

**The Alix Group Inc.**  
**President**  
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# **Micro-purchase**

**What is a micro-purchase?**

- **Micro-purchase is an acquisition of supplies or services using simplified acquisition procedures**

**Reference: Federal Acquisition Regulation (FAR) Part 2.101 and the DoD Charge Card Guidebook**

# Hidden Market

The government buy other than surmising based on their position or the agency they work for credit card market segment is "hidden" no convenient way to find out what local card holders, buy other than surmising based on their position or the agency they work For example,

Office manager office

- supplies and computer equipment,

Military base motor pool

- auto parts.

# Hidden Market

The invisibility of the market is a double-edged sword:

- Card holders probably are located in various government offices in your locale
- Takes work to find them and determine what they buy.
- The effort required to find them, however, may be more than offset by the reduced competition resulting from their invisibility.

# Marketing to Credit Card Holders

- Reaching out to credit card holders with a marketing campaign
  - Direct sales from the leads generate.
  - Focused and targeted as possible.
  - Email an electronic brochure to a targeted
  - Group of hundreds or thousands of cardholders.

# Marketing to Credit Card Holders

- If you own a local computer store, Dell may not have found its way to the local credit card holders who buy computer equipment.
- And these local card holders may prefer to do business locally

First must find out who they are.

- Most government agencies maintain lists
- Available to the public under freedom of information laws.

# Marketing to Credit Card Holders

Cardholder data varies by agency,

- Name and address only
- Full contact information.

Agency name

Cardholder name and address

Telephone number

Email address (sometimes)

# Marketing to Credit Card Holders

- You can obtain this public credit card data yourself for agencies in your business area.
- Many federal Websites publish credit card holder contact data, but few state and local sites do.
- When the data is not at an agency's Web site, you will have to request it using formal public information request procedures.



# Targeting Credit Card Holders

One of the keys to selling in the government credit card market is to determine

- How you can cost-effectively reach credit card holders using public contact lists.
- How you do this will depend on the products or services you offer.

As examples:

- An office supplies company might contact every cardholder in its geographic shipping zone. The bigger the zone the more emphasis should be placed on fast shipping at low costs and customer service.
- A company selling motor vehicles wouldn't focus on credit card holders, since they typically do not make purchases of this size, at least at the federal level.
- A medical supplies company might contact the cardholders in health- related agencies.

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# Targeting Credit Card Holders

Examples:

What type of message you send will depend on the type of contact information available for the target audience you want to reach. As examples:

- A laboratory supply company might send a targeted email message to all or a subset of cardholders with email addresses with a link back to catalog information maintained at its Web site.

# Targeting Credit Card Holders

A small services company might start by personally calling a test group of cardholders in its home city.

- A janitorial supply company might direct mail its brochure or catalog to credit card holders in its shipping zone.
- You should consider starting with several targeted campaigns--i.e., test samples using different contact techniques and messages.

# Targeting Credit Card Holders

- The law in this area is in flux and far from uniform right now.
- Before beginning any email campaign, it's prudent to do thorough legal research or consult with an attorney.
- Test campaigns are particularly important for direct mail because of its high cost.

# Targeting Credit Card Holders

- We do not recommend sending sales literature to fax numbers without first obtaining express permission from the recipient.
- There are specific federal laws against this practice. Also, depending on where recipients reside, there may be specific state laws against sending untargeted and/or unsolicited email.
- In any case, email campaigns should be targeted based on expected interest.

# Targeting Credit Card Holders

- Campaigns should be targeted based on expected interest
- Give buyers the opportunity to "opt out" of future messages, and be diligent and responsive with regard to their requests.
- Needless to say, there are no benefits to be gained in trying to communicate with buyers that have no use for your product or service.



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