



10 Steps

To a More Effective Alignment between Marketing and Marketing Procurement

- 1. Make it a Collaborative Company Initiative.** It's NOT a Marketing initiative or a Procurement initiative. Whether or not you have executive support via top management buy-in, official sponsorship or a "soft" mandate, making the relationship non-confrontational and non-adversarial creates the "right" role for Marketing Procurement.
- 2. Develop Proven Category Expertise.** Acceptance from Marketing stakeholders, especially to critical early involvement, only comes when Marketing Procurement is perceived to possess subject matter expertise. It is essential that this be developed through hands-on education and industry training in the various marketing services disciplines.
- 3. Build a Great Group of People.** It not only takes Marketing Procurement people that thoroughly understand Marketing, but equally important it takes Marketing people who understand economics and the true role of Procurement as experts in Process and Productivity. Co-location of personnel, though not required, is a big enabler to increasing mutual understanding and teamwork.
- 4. Create a Culture of Friendship.** When both sides operate openly and honestly, real communication takes place, which allows trust to be established and to grow. Scheduling opportunities for positive social interaction engenders goodwill and begins to break down the myths and preconceptions which each organization has about the other.
- 5. Form an Empowered Cross-Functional Category Steering Team.** Led equally by both Marketing and Marketing Procurement, the team must have fair representation from all business units, brands and geographies, especially the biggest "players." The key, however, is choosing "middle of the road" team members that are willing and able to speak each others' language.
- 6. Define Clear and Appropriate Roles and Responsibilities.** Marketing must have ultimate responsibility for all brand-related issues and for assessing quality. Marketing Procurement is responsible for the contractual agreement, pricing, and centralizing/leveraging total expenditures, so long as it does not negatively impact the creative output.
- 7. Establish Shared Objectives and Measurements of Success.** Joint ROI targets and shared cost saving goals foster mutual vesting, increased buy-in and more inherent cooperation. Clarity of the success metrics and mutual involvement in their tracking greatly enhances the probability of a favorable and desired outcome. Ensure that savings are reinvested into Marketing programs.
- 8. Hold Regularly Scheduled Meeting and/or Conference Calls.** Initially, the purpose is to agree on overall goals and objectives while bonding as a team by getting to know each other better. Thereafter, it's critical to assess progress and make any necessary adjustments. Mandatory attendance, as well as proper recording/reporting of meetings and calls is paramount.



10 Steps continued

9. **Be on the Same Page when Dealing with Marketing Supplier-Partners.**

Although Marketing will need to maintain a “good cop” working relationship with key supplier and agency partners, they need to allow Marketing Procurement to play the role of “bad cop” if necessary. The key is that each client organization be well aware of each other’s intentions.

10. **Some Extra Tips for Marketing Procurement.** Avoid Procurement words such as mandate, compliance, adherence or even transparency at the outset. Use Marketing vernacular to gain mutual understanding and respect. Win over supplier and agency partners to influence Marketing.

About the Author

J. Francisco Escobar is the president and founder of JFE International Consultants, Inc. and has a long-standing collaboration with Mitchell&McCue. With Mr. Escobar’s leadership, our partnership has developed and implemented processes to enhance our clients’ relationships with marketing services agencies. Francisco has been an active contributor with the ANA, 4As and Council of Public Relations Firms (CPRF).



About Mitchell&McCue

Mitchell&McCue, launched in 1999, is a Dallas-based consulting firm that helps corporate clients plan and implement Agency Relationship Management programs, as well as tailored, confidential agency searches.

Our core values of Truth, Fairness, Hard Work, Integrity and Objectivity are integral to our work – and they align with and are of importance to our corporate clients.

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