What Manufacturers Need To Know About Contractor Bidding & How To Get Themselves Specified? *Part 1*

By Bill Floyd

ElectricSmarts, via its NetPricer™ Division, has been working directly with Contractors for the past nine years. We've revolutionized the way Contractors get prices from their Distributors by designing and implementing the NetPricer™ Service. It works because NP is built into <u>every</u> major Estimating Software Package in the electrical industry. So, when a Contractor signs up for this service, specific item prices from his selected Distributor happens online, in seconds and with the click of his mouse. The Contractor is thrilled by eliminating his previous *guesstimate* bid numbers, and with the speed, accuracy and time-saving aspects NP brings. Savvy Distributors know the time taken to quote the same item over and over again to the same Contractor but for different jobs, is a double-sided productivity waster. On one hand, skilled sales people perform tedious but necessary, repetitive quoting functions. On the other, this takes them away from doing more far more productive things like SELLING, prospecting and helping customers.

Which Products Get In Front of Customers and How?

You might imagine, working in this arena has taught us a lot about how the Contractor does his work. But it often surprises how little Manufacturers and Wholesalers understand it. Let's start at the beginning. Most agree that if you want your products bought, it is easiest to get them selected on the front end – *in the estimate* – instead of trying to get specs changed at buy time? Well, how do the products that an estimator can pick get into the Contractor's database in the first place? One Software Estimating Company told us he has a database of about 85K items. Commonly, databases for these companies usually range from 35-70K items. But again, how'd those items get in there? This Estimating Software Company included them based on products that <u>THEY were familiar with</u>. In some cases the decision was based on items he perceived to have the lowest price in its category. Of course, that perception could be rooted in reality 5 –10 years ago when the database was first built. The other thing to know is that often the Contractor only selects products to bid by description. He doesn't know who's commercial grade 20 Amp receptacle he is selecting. Early on, the perception was that a receptacle *is a* receptacle *is a* receptacle – *as long as it's cheap*. But realistically, after working with certain brands, some become favored. The Contractor may know **a)** one brand is easier to work with than another **b)** that a certain customer will only accept products made by a given supplier. **c)** Or, brand A is more accessible, has better distribution or a Cracker Jack rep they want to work with. There are lots of reasons for a Contractor to want to select what he wants to select. **YOUR PROBLEM** – It's easier for the estimator to click on products that are already provided in the Estimating Software he owns than try to alter it. It's the path of least resistance. Therefore, by default, some manufacturers are included, but many are left out. They have to fight order by order, job by job <u>even if the contractor prefers their products</u>.

Getting Your Products Included With ESmart's NetPak Makes Your Sales Work Pay Off.

NetPricer™ has already helped level that playing field and now gets you specified. For example, today when a NetPricer™ Contractor contacts your Distributor and asks for a quote on the Product item that appears in his Software Database (i.e. Brand X), NetPricer™ automatically cross references that item **TO YOURS** on the fly, and returns that price and a digital flag letting the Contractor know it's been crossed - *no work or effort on anybody's part*. But now your product is part of the bid if accepted by the Contractor. As you already understand, the more cumbersome the task of looking up alternative part numbers, etc., the less likely it is to get done. **We do the work, you get the orders**. Effective? In a recent 12 month period **$9 Billion Dollars** in electrical material has been bid using NetPricer™ and that number continues to climb.

Now, ESmart's NetPak will be launched at NECA. What is this? For several years Manufacturers have worked with the IDW (IDEA) to clean up their product Data and provide information for use by their Distributors. ESmart's NetPak will converge that Data with Smart eCat and NetPricer™ to make it simple to find, specify and buy your products at the **Contractor** and **End User levels**. *Yes, the customer !!* Again, ESmart's NetPak will invite and prompt its users to select your Data, will tie your Products to your Catalog Pages. It will also allow users to construct bills-of-material and then to click a NP button and get instant pricing from their local Distributor *just like they do now*. That's not all. In addition to the data you provide; how-to-install videos, 3D animations, lead generation and other ElectricSmarts enhancements will give both Manufactures and Distributors online marketing ability and intelligence they've never had before. But, back to the contractor. The unprecedented ESmart's NetPak will finally allow Contractors to easily and permanently **import** YOUR product information into their Estimating Software Program Database. Now, once you've sold customers that they should be using your products, ESmart's NetPak will remove the impediments to selecting them.

What's Next?

The ESmart's NetPak will be one of the most exciting launches yet to come from ElectricSmarts. But we're still looking forward. Soon, you will find ESmart's NetPak available on tablets and other mobile devices. Distributor apps that will tie their customers to them, are also in the offing. Plus, coming is the ability for a customer to actually select products in the field, price them using NetPricer™ and click a buy button to place the order directly into the Wholesaler's ERP system.

Many make the error of thinking the ElectricSmarts Network is just a marketing vehicle to and for Distributors. We certainly are that, but if you still think that's where ESmarts ends after reading this article, you haven't been paying attention. We continue to also seriously impact the end user and ferret into the nooks and crannies that no Manufacturer has enough resources to reach. NetPricer™ works with every **National Distributor** *(and many Regional Chains and smaller guys),* every major **Estimating Software Company** and **Contractors in** all **50 states** right now. That reach is about to sky-rocket. The most prominent Electrical Contractor publication available today only gets to about 12% of the 700,000 contractor workers as estimated by the Census and BLS. Last year Esmarts produced almost 200,000,000 content views throughout the entire channel. There's never been a better time to be an ElectricSmarts partner and secure favorable **Keywords** and **Strategic Positions** on hundreds of your Wholesaler's websites, and within ESmart's NetPak.

Through NetPricer™ and the many other tools we've developed, we have helped may Distributors get closer to their customers. Let us help you get closer to yours. Call us with your comments and questions.

Or, if you'd like to set up a webinar or in-person seminar for your sales and marketing team contact us. BFloyd@ElectricSmarts.com

White Paper - Summary Bullets:

- Products in Estimating Software Databases are picked arbitrarily by the Software producers not the Contractor
- Contractors have had expensive and limited options to add products they prefer and they have <u>never</u> before had the opportunity to add unaltered information from the Industry's Data Warehouse.
- NetPricer™ has processed over $9 Billion in electrical products in a recent 12 month period. This creates instant online pricing from Distributor to Contractor.
- NetPricer™ cross references to your products automatically on-the-fly when your distributor bids to their customer. The product is then flagged to let the Contractor know it's been crossed.
- ESmart's NetPak will launch this fall
    1. It will allow Contractors, End Users and Specifiers to drill down on line to select your products,
    2. to link to each product's individual catalog page,
    3. to build lists in the Estimation Package or across multiple manufacturers of complimentary products on a stand-alone spread sheet and
    4. to click a button to get NetPricer™ pricing from their local Distributor.
    5. Within Smart eCat ElectricSmarts will also add enhancements such a whole catalog search capability, how-to videos, 3D animations and more.
    6. ESmart's NetPak will also allow Contractors to import your product information directly into their Estimating Package Product Data Base.
    7. Finally, as they do right now, users will be able to click a button 24/7 and get their individual prices for each product from their local Distributor.