

# Taking



WOULD YOU FLIP A COIN TO DETERMINE which doctor should operate? Elect your pension plan by heads or tails? Toss a coin to select your CMO? Flip to pick your marketing partner?

The goal of an effective Request for Proposal is to identify the correct partners among many good options. When managed correctly, the process provides an even playing field, a chance to meet new players and to compare the strengths of current partners.

## **BEST INTENTIONS GONE WRONG.**

A national service company tossed a coin to decide their promotional product supplier. Their Request for Proposal didn't provide the answers they needed because it didn't ask the correct questions. Nor had they looked at the best suppliers to meet their criteria.

In this true story of coin flipping, the company began with an accepted business practice. Sadly they didn't understand the worth of merchandise branded with their logo. Viewing it as a commodity, the decision committee focused on cost and neglected value.

They flipped a coin that first year. And for three successive years repeated the RFP process. Even more dismaying than the lost years, wasted time, energy, and money is lost opportunity. Marketing programs that use branded merchandise effectively realize return on investment. Finding that savvy partner can contribute to the corporate bottom line.

# Care of Business

Capture both quality and price with  
branded merchandise RFPs

BY: MARSHA LONDE

## **BUILD A BETTER RFP.**

Whenever you imprint your logo, you are creating an association between your brand and that item. Marketing dollars are wasted if you simply add logo goods to the budget without planning how they will work for you.

Are you looking for price or performance? Some buyers feel “a pen is a pen” with price the only consideration. Would marketing consider paying for empty air time or a blank page? Of course not! To give a client a pen that doesn’t create the right brand impression is worse than using one minus a logo!

Branded merchandise is a specialized category and won’t fit into a standard comparison template. A strong RFP can align marketing’s plans with purchasing objectives. But first both departments must clarify needs, expectations, and deliverables. Craft a robust document and you can have it all: branded merchandise with impact, suppliers with innovative approaches, excellent customer service, and definitely the right price.

Form a committee of stakeholders with a strong leader. Start the process with an internal assessment. How many suppliers are you currently using?

What’s the total annual spend across all? Identify the buyers across your organization and confirm their reasons for purchasing. Do their purchases support the brand image? Are you satisfied with current return on investment?

Define the purpose of the RFP. Could you streamline and simplify with fewer suppliers? Of course you’re interested in better pricing. But analyze the quality of ideas, service, and technology you are currently receiving. Assess what needs are - and are not - being met. Address a myriad of factors, including supplier reliability, creativity, consistency, flexibility, personnel, warehousing, technology, location, and presentation.

Include your needs for Award and Recognition programs and upscale client gifts. Examine existing programs from Years of Service to safety, events, trade shows, and corporate functions. To be effective, the award, reward, gift, invitation or teaser must mean something to the recipient. Consider how, and if, your current programs are successful.

Use the results of your assessment to craft questions that address the core qualifications your supplier partner must have. What figure did you determine as your annual spend? How much of that volume is drop

ship? And what amount is on-line catalog? Does your recognition program need updating?

Exactly why are you going through this process? When participants understand your goals, they can match your priorities with their capabilities. A well-prepared RFP will elicit responses that can be compared and evaluated.

### DO YOUR HOMEWORK.

Your committee should include a member with industry-specific knowledge to assess responses, especially the complex market basket. Pricing dozens of items won't guarantee a definitive comparison, just a cumbersome one. Include fewer products but with the right detail for accurate costing. Even the most experienced corporations realize too late that they've no way to evaluate because the RFP pricing is apples and oranges. Yes, we could name names!

Preliminary research will identify the strongest mix of potential suppliers. Of the 20,000 promotional product distributors, whom will you invite to participate? If you focus on the "big guys", will you miss a convenient and innovative source in your own neighborhood? Could this be an opportunity for a diversified supplier relationship?

### CREATE A REALISTIC TIME-TABLE.

You've invested weeks of time and energy into preparing this RFP. If you want thoughtful responses that speak to your requests and needs, allow a sufficient interval for the responses. A realistic period is a minimum of two, but preferably three, full work weeks. Avoid deadlines around holidays. Not only is the supplier short staffed, with possible critical decision makers and resources unavailable, but also the factories that provide the base pricing may be closed!

### AVOID COMMON SEARCH MISTAKES.

To obtain productive answers, state the criteria defined in your needs assessment. Position your customer service and technology requirements. Create an effective market basket. Equally important, know what responses you're seeking, and build an objective format for evaluation.

