Bias and Brands and Bids, Oh My!:
Avoiding Bias in Bids

Presenter:
Jim McGuire, Procurement Officer, DuPage County
OBJECTIVES

• Where information is available to help prepare a bid
• What is allowable when compiling information
• What is the definition of a brand
• Why brand matters
• Why government does not bid brand
• Why government does bid brand
Who can assist with the Statement of Work or Scope of Services?

- Colleagues
- Experts
- Sales/Marketing/Website
- Commercials
- Anyone on Earth!

INFORMATION IS POWER.
AIM IS FOR THE SELECTION TO BE COMPETITIVE.
Where can a Buyer go for Help for the Statement of Work/Scope of Services?

- **Sources**
  - RFP’s
  - Submittals/Bid Tabulations
  - Studies/Reports
  - Invoices
  - Articles/Reviews/YouTube
  - Vendor Product Data Sheets, etc.
What is a Brand?

• Defines a product and what it represents

• Brand is a function of
  - Advertising
  - Good will
  - Quality evaluation
  - Product experience
  - Other attributes the market associates with the product

• Brand value appears as assets on balance sheet
Definition of a Brand

• A ‘name, term, design, symbol, or any other feature that identifies one seller’s good or service as distinct from those of other sellers. The legal term for brand is trademark. A brand may identify one item, a family of items, or all items of that seller. If used for the firm as a whole, the preferred term is trade name.’
  American Marketing Association

• The set of ideas a company or product stands for in people’s minds.
## TopTenGlobalBrands

### Top 10 Global Brands by Brand Value ($m), in 2019

<table>
<thead>
<tr>
<th>Brand</th>
<th>Value ($m)</th>
<th>Y-O-Y Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apple</td>
<td>234,241</td>
<td>+9%</td>
</tr>
<tr>
<td>Google</td>
<td>167,713</td>
<td>+8%</td>
</tr>
<tr>
<td>Amazon</td>
<td>125,263</td>
<td>+24%</td>
</tr>
<tr>
<td>Microsoft</td>
<td>108,847</td>
<td>+17%</td>
</tr>
<tr>
<td>Coca-Cola</td>
<td>63,365</td>
<td>-4%</td>
</tr>
<tr>
<td>Samsung</td>
<td>61,098</td>
<td>+2%</td>
</tr>
<tr>
<td>Toyota</td>
<td>56,246</td>
<td>+5%</td>
</tr>
<tr>
<td>Mercedes Benz</td>
<td>50,832</td>
<td>+5%</td>
</tr>
<tr>
<td>McDonald’s</td>
<td>45,362</td>
<td>+4%</td>
</tr>
<tr>
<td>Disney</td>
<td>44,352</td>
<td>+11%</td>
</tr>
</tbody>
</table>

Published on MarketingCharts.com in November 2019 | Data Source: Interbrand

When determining the top 100 most valuable brands each year, Interbrand examines three key aspects that contribute to a brand’s value: the financial performance of the branded product and service; the role the brand plays in influencing customer choice; and the strength the brand has to command a premium price or secure earnings for the company.
Top Ten World Brands

The 10 Most Valuable Brands of 2020

1. Amazon  $220B
2. Google  $160B
3. Apple  $140B
4. Microsoft  $117B
5. Samsung  $94B
6. ICBC  $80B
7. Facebook  $79B
8. Walmart  $77B
9. PING AN  $69B
10. Huawei  $65B
Top 50 Brands

