker, such as correctly registering in the [Federal System for Award Management \(SAM.Gov\)](#). This entails making the correct assertions and representations and including current points of contact and website addresses. Additionally, it is important to list the applicable [North American Industrial Classification Codes](#), [Product Service Codes \(PSCs\)](#) and [Federal Supply Codes \(FSCs\)](#) related to the company's business capabilities. However, procurement counselors should warn companies that they may lose credibility with government buyers if they use a social security number as their tax identification number (TIN) for their sole proprietorship or if they list a large number of disparate business codes. If the latter should occur, some government officials could conclude the business has no core business capabilities or may be merely a "non-valued added pass-through" business.

In addition to having a complete and accurate registration in SAM, small business clients need to complete their small business profile in the SBA's [Dynamic Small Business Search \(DSBS\) Database](#). A complete DSBS profile should include, among other components, a capabilities narrative, key words related to the company's products and/or services, current contact information, website, and past performance information. The DSBS database is used by federal agencies to locate capable small businesses and, along with sources sought notices, facilitate small business set-aside determinations. Large prime contractors use the DSBS database to locate small business subcontractors and suppliers and meet their small business subcontracting and/or small business participation plan requirements.

Responding to open solicitations on FBO.Gov and other federal, state and local government solicitation portals is one way to pursue government contracting opportunities. However this is a reactive approach that requires the business to fully understand the government's requirement and demonstrate in their proposal or quote that they have the requisite capability and experience to successfully complete it. That task is often daunting if the business has had little to no interaction with the government customer. In addition to responding to open government solicitations, it is recommended that businesses conduct proactive marketing to better understand the government's needs, develop customer focused solutions,

and potentially influence the government's acquisition strategy.<sup>7</sup> The following provides some of the typical forums and media for industry to interact with government decision makers:

- (1) One-on-one meetings with government officials
- (2) Capabilities briefings and statements
- (3) Submission of White Papers
- (4) Product demonstrations
- (5) [Product Opportunity Showcases & Direct Access Programs](#)
- (6) Industry association meetings and trade shows
- (7) Industry Days where the government describes its requirements
- (8) [Reverse Industry Days where the government seeks feedback from industry](#)
- (9) Matchmaking events
- (10) [Sources Sought Notices](#)
- (11) Requests for Information (RFIs)
- (12) Draft Request for Proposals (RFPs)
- (13) Preproposal conferences
- (14) Mandatory site walk-throughs
- (15) Asking questions during the solicitation's open Q&A period
- (16) Post award debriefs<sup>6, 8</sup>
- (17) Post award orientation conferences
- (18) [Acquisition 360 Feedback](#)

One common mistake made by businesses is that they use a one-size fits all marketing approach versus developing tailored, customer focused capability statements, white papers, business cards, emails, social media posts, and elevator pitches. The business should have separate business cards if they are marketing to federal agencies and state governments. The state decision maker doesn't care about the company's Commercial and Government Entity Code (CAGE), federal small business certifications, and NAICS codes if the state doesn't use those business certifications or codes. The same holds true for the company's Capability Statement. It is best to develop a generic capability statement and then tailor it to highlight the targeted customer's requirements. The company's core competencies, differentiators, and past performance should demonstrate the company's capabilities and prior relevant experience to meet the targeted agency's specific needs. The careless use of a generic capabilities statement or imprecise

terminology may send the wrong message that the business does not understand the agency's mission and challenges.

*White Papers* are useful for businesses that have an innovative product or solution that is not currently being sought by government entities. As a marketing tool, white papers use selected facts and logical arguments to build a case that the company's technology is superior to the agency's existing product, service, or approach. It is important that the company's white paper demonstrates knowledge of the agency's mission, current challenges, and priorities. To garner a government decision maker's attention, the white paper should demonstrate specific benefits and improvements that are valued by the agency. For example, the company's technical solution could provide an order of magnitude improvement in performance, reliability, and maintainability over existing products or provide a significant reduction in energy usage and/or total ownership costs. The key is to tailor the white paper's focus on the customer's current hot button issues.

