

Marketing and procurement don't have to be oil and water



WHETHER IN THE pages of industry publications or at prominent events, there's no question buzz has spiked in recent months about the butting of heads between agencies and procurement. While I understand where the generally negative sentiment stems from, as a procurement professional with extensive marketing experience, I'd like to offer an alternate view: The two functions don't need to—and shouldn't—be at odds.

Agencies are decrying a selection process with a severe imbalance between ROI and appropriate investment by clients in creativity and quality. It's not hard to see why well-qualified shops ponder walking away from agency reviews.

There's also a valid dissatisfaction with giving procurement generalists the responsibility of supporting marketing—especially if they are mandated to put a premium on cost reduction.

That said, there is no denying that the harsh economic environment of the past year has driven unprecedented pressures on marketing budgets. With that has come increased calls to involve procurement in the marketing selection and buying process.

When procurement is done wrong, it is one-sided. Done right, there can be benefits for all involved. Rather than simply slashing marketing dollars, and passing reductions

through to agencies or other suppliers, there are ways to collaboratively approach cost-cutting and create a win-win for agencies and clients.

Getting there can be tough when procurers aren't versed in the marketing function. But contrary to the rep many of us are getting these days, not every procurement exec is a bean counter, unable to discern the difference between staplers and the value of a top-notch marketing strategy.

There actually are many well-qualified procurement professionals with marketing category experience.

It's an important distinction. The experience is typically quite different when working with a procurer with category experience. Such a person supports agency selection or negotiation, he understands the intricacies of strategic marketing partnerships and aligns priorities rather than assuming a rigid traditional procurement perspective. He knows that cost, while critical in the equation, is not the only driver.

So how do you better position your organization to successfully work with marketing procurement?

If you're a CMO or marketing leader, make sure you know the procurement professionals who work at or with your company. Do your very best to ensure you have procurers with marketing experience. If you

don't have access to these resources now, talk to leadership and let them know you want to work on ways to develop the capability internally or look to an outside provider.

If you're an agency and find yourself working with clients who bring procurement professionals into the agency-selection process, don't be afraid to ask questions about who will be making decisions. If you will be working with clients who have marketing-procurement specialists, expect a well-informed experience. If you find yourself working with procurement generalists, the best advice is to be as thorough and prepared as possible about what information you must submit as part of a request for proposal.

The fact is, the involvement of procurement in the marketing buying process is a trend likely to hold even when the economy turns. In the same way corporations are forced to revisit business models to be profitable in the "new normal" environment, agencies and other suppliers face a similar challenge. With the right resources and leaders working together, we can adapt successfully, thrive and grow.

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