

# Market Research: A Best Practices Guide for Government Procurement Practitioners

## Common Government Procurement Stages

Business Analysis	Alternatives	Solution	Project Readiness
<ul style="list-style-type: none"> <li>● Identify Problem/ Opportunity</li> <li>● Establish Business Case</li> <li>● Identify Business Sponsorship &amp; Stakeholders</li> <li>● Ensure Business &amp; Strategic Alignment</li> <li>● Assess Existing Data Governance &amp; Data</li> <li>● Criticality Assessment</li> <li>● Determine Funding</li> <li>● Reportability Assessment</li> <li>● Assess Organizational Readiness</li> </ul>	<ul style="list-style-type: none"> <li>● Assess Existing Business Processes</li> <li>● Business Complexity Assessment</li> <li>● <b>Market Research</b></li> <li>● Request for Information</li> <li>● Vendor Demonstration</li> <li>● Mid-Level Solution Requirements</li> <li>● Identify Alternative Solutions</li> <li>● Recommend Solution</li> <li>● Procurement &amp; Staffing Strategy</li> <li>● Project Timeline</li> </ul>	<ul style="list-style-type: none"> <li>● Procurement Profile</li> <li>● Detailed Solution Requirements</li> <li>● Statement of Work</li> <li>● Risk Assessment &amp; Dependencies</li> <li>● Administrative Compliance Checklist</li> <li>● Solicitation Package &amp; Evaluation Readiness</li> <li>● Project Management Planning</li> <li>● Staffing Allocation</li> <li>● Final Solicitation Package Submission</li> </ul>	<ul style="list-style-type: none"> <li>● Preliminary Assessment</li> <li>● Solicitation Release</li> <li>● Select Vendor</li> <li>● Contract Management Readiness</li> <li>● Organizational Readiness</li> <li>● Project Readiness</li> <li>● Baseline Requirements, Cost, and Schedule</li> <li>● Additional Project Management Planning</li> <li>● Risk Register</li> <li>● Department of Finance/ Legislative Approval</li> </ul>

Everyone is a consumer. People buy all kinds of stuff in their everyday lives. And while we may be free to act on a whim and impulse-buy that new laptop we've been coveting, when you are acting as a government official you cannot make decisions on a whim. There are several rules, regulations, precedents, and processes that are put in place, so each decision is made carefully and methodically. They must take into account different considerations when acting as stewards of taxpayer dollars. Agency staff need to consider themselves as buying on behalf of the taxpayer, and therefore must conduct rigorous research across multiple sources to gather enough of the right information to make the right decisions.

Buying on behalf of the taxpayer

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Obviously, much research is needed when purchasing products on behalf of the tax payer. The purchase is expensive, it is likely that the product being purchased will be in use for multiple years if not a decade or longer, and how the product works (or doesn't) could affect the lives of millions of people.

This is where Market Research comes in.

Market research should always seek to answer the question “why?” Why are we buying what we are buying? Why are we proposing to buy it this way?

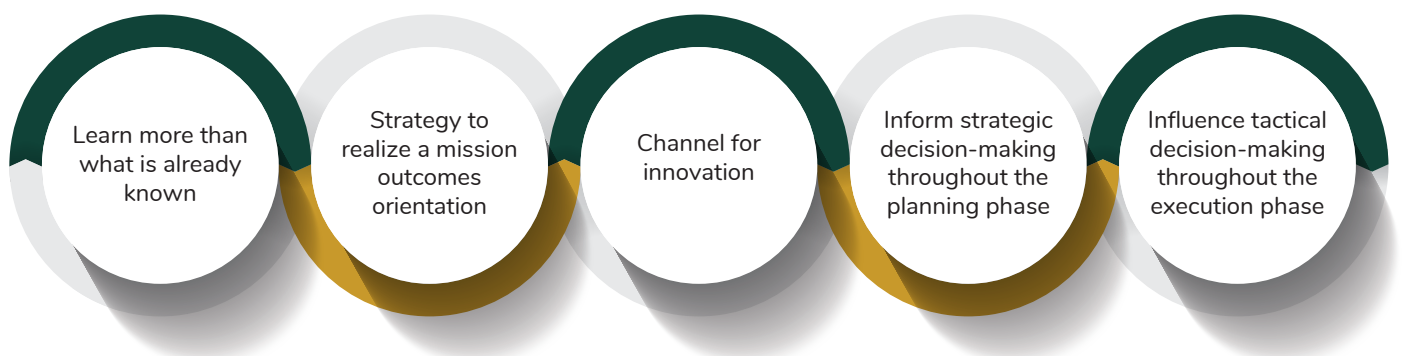
A government employee working in procurement can spend one-third of their time educating themselves about a good or service they may eventually acquire.

## What is Market Research?

Market research is defined as “collecting and analyzing information about capabilities within the market to satisfy agency needs.” The goal of market research is to identify a variety of potential sources of supply, and this phase of the procurement lifecycle is arguably the most important. It is where the vast majority of major decisions are made about the procurement and where the key components necessary to manage the contract after award are incorporated prior to solicitation.

## The Role of Market Research

There are five primary roles for market research:



<sup>1</sup> The Federal Acquisition Regulation (FAR) Part 10

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## The Challenges: Long Market Research Timeliness

While the definition of market research provided by the government may be clear, it provides broad discretion for how agencies may conduct market research. Because of this discretion, many agencies rely on outdated ways to learn about companies, technologies, and broader trends that may influence a government technology program.

In addition, many government agencies do not have consistent and comprehensive processes to gather program requirements to make informed decisions on acquisition methods, making this phase of the procurement lifecycle difficult to manage. As a result, when faced with a new purchase request, it can take several months to settle on a set of vendor qualifications, functional and non-functional requirements, and proof of concept scenario development. The worst-case scenario is when an RFI is published without garnering meaningful response due to a lack of market research, which sets the procurement lifecycle back even further.

## The Solution: Market Research-as-a-Service

City Innovate has developed a proven methodology for delivering consistent RFIs that garner more than their fair share of responses, fast. Through facilitated market research workshops, government agency procurement practitioners are guided through the process by state government contracting specialists. Detailed preparation and workshop outcomes help to create comprehensive requirements and qualification documents within days.

City Innovate's platform for Document Process Automation allows for immediate finalized RFI publication and public display - decreasing and streamlining review time. Lastly, a built-in network of responsive vendors, coupled with a platform providing ease of publication, leads to significant market responses.

## What we Provide

- Draft RFI packages, including requirements, qualifications, and narrative prompts. Fast, correct, and comprehensive.
- Instant and complex analysis of submitted proposals.
- Consistent, comprehensive evaluations to ensure subsequent procurement.
- Tools for agencies, departments, and programs to replicate for future RFIs and market research initiatives.

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## High-level Timeline

Milestone	Timeframe
RFI Creation	2-3 weeks
RFI Submission	2 weeks
Proposal Evaluation	1 week

Market research is critical to ensure successful outcomes with any acquisition. It increases the government's knowledge of market possibilities, its ability to leverage that additional knowledge, and its ability to effectively and efficiently achieve desired program outcomes.

To learn more, visit us at [www.cityinnovate.com](http://www.cityinnovate.com)

Work at the Speed of Document Process Automation™