The Top 50 Brands

Following are the top 50 most relevant brands ranked by U.S. consumers. The brands were selected for inclusion in the survey based on contribution to U.S. households.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Brand</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Apple</td>
</tr>
<tr>
<td>2</td>
<td>Amazon</td>
</tr>
<tr>
<td>3</td>
<td>Android</td>
</tr>
<tr>
<td>4</td>
<td>Netflix</td>
</tr>
<tr>
<td>5</td>
<td>Google</td>
</tr>
<tr>
<td>6</td>
<td>Samsung</td>
</tr>
<tr>
<td>7</td>
<td>Nike</td>
</tr>
<tr>
<td>8</td>
<td>Pixar</td>
</tr>
<tr>
<td>9</td>
<td>Sephora</td>
</tr>
<tr>
<td>10</td>
<td>Pandora</td>
</tr>
<tr>
<td>11</td>
<td>PlayStation</td>
</tr>
<tr>
<td>12</td>
<td>Disney</td>
</tr>
<tr>
<td>13</td>
<td>Sony</td>
</tr>
<tr>
<td>14</td>
<td>KitchenAid</td>
</tr>
<tr>
<td>15</td>
<td>LEGO</td>
</tr>
<tr>
<td>16</td>
<td>Microsoft</td>
</tr>
<tr>
<td>17</td>
<td>Dove</td>
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<tr>
<td>18</td>
<td>YouTube</td>
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<tr>
<td>19</td>
<td>Clorox</td>
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<tr>
<td>20</td>
<td>Under Armour</td>
</tr>
<tr>
<td>21</td>
<td>Etsy</td>
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<tr>
<td>22</td>
<td>L’Oreal</td>
</tr>
<tr>
<td>23</td>
<td>MAC</td>
</tr>
<tr>
<td>24</td>
<td>PayPal</td>
</tr>
<tr>
<td>25</td>
<td>Tide</td>
</tr>
<tr>
<td>26</td>
<td>Fisher-Price</td>
</tr>
<tr>
<td>27</td>
<td>Fitbit</td>
</tr>
<tr>
<td>28</td>
<td>Costco</td>
</tr>
<tr>
<td>29</td>
<td>Honda</td>
</tr>
<tr>
<td>30</td>
<td>Band-Aid</td>
</tr>
<tr>
<td>31</td>
<td>Keurig</td>
</tr>
<tr>
<td>32</td>
<td>LG</td>
</tr>
<tr>
<td>33</td>
<td>adidas</td>
</tr>
<tr>
<td>34</td>
<td>Food</td>
</tr>
<tr>
<td>35</td>
<td>HP</td>
</tr>
<tr>
<td>36</td>
<td>Toyota</td>
</tr>
<tr>
<td>37</td>
<td>Betteraver</td>
</tr>
<tr>
<td>38</td>
<td>TurboTax</td>
</tr>
<tr>
<td>39</td>
<td>Ameriprise</td>
</tr>
<tr>
<td>40</td>
<td>Hershey’s</td>
</tr>
<tr>
<td>41</td>
<td>Victoria’s Secret</td>
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<tr>
<td>42</td>
<td>NPR</td>
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<tr>
<td>43</td>
<td>Adobe</td>
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<tr>
<td>44</td>
<td>Ziploc</td>
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<tr>
<td>45</td>
<td>XBox</td>
</tr>
<tr>
<td>46</td>
<td>VISA</td>
</tr>
<tr>
<td>47</td>
<td>Best Buy</td>
</tr>
<tr>
<td>48</td>
<td>Rite Aid</td>
</tr>
<tr>
<td>49</td>
<td>Wells Fargo</td>
</tr>
<tr>
<td>50</td>
<td>Target</td>
</tr>
</tbody>
</table>
Top Ten Millennial Brands

The Top 10 Millennial Brands
Tech continues to ascend the ranks, displacing traditional retail brands

<table>
<thead>
<tr>
<th>BRAND</th>
<th>SECTOR</th>
<th>RANK 2015</th>
<th>CHANGE FROM 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apple</td>
<td>TECH</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Nike</td>
<td>APPAREL</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Samsung</td>
<td>TECH</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Sony</td>
<td>TECH</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Amazon</td>
<td>TECH</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Target</td>
<td>RETAIL</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Google</td>
<td>TECH</td>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>Walmart</td>
<td>RETAIL</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>Coca-Cola</td>
<td>FOOD &amp; BEVERAGE</td>
<td>10</td>
<td>2</td>
</tr>
</tbody>
</table>

3,500+ millennials researched

Survey demographics

Respondents asked for their favorite brands over last 3 years without prompt.
Source: Mosylvania Top 100 Brands, Nov 2015

Gender:
- 52% Male
- 48% Female

Birth Year:
- 44% 1980-84
- 32% 1985-89
- 16% 1990-94
- 8% 1995 or later
A Quick Walk through Retail

- Walmart
- Big Box Stores
- Aldi
- Local Supermarkets
- Specialty Stores
Why Not Bid Brand?

- Is there a benefit to selecting a brand?
- Is there an extra cost to bidding a brand?
- Is there a downside to bidding a brand?
- Is there a benefit to bidding a brand?
Government Does Not Bid Brand

**ALTERNATE/EQUAL BIDS**

The specifications cannot cover precisely all minute details of the equipment required. Therefore, for purposes of establishing a standard of quality, the items listed in the specification may state brand names, manufacturer’s models, numbers, et cetera along with OR EQUAL. Bidders submitting alternate items, of equal specifications, may be requested to provide samples of the item they intend to supply for testing.

The County, for cost effective measures, standardizes on specific items; those bids will contain the language “NO SUBSTITUTIONS,” and any alternative will not be considered. A generic or alternate brand product of equal specifications may be proposed as an alternative for the item identified unless “NO SUBSTITUTIONS,” is indicated. However, in bidding the alternate item, the bidder must also attach manufacturer’s printed specifications and literature and bid must be clearly marked as an ALTERNATE.

The County recognizes the expertise provided by many bidders and encourages creativity in bidding. Alternates may be considered if the bid submitted clearly indicates what will be furnished and how it will benefit the County. Alternates will be compared to the lowest responsive, responsible bid as specified.
Government Does Not Bid Brand

• Make it clear in the bid doc where the product is described
  
  …is searching for a Police Pursuit Vehicle  
  …is searching for a Ford Focus (or equivalent)  
  …is searching for soda drinks  
  …is searching for Coca-Cola drink (or equivalent)

• When does bidding brand make sense?
  
  …only product that meets the needs of the buying department (sole source?)  
  …compatibility to existing equipment  
  …staff is familiar with the brand  
  …staff has been certified to repair or operate equipment  
  …conversion is painful  
  …suitability in all respects
Bids, Bias and Brands, Oh My!
Jim McGuire, MPA, MSSCM, CPPO, CSCP, CPSM

THANK YOU!