When conducting market research, government officials will often review company websites to determine the availability of industry product and service offerings. As such, the vendor's website is a critical area of exposure. It must be easily found, up to date, professional and government-friendly. Many successful government contractors include a government tab on their website that includes the company's capability statement, named points of contact, DUNS number, CAGE Code, socio-economic certifications (and logos), NAICS and PSC/FSC codes, past performance, prior and current government customers, testimonials, and links to their government contract vehicles. Some successful Small Business Innovative Research (SBIR) Program and SBA 8(a) Business Development Program participants even include information on how to legally award a sole source contract to their company under those government programs.

OFPP's first Myth-Busting memorandum noted that all methods of communication that are not prohibited by law, regulation, or statute should be considered if it would help improve the acquisition process and outcomes. However, OFPP recognized that contracting officers, program managers, and other acquisition officials should exercise appropriate discretion to balance the practical limitations of frequent vendor engagement—including the demand such engagement places on the time of the acquisition workforce—with the need to better understand the market and make decisions in the best interest of the government.<sup>4</sup> Before meeting with government officials, businesses should learn as much as possible about the agency's mission, requirements, and contracting methods. One way to lose credibility is to ask questions that are readily available on the agency's website and tab titled "How to Do Business" with that agency. When meeting with a government official, the business should be brief, courteous, and to the point. It is especially important to adhere to any pre-established meeting agenda and time limits, unless the government official decides to extend the meeting.

In summary, the procurement counselor can add tremendous value to a client by assessing the business's potential for government contracting, core competencies, and differentiators. Once those preliminary steps are accomplished, the counselor can help the company develop a targeted marketing plan that includes the identification of potential government customers, tailored capabilities statements and other print and electronic marketing materials, and tips on how to successfully market their products and/or services to government agencies.

### **Counselor Tips**

One of the main reasons businesses are not successful in government contracting is that they do not invest the time, money, and resources to learn about the customer's mission, challenges, and needs. Typically,

these businesses provide generic versus customer focused capabilities statements, have not established any relationships with the agency, and cannot articulate how their product/service adds value and/or solves an agency's problem. Additionally, some of these businesses fail to recognize that marketing is a core business function that requires continual investment and persistence. There are no shortcuts in government contracting. Counselors should advise their clients that depending upon the government's contracting method, it may take over a year to win their first government prime contract or subcontract.

Many businesses make the mistake of leading their marketing pitch with their small business certifications and the specific products and/or services they sell. That approach is unlikely to lead to call backs from government decision makers and large prime contractors. Instead, procurement counselors might suggest the following approach recommended by Joshua Frank, RSM Federal, to demonstrate the client's value within the first 45 seconds of a meeting or phone call.

*"We are in the business of streamlining and consolidating information and data across multiple geographically dispersed networks to increase the visibility, accuracy, and speed of access across the enterprise. On average, we save our clients 30% in operational expenses and more than a 45% savings in data integrity and database maintenance costs.*

*We have provided these benefits to Monsanto, Blue Cross, and the US Army Corps of Engineers.*

*Like most companies in our space, our website and marketing collateral list half a dozen products / services, but we have two core competencies that provide the most value to our customers, product or service A and B.*

*We've spoken with the government PM at Fort Bragg and believe that based on those discussions that teaming with your company would be beneficial to both our companies".<sup>9</sup>*

Counselors should advise their clients that government contracting officers and small business representatives do not generate agency requirements. Contracting officers conduct acquisition planning and develop acquisition strategies to acquire goods and services. Government end users, program managers, functional competency team leaders, public works directors, item managers, and DoD warfighters generate requirements. As such, your clients should focus the majority of their marketing efforts on those program decision makers, "owners", and requirements generators.

Just because a client can sell a product or deliver a service doesn't mean that they will be competitive in all government markets and under all government acquisition strategies. The client should determine the government solicitation's basis of award and evaluate if they can compete on a lowest price technically acceptable (LPTA) or best value tradeoff basis. If the business cannot compete on price, they will need to market their value proposition and select government opportunities that allow the agency to trade off price for better value, service, past performance, lower risk, etc. Conversely, if your client can compete on price and price related factors, they may want to target agencies that historically awards contracts to the lowest priced, technically acceptable offeror.

