

# Modern Market Research

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Supplier Identification

Cost Savings and  
Justifying Supplier Pricing

Risk Mitigation

Stakeholder Relationship  
Building

Category Knowledge and  
Business Acumen

**So, Why  
Market  
Research?**

# And When?

EARLY and  
OFTEN!

When you need  
more  
information.

Before searching  
for supplier.

Before finalizing  
contract  
requirements.

Before writing  
any contracts.

# Intended Outcomes



DEFINITION OF  
FUNCTIONAL  
REQUIREMENTS



CREATION OF FINAL  
CONTRACT DETAILS



IDENTIFICATION OF  
CAPACITY OF THE  
RELEVANT SUPPLIER POOL



DOCUMENT EVERYTHING!

**But we've always done it this way!**

Same old  
thinking...



Same old  
results

# Primary Market Research

Research that you conduct yourself, rather than information you find already published. This may result in you having direct contact with your customers and/or public. A few examples may be:

- End-users
- Suppliers
- Your community
- Customers, potential customers, end-users, and suppliers.
- Examples: Interview, questionnaire, survey, focus group.



# Secondary Market Research

Information that comes from secondary sources that are already published and available. This information is out in the open. Some examples are:

- A firm's financial reports
- Professional, published journals
- Existing contracts (statewide, cooperative, etc.)
- Online research tools like ProcurementIQ and GovWin

# Internal vs. External

- Before requirements are written.
  - Understand the buying organization's mission.
  - Identify the goal of the project.
  - Determination of stakeholders.
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- After definition of requirements.
  - Addresses questions/concerns to better understand the capabilities and limitations of the marketplace.
  - To determine the best method to obtain the required goods/services.



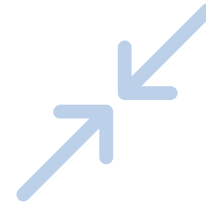
# Challenges



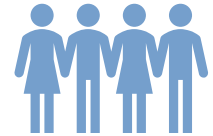
TIME



RETIREMENT AND LOSS OF  
INTERNAL SMES



RESISTANCE TO CHANGE



COMMITMENT OF  
PARTICIPANTS IN INTERNAL  
AND EXTERNAL  
COMMUNITIES



# Focus Group

- Supplier input is needed to ensure compliance
- Cross representative group is needed

## **Scenario:**

A new payroll system is being considered for State government employees.

You need to gather input from internal departments as well as potential suppliers to identify potential impacts.



# Interview

- Open-ended questions
- Conducted via phone, in person, or online

## Scenario:

Your city has been receiving traffic complaints concerning a certain stretch of road.

Residents are asking for a traffic light to be installed, while others are concerned that a light will cause that spot to become even more congested.

Before the project can be competitively bid, you need more information about possible effective solutions.



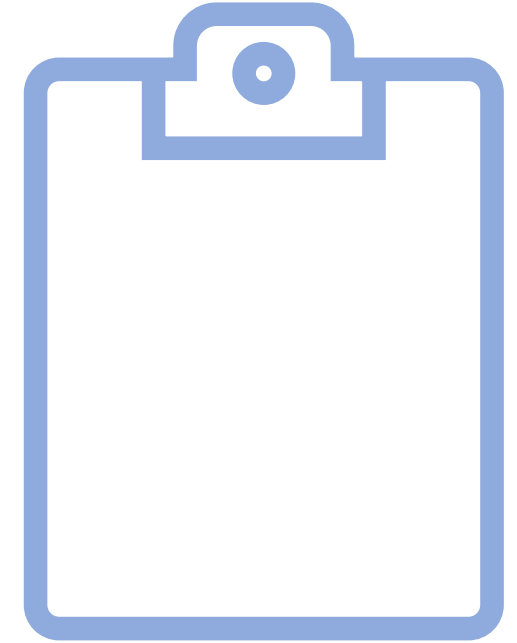
# Survey or Questionnaire

**Survey:** typically used when feedback on products or services is needed from the marketplace to determine if there is interest in for the procurement and what specifications need to be developed.

**Questionnaires:** useful when more in-depth questions need to be asked of a large group of people, and/or when you need more understanding of a potential political impact.

**Survey:** Digital mailing systems have been purchased by a few agencies recently. You need to gather input to identify whether there is enough interest to develop a statewide contract.

**Questionnaire:** The Office of Technology has identified the need for a new Enterprise Resource Planning (ERP) system. You need to identify needs of the end users as well as what the market is capable of providing.



# Exercise:

- Who are the stakeholders?
- What's the timeline?
  - Potential challenges
- Develop a plan
  - Internal research
  - External research



# Market Research helps:

- Facilitate better decision making
- Cost savings
- Innovative opportunities
- Improve supplier management
- Risk mitigation
- Enhance end-user relationship!



# NASPO ~ PROCUREMENT U

- **Intro to Market Research:**



# NASPO ~ PROCUREMENT U

- **Market Research Strategies:**





# Questions?

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