REMAINING COMPETITIVE: Top Three Activities

OVERALL, CONTRACTORS ARE:

- 51% More selective in what they bid on
- 40% Looking at markets outside government
- 40% Increasing use of teaming partners

HOWEVER

- LARGE COMPANIES* ARE MORE LIKELY TO:
  - Reduce staff
  - Participate in mergers, acquisitions or divestitures
  - Close facilities
  - *Compared to small companies

- COMPANIES WITH MAJORITY FEDERAL BUSINESS* ARE MORE LIKELY TO:
  - Increase use of teaming partners
  - Participate in mergers, acquisitions or divestitures
  - Rely on junior staff
  - Close facilities
  - *Compared to companies doing <50% of Federal business

BEST PRACTICE: Using Automated Capture Management

Companies with higher win rates and majority federal business are more likely to use a tool

<table>
<thead>
<tr>
<th>Capability</th>
<th>Higher Win Rates</th>
<th>Majority Fed Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>compliance management</td>
<td>52%</td>
<td>55%</td>
</tr>
<tr>
<td>demonstrating thought leadership and subject matter expertise</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>lead generation</td>
<td>30%</td>
<td>30%</td>
</tr>
<tr>
<td>capturing and managing customer, prospect, contact data</td>
<td>32%</td>
<td>32%</td>
</tr>
</tbody>
</table>

CAPABILITIES

COMPANIES RATE THEMSELVES

HIGH & LOW

- Compliance management: 52%
- Demonstrating thought leadership and subject matter expertise: 50%
- Lead generation: 30%
- Capturing and managing customer, prospect, contact data: 32%

- Making marketing investments: 30%
- Capturing and managing customer, prospect, contact data: 32%

TOP CHALLENGES

- Marketing: 72% Long government procurement cycle
- Aligning objectives and strategy for sales, marketing, product and service development: 66%
- Funding/budget: 62%
- Measuring ROI on marketing activities: 61%

- Business Development: 70% Long government procurement cycle
- Long internal bid and proposal process: 60%
- Increasing/maintaining profitability: 57%
- Funding/budget: 57%
- Aligning objectives and strategy for sales, marketing, product and service development: 56%
- Moving leads and prospects through the sales funnel/cycle: 56%

WORKING WITH SALES/BDSTAFF RANKED LAST (38%)

WORKING WITH MARKETING STAFF RANKED LAST (32%)

BEST PRACTICE: Marketing Tools

- Thought leadership materials (research reports, white papers, case studies): 75%
- Speaking at large industry-wide trade shows and conferences: 71%
- Opportunity tracking databases: 70%
- Hosting own events: 66%