

7 Top Tips For State and Local Marketers

As discussed on Government Marketing University's Market Chat! radio show, "Marketing Best Practices for State and Local Government" (Episode 5), on Federal News Radio. Program guests:

- **Karen Borosky**, Senior Field Marketing Manager, State and Local Government and Education, NetApp
- **James Baker**, Public Sector Marketing Strategist and Consultant
- **Stephanie Broyles**, Senior Director, Global Government Marketing, FireEye

1 Pick your spots.

State and local markets are big in aggregate, but they are highly diversified. State, local, and educational organizations combined spend roughly \$1.5 trillion a year, according to consultant James Baker. But that figure is spread out over 90,000 different organizations that generate a combined 400,000-plus bidding opportunities a year.

As a result, it is very important that marketers work closely with their sales teams to figure out where and how to focus. NetApp's Karen Borosky warns: "Don't boil the ocean. You really have to work with your sales and engineering leadership to figure out where you can be the most impactful and make the best strides with your sales team. Otherwise you really spread yourself too thin."

2 Leverage what makes state and local marketing different.

One thing that sets state and local marketing apart from federal is the degree of accessibility that exists to procurement decision-makers and influencers. As Borosky recalled, "I have a sales director that came over from the Defense Department, and the first thing that he said to me was how surprised he was about how much more accessible and willing to talk and collaborate with vendors state and local is."

Another difference is in the way that state and local governments procure goods and services. It is not enough for a company to have a General Services Administration Federal Supply Schedule contract in place. "Every state pretty much has a state-specific contract, and if you're not on that contract, it's very difficult to sell to them," Borosky said. "So definitely look at that, as well as the buying cycle — most states are on a fiscal year ending

in June, but all the localities have different fiscal year ends. So there's somewhat of a busy season in state and local government, but in reality, when you start factoring in all the different cities, and counties, you can really be working with different year ends all year long."

3 Plan your events participation carefully.

There are many more events to consider when stepping into the state and local marketplace, but some will get you more bang for the buck than others. "There are some that are higher level that I would recommend, particularly if you're looking to really focus on specific states, specific geographies," Borosky said.

For example, most states have a Digital Government Summit event, sponsored by Government Technology[[not sure if we want to mention them by name or not?//sw]], in which state government officials typically help to plan and participate in. These are typically held in the capital of each state.

Also, the National Association of State Technology Directors (NASTD) holds a series of regional events each year — one each in the Eastern, Southern, Western, and Midwestern regions — as well as an annual event. These events typically feature state CIOs and other senior state government officials who discuss in detail the challenges they face, the solutions they seek, and their near-term modernization strategies. "So if you're trying to figure out how to get into that [particular state] market, or if you're really attacking that market, it's great information," Borosky said. The National Association of State CIOs (NASCIO) also holds a mid-year event in spring and an annual event in the fall in which state CIOs and deputy CIOs widely participate.

4 Do your homework — know your state and local buyers and how they buy.

This is one tip that all of our experts agree upon. Marketers familiar with the federal marketplace know there is much fragmentation among agencies — by mission area, bureaucratic hierarchy, budget, buying patterns, and contract vehicles, among other things. State and local markets are even more fragmented because, in addition to those differences, things like budget cycles, fiscal years, funding sources, and procurement processes also vary significantly. So there is much to learn.

One challenge when it comes to learning about state and local markets is that information about them is not consolidated or always easily accessible as it often is for the federal government.

"The information is there," Baker said, "but it's a lot harder to get." That said, many states do a good job of making their procurement-related information available. Baker said the states of Texas and Michigan are just two examples.

5 Understand your "sales readiness" as you plan your go-to-market strategy.

There are many components to this, said FireEye's Stephanie Broyles. "Understanding sales readiness is a key. Marketing is an extension of sales. We are equal partners in their success. Everything we do is to influence, aid, and support the sales process. We have to approach all go-to market plans by ensuring we understand the organization we support." Among the questions to answer in doing this are:

- *What makes your company different?*
- *Are you selling direct or indirect? If you sell through a channel, that significantly changes your marketing approach.*
- *What is the average deal size of a typical engagement? This is important when defining ROI expectations.*
- *What are the traditional sales activities your company supports? For example, they may be inbound-focused, such as through content marketing or social search marketing optimization. Or they may be outbound-focused, in which customers find you through online searches.*
- *What are the general buying patterns of your targeted government customers? Many, for example, have fiscal years that end in June.*
- *What states have enough budget to target? The higher the population, the more money the state has. And within those budgets, what specific grants and appropriations are applicable to your solution?*

6 Understand the investment review board process for your targeted state or local organization.

As with federal agencies, state and local organizations often have a process for reviewing planned investments. Part of your research should be understanding who the people are who sit on those review panels, which may be called investment review boards or something else, depending on the organization. "These information review boards, they're going to include decision makers, recommenders, implementers, and procurement people," said Baker. "When you go and touch an organization, you need to sell and market to all areas of that. A lot of times, marketing people are so focused on C-level — what I typically find is that CIOs are very much leader-advisors. But the people that actually test new proof of concepts aren't necessarily the CIOs, they are someone on their team that's implementing [the technology]. ... So the IRB is a really, really important part, not only to business development, but unbelievably critical to marketing as well."

7 Consider state and local marketing, especially if your company has offerings in these IT segments...

Cloud computing, public safety, big data storage and analytics, cybersecurity, and IT services.

State and local governments are attracted to cloud for the same reasons federal and commercial markets are: the economics, automation, the low up-front capital expenditure requirements, and the ability to provision IT capability and scale quickly. "The thing that's most interesting is that some of these states are actually setting up their own private cloud to serve out to all of the different subagencies," said Borosky. "We've seen that in Ohio, we've seen that in Maryland. So they are in some ways looking at being their own cloud provider within the state."

Cybersecurity is hot as well. Borosky said the problem of ransomware is bigger for state and local organizations than it is in the federal space. State and local governments also have secure storage requirements around large volumes of data, such as video footage from body-worn cameras, CCTV cameras, and sensor data. "Smart city" and "safe city" projects that rely on Internet of Things (IoT) technologies, such as networked sensors, to deliver cost efficiencies and security for citizens also generate much interest in this market.

IT services are important because state and local governments — as with the federal government — have older workforces that are nearing or already eligible for retirement. So, as they modernize, they need people with up-to-date IT skillsets and knowledge of today's leading-edge commercial technologies. Finally, Borosky said, broadband and connectivity are also big priorities for state and local governments.