

Expanding Your Business into the Federal Marketplace

The federal marketplace is significantly different than the commercial marketplace. To be successful selling to the federal government, businesses must understand these critical differences and adjust their sales and marketing approaches accordingly.

The federal government has a social agenda in addition to desiring to get the best price and quality. Understanding and working within the regulations of that social agenda are important for businesses of all sizes that wish to prosper in the federal sector.

The government procures through a variety of contract vehicles, conducts market research and issues public Requests for Proposals. Expanding into the federal marketplace requires not just an understanding of the mechanics of these activities, but the reasons, rules and decision making processes that dictate or are a result of those activities.

Government decision makers are generally risk averse, but are required to innovate to help the government reduce expenses. This seems like an oxymoron: no risk innovation. But understanding the regulations that shape procurement decision making as well as the pressures on government employees to do more with less is the key to success for most commercial vendors.

And the government's emphasis on open source software and first seeking to acquire commercial products (rather than developing custom products) to meet their needs, opens many more doors to new vendors than in previous years.

Unlike the commercial market, detailed information on any procurement over \$3,000 must be reported by all federal agencies to the Federal Procurement Data System ([https://www.fpds.gov/fpdsng cms/index.php/en/](https://www.fpds.gov/fpdsng/cms/index.php/en/)). This data can be sliced and diced, analyzed and evaluated to find agency buying trends, contractor data, contract value, start and end dates, contract vehicle information and a myriad other data points including the names and contact information of contracting officers.

Therefore, best practices of companies that have successfully entered and grown in the federal marketplace, include the following:

1. Understand the mechanics, regulations, strategic plans, contract vehicles, prime contractors and other aspects of the procurement ecosystems at target agencies.

2. Access public information to analyze previous and forecasted agency procurements to develop and execute well informed business development strategies.
3. Form profitable, productive, trusted teaming partnerships with other firms (large and small) that meet the social and innovation goals of the agencies you are targeting.
4. Leverage the federal government's requirement to conduct market research prior to issuing a solicitation to learn agencies' pain points and to discuss innovative solutions with decision makers.
5. Develop a marketing communications program that addresses the unique culture of the federal agencies you are targeting. Thoroughly understand their needs, use government lingo, validate assertions with quantitative data, emphasize past performances, become a thought leader in your industry, list contract vehicles, achievements and your DUNS number prominently on your website and in collateral materials, attend agency events, clearly differentiate your product and service offerings, and understand the strengths of your competition.

Companies with commercial experience are usually looked upon favorably by government decision makers. They assume you are bringing a unique perspective, cost awareness and perhaps innovative ideas that worked in the private sector that can be adapted to the federal government's needs. Use this to grab their attention and educate them on how your successes in the commercial market can indeed help them achieve their mission better, cheaper and faster.

Shirley Collier, President of Scale2Market, LLC is a serial entrepreneur with over 30 years of experience in innovation, technology, strategic planning and growing businesses in the federal marketplace. She has helped companies win over \$50m in contracts over the last 3 years.

She can be reached at: SCollier@Scale2Market.com; 410-489-9129

For more information, visit our website: www.scale2market.com