



## Targeted Demos Benefit Both Buyers & Vendors in the Selection Process – Whether They Are Conducted In-Person or Remotely

### SUMMARY

Typical vendor selection methodologies include consecutive steps made by the buying firm. Their first step is to consider an 'anything is possible' list of vendors before culling it to a short list of qualified vendors, followed by a robust and time-consuming RFP process. A few vendors will make it to the final steps which involve product demonstrations, or 'demos.' Even after all this effort and detailed qualitative analysis, a firm may have difficulty selecting a single vendor and/or feel less-than-confident that their choice is unbiased and free of incorrect assumptions. By including in-person or remotely conducted targeted demos as the final step, firms are better able to evaluate vendors objectively.

### WHAT IS A TARGETED DEMO?

Targeted demos are the 'bake-off' phase between finalists in a vendor selection process used by asset management firms, wealth managers and other institutions. The buying firm provides the 'judges' who define their complex use cases – 'the menu' – and the data sets with specific data anomalies – 'the ingredients.' The vendors supply the 'bakers' who are required to utilize the buyer's ingredients in combination with their own approach to create the desired 'menu' items. Bakers follow the judges' scripted steps while highlighting their capabilities such as efficiencies available via automation and features, while providing transparency and controls over the entire process.

### A TARGETED DEMO IS NOT A PROOF OF CONCEPT (POC)

Some consider a targeted demo as a 'mini-POC.' Both are used to prove capabilities; however, unlike a POC, targeted demos are completed in a short time period which is measured in weeks, not months. The objective is to differentiate between vendor solutions rather than identify product gaps, which is a POC's primary goal. This is done by the buying firm via quantitative scoring related to measurable results and qualitative scoring related to criteria such as ease-of-use, vendor relationship, etc. The buying firm may also define specific use cases to validate or challenge potential biases on assumed strengths or weaknesses. Vendors' resources focus on the presentation of pre-defined steps and not on day-over-day automated processes, which is common during a POC.

### WELL-ORGANIZED AND WELL-EXECUTED TARGETED DEMOS BENEFIT BOTH BUYERS AND VENDORS

There are three major ways in which targeted demos are beneficial to all parties.

#### 1. Buyers can make their final vendor selection with confidence:

- ✓ Scoring is based on validation of complex calculations (quantitative) and understanding how it is done (qualitative)
- ✓ Relevant workflows are shown 'live' which provides realistic user experiences (as opposed to anecdotal information or static documentation)
- ✓ They demonstrate the intuitiveness of the user interface, the number of clicks required, and hops between modules
- ✓ Scenarios are easily recognizable due to pre-scripting of steps and pre-defined data sets which enable the judges to focus on the 'how' rather than on the 'what'
- ✓ They provide buyers the opportunity to build relationships and allow them to get a glimpse into the vendors' culture, expertise, and services.

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## WELL-ORGANIZED AND WELL-EXECUTED TARGETED DEMOS BENEFIT BOTH BUYERS AND VENDORS (continued)

### 2. Vendors gain a deeper understanding of buyer's requirements and product gaps:

- ✓ Selected use cases indicate a higher level of importance to client-related topics and differences between competitors
- ✓ Detailed scripts provide a deeper understanding of the RFP questions
- ✓ Data sets provide actual examples of inputs to calculations which reduces the number of assumptions needed
- ✓ Q&A portion of demos provide further insight into the business needs and scenarios
- ✓ As with the buyer, they provide vendors the opportunity to build relationships and allow them to get a glimpse into the buyer's culture, expertise, and services.

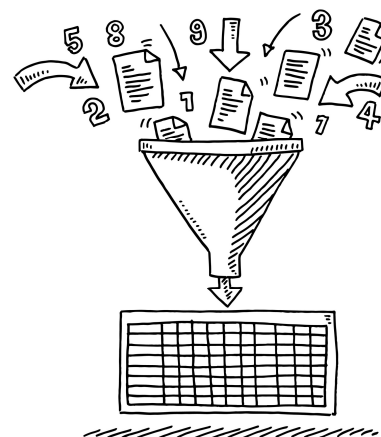
### 3. Targeted Demos accelerate the project timeline which benefits both buyers and vendors:

- ✓ The scope of demos is intentionally minimized to targeted use cases which saves resources for both buyers and vendors – this sounds simple, but it is not easy to achieve
- ✓ The workflows scripted for specific scenarios ensure coverage while keeping execution duration at a minimum
- ✓ The organization is critical including matching the scripts with the data sets and creating repeatable data for multiple scripts
- ✓ The playbook created for the targeted demos serves as a launching pad for the next steps: either a POC or helping to transition into implementation as an accelerator, incorporating lessons learned about key features and methods that will re-risk the overall implementation timeline.

## TARGETED DEMO USE CASE: SELECTING A PERFORMANCE CALCULATOR

Targeted demos are typically done in-person during a maximum of two days. The buyer – in this case, a tier-1 asset manager searching for a performance vendor – had a list of three finalists and identified over a dozen topics to cover. Meradia helped the buyer execute the following:

- Define the final list of use cases across the topics
- Gather and organize the data
- Create the artifacts which included a playbook, timeline and scorecards
- Facilitate the vendor presentations which were two days each
- Work with the Selection Committee to present their recommendation to the Steering Committee for approval.



## WHY REMOTE DEMOS ARE AS BENEFICIAL AND CAN BE BETTER THAN IN-PERSON DEMOS

The above use case was completed successfully post COVID-19 lockdown. As with so many other business processes, workarounds were required, and teams rallied around the challenge. Surprisingly, it also proved to be a better-than-expected experience, and in some ways, proved to be more effective than executing the process in-person.

- Resources focused on working on the task at hand rather than on travel, which can often decrease efficiency up to an entire business day per week
- Communication via text and chat provided real-time feedback between participants
- Careful planning and technology resources enabled valuable relationship development
- Potential technology-related disruptions were reduced for both participants and presenters since everyone could set up early and use their own tried-and-true devices, (noting this is also a potential risk)
- Participants' experiences were better in that they were able to see the presentation more clearly versus straining to see it on a screen in a conference room, to hear the presenter by muting distractions, and to participate in Q&A using an online format
- Presenters' stress was lessened by the elimination of travel delays, the risk of missing the correct dongle to connect a laptop or having get credentials for a Wi-Fi login.

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## CONCLUSION

Both buyers and vendors realize value from targeted demos when the process is organized, and they keep the scope in-check. Though targeted demos extend the time for the selection process, they reduce the overall time to achieve the future state. Furthermore, both buyers and vendors benefit from demos conducted virtually when they follow a clear agenda, and both the presenters and participants are prepared.

## HOW MERADIA CAN HELP

Meradia can help accelerate the vendor selection process and accelerate the overall transformation project. Our team leverages proven methodologies and skills to:

- Work with buyers to define clear expectations for uses cases, organize the information and prepare data for vendors
- Support vendors during evaluation of the data and understanding of the expected workflows
- Facilitate the targeted demos to successfully cover the use cases and Q&A portions within the allotted time
- Leverage the targeted demo playbook during a full POC and/or implementation of the selected solution.



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