## **Courses/Resources**

Miller, R.D. and Gildea, C. (2013) [Capturing Federal Business for Dummies](#) (Deltek Special Edition), Hoboken NJ, John Wiley & Sons

Braddock Communications Inc., Stern, J.L., Arnold, P.A., Stern, B.A., and Stern, C.C. (2013), [Braddock's Procurement Opportunities Guide 2013](#) - An Entrepreneur's Guide to Selling to Governments and Corporations, Herndon VA, Braddock Communications Inc. and Jason L. Stern

Joshua Frank presentation "[How To Engage and Position During Government Prospect Meetings](#)" on [Govology](#) (APTAC BoK C.21 0.5 ATC)

Carroll Bernard presentation "[How to Communicate and Build Relationships with Government Agencies](#)" on [Govology](#) (APTAC BoK C.21 0.75 ATC)

Carroll Bernard presentation "[Marketing Your Small Business to Government Agencies and Prime Contractors](#)" on [Govology](#) (APTAC BoK C.21 0.75 ATC)

Federal Acquisition Institute (FAI) [Lifting the Curtain: Debriefings](#), FAI Continuous Learning Module (Video) Courses on Communications with Industry

### **APTAC Related Material**

Gloria Larkin, TargetGov, presentation [Conf F13 - The Three Types of Capabilities Statements Defined: A Marketing Tool, Required in Sources Sought Notices and RFP Responses](#), November 12, 2013

Gloria Larkin, TargetGov, "[Capability Statement Template](#)"

Steve Spilker, Carroll Bernard, James Rivera, Oregon PTAC, presentation "[Marketing your GSA FSS Contract](#)", September 14, 2014

Gloria Larkin, TargetGov, presentation "[Conf F14 - Effective Contractor Marketing Strategies](#)", November 10, 2014

Mark Amtower, Washington Technology, "[Small businesses need to stand out. Here's how](#)", February 17, 2017

Gloria Larkin, TargetGov, presentation "[Conf F14 - Faster-Better-Cheaper Contractor Marketing Strategies and Tactics](#)", November 10, 2014

Joshua Frank, RSM Federal, presentation "[Conf S16 - Advanced Team Strategies to Accelerate Small Business Government Revenue](#)", April 11, 2016

Jeff Cuskey, TechLink Montana State University presentation "[Conf S15 - How to Create a Competitive Advantage via a Sources Sought Response](#)" March 16, 2015

Chuck Schadl, Georgia Tech PTAC, [Preparing for Matchmaking Events and other Government Expos, Government Matchmaking Events and Expos – They are what you make them](#)

Gloria Larkin, TargetGov, presentation [Conf S16 - After the RFP – Win or Lose: Listing a Post Award Debrief as a Marketing Tactic](#), April 10, 2016

## References

- <sup>1</sup> Definition of “Marketing”: <https://www.ama.org/AboutAMA/Pages/Definition-of-Marketing.aspx>
- <sup>2</sup> FAR 15.201 -- Exchanges with Industry before Receipt of Proposals.
- <sup>3</sup> FAR 10.002(b)(2) Techniques for conducting market research
- <sup>4</sup> [“Myth-Busting”: Addressing Misconceptions to Improve Communication with Industry during the Acquisition Process](#), February 2, 2011
- <sup>5</sup> [“Myth-Busting 2”: Addressing Misconceptions and Further Improving Communication during the Acquisition Process](#), May 7, 2012
- <sup>6</sup> [“Myth-busting 3” Further Improving Industry Communication with Effective Debriefings](#), January 5, 2017
- <sup>7</sup> Jeff Cuskey Presentation [Conf S15 - How to Create a Competitive Advantage via a Sources Sought Response](#), March 16, 2015
- <sup>8</sup> FAR 15.506 -- Postaward Debriefing of Offerors
- <sup>9</sup> Joshua Frank, RSM Federal, presentation [“Conf S16 - Advanced Team Strategies to Accelerate Small Business Government Revenue”](#), April 11, 2016

## Keywords

Marketing, customers, target, capture, tailored, capabilities, differentiators, value-added, customer-focused, template, relationships, end-user, selling, competitive, advantages, niche, unique, solutions, past performance, competencies, references, teammates, attributes, products, services, decision-makers, owners, innovations, best value, value, research, buyers, communication, audience, expertise, risk-mitigation, capacity, relevance, experience, satisfaction, referrals, outreach, matchmaking, advertising, brochures, line-cards, follow-up, elevator pitch, benefits, testimonials, social media, email, metrics, case studies, demonstrations, results-oriented, certifications, branding, quotes, news articles, purchase vehicles, credit cards, relationship-building, influencing, persuasion