Will you look to your future partner for creative experience or marketing strategies? Which style best fits your needs...an order taker who responds specifically to direct requests; or an order maker, a tactical thinker who brings recommendations to you? There's no wrong answer; just a clear focus to source the right match.

As part of the RFP process, invite the final contenders to your office for a presentation. Meet your prospective team to ensure connection and chemistry before inking the contract. A return visit to the finalists' locations provides another layer of insight, a chance to experience their energy, creative and otherwise.

### DO YOU REALLY WANT TO MANAGE THE PROCESS?

It's possible to spend hundreds of man-hours over the course of months conducting an RFP. This is all in addi-



*Courtesy of Tango Partners*

*LEFT TO RIGHT: Danon Middleton (green top); Marsha Londe (middle, dark hair); Leigh Canavan (blue top)*

tion to normal job duties and responsibilities! Marketing departments already have a full agenda without enough hands or hours to make the many projects happen.

Does your team have the time and resources to accomplish a successful RFP? Rarely does a company have in-house staff with industry expertise. Do you now use outside experts for other functions, such as placement? Would outsourcing the RFP process free you to focus on primary business?

### CHECK CATEGORY EXPERTISE.

Proficiency in RFPs does not translate to experience with promotional products. Interview your outsource companies to learn who on their team is the industry expert. How many RFPs have they conducted for imprinted goods? Do they know which companies to include, and what is their familiarity with the market basket process? Some procurement companies, recognizing their lack of clear-cut industry information, will partner with a promotional product authority for this category.

Ensure the success of your process by working with a firm that can deliver expert advice, resources, and evaluation capabilities. Don't be tempted only by procurement agencies that focus first on their bidding skills. Lowest bid does not equal best value or determine a positive partner. Marketing's goals are rewarded by the best combination of creativity, product, service, and price.

### PRICING VERSUS QUALITY

Pricing is a sensitive subject. And an important one. But there are more ways to save money than "cheapest price." If a pen is just a pen, simply a commodity, bid away! Purchasing by price won't be a bargain if half the pens don't write or are pitched because of cut-rate perception. A business can't recoup that misspent dollar or the lost marketing opportunity.

Promotional merchandise should compliment overall marketing strategy. Logo product is the vehicle, like print or media, which conveys your message. Trade magazines, both in print and on-line, bemoan the decline of traditional advertising. National TV watchers have become adept at missing advertising's

message. On-line has changed the sophistication level of targeting an audience.

But while other advertising forms are struggling, sales of branded merchandise top over \$18 billion. For fully integrated marketing opportunities, incorporate logo product with media, print, direct mail, Internet, and targeted programs to reach and influence the recipient. Make your marketing dollars perform!

Select your imprinted product by how it supports the brand message and affects the end user. Perhaps a "pen" isn't even the right choice. A good supplier will have a philosophy similar to creative agencies to evaluate the "who/what/when/where/how much" that's critical to effective branding and that all-important investment return.

Design your RFP to capture the creative contributions and expertise of qualified suppliers who deliver promotional strategies. A collaborator that demonstrates insight into your brand and audience can mean more bang for fewer bucks. Price is a common denominator. Rather than reduce your marketing - and your marketing partner - to the lowest common denominator, explore capabilities that separate, areas where this supplier is NOT "common".

You can have it all!

Requests for Proposals are instrumental in identifying

viable supplier consultants that care about your return on investment. Every RFP should and can deliver bottom line cost-savings through effective economies, service, and processes. Choose a partner who can think creatively with you in building and protecting your brand identity. When managed properly, a marketing RFP will generate responses that allow you to have it all - great ideas, cost savings, service, and value.

### **AND YOU WON'T HAVE TO FLIP A COIN.**

Tango Partners manages the RFP process and cost reduction for companies that purchase significant quantities of logo merchandise. Headquartered in Atlanta, GA, Tango was formed by pioneers in the promotional product industry and is led by innovators in the use of branded product. More information is available at the company website, [www.tangopartners.net](http://www.tangopartners.net), e-mail [solutions@tangopartners.net](mailto:solutions@tangopartners.net) or at 404-846-1900 •

*In Marsha Londe's 25 year industry career, she has earned 23 Pyramid awards for the creative use of product to drive results and was twice named salesperson of the year. Three of her clients were recognized by the industry as "Buyer of the Year", a reflection of how the effective use of promotional product helped them achieve program goals.*