

How to choose a technology vendor

Everything you need to know about selecting the right software provider for your association.



madgex

Finding a technology provider you can trust and who understands the needs of your association can be a tough task.

Choosing the right one will help you engage with your members, support your growth and increase your revenue. Get it wrong and you will waste time, lose money and alienate your audience.

So, before you type 'technology provider' into Google, there are a number of important things you need to consider. We realize you may have already asked Google for advice, which is why you're reading this e-book. Lucky for you, you ended up here and not on unsuitabletechnvndor.com.

The following guide has been divided into seven key stages that will help you achieve a long and happy relationship with your vendor:

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Evaluating your association

You've decided it's time for your association to take the plunge and invest in a brand-new piece of cutting-edge technology. This is exciting news, as it's going to deliver your members more value than ever before and help you drive your bottom line. But you need to decide which vendor is right for you.

You're probably quite excited about this new technology but it's very easy to get ahead of yourself at this stage. It's important to remember that the decisions you make now will have a significant impact on the success or failure of this partnership.

So, before you even start thinking about vendors, you need to make sure your own ship is in order. You need to understand exactly what your requirements are as well as your members'.



Understand your requirements

In any relationship, whether it's business or personal, you need a clear idea of your expectations in order for it to work. You can't expect to find the perfect partner if you don't know who you are, or what you need.

Do you like long walks in the country, or taxis into town?

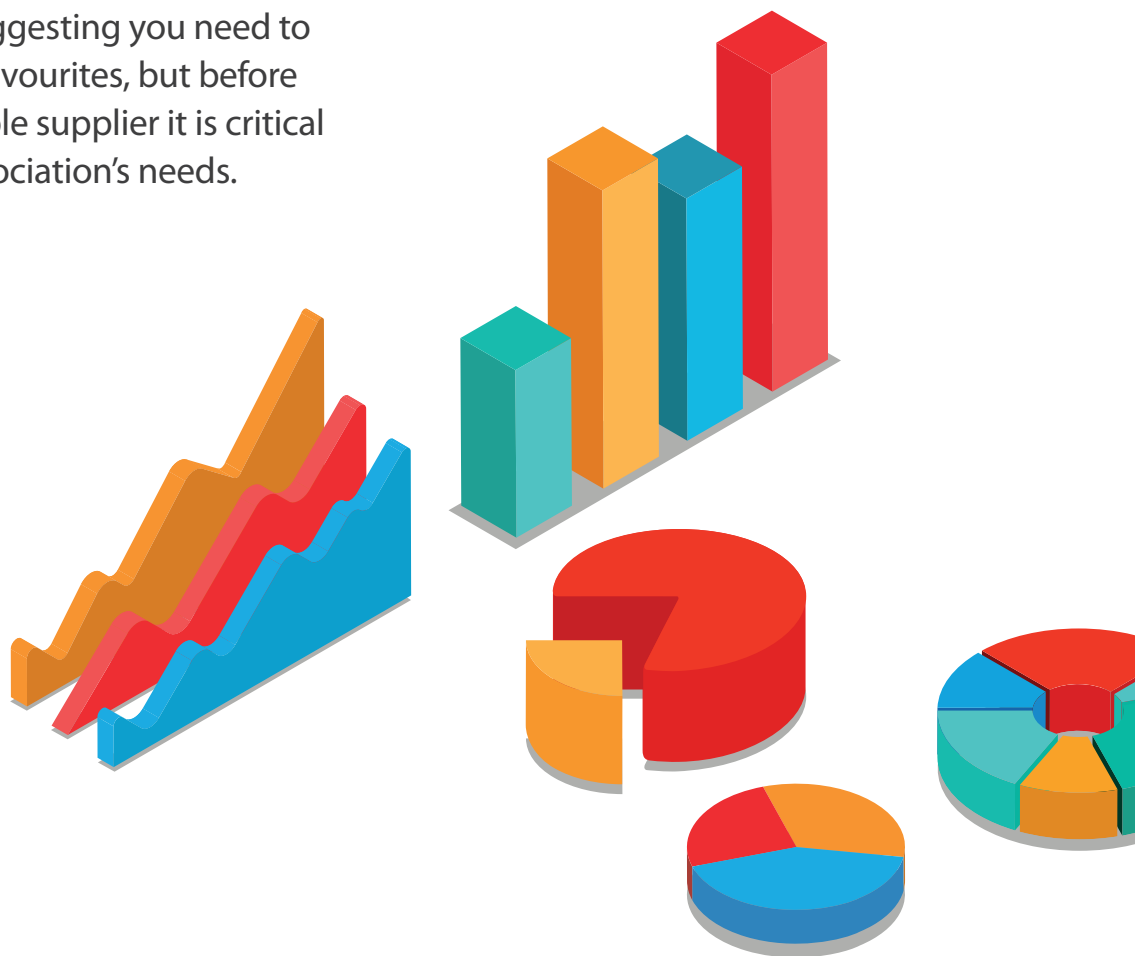
Are you a night owl or a morning lark?

Breaking Bad or *Big Little Lies*?

These things matter.

It's often only when a relationship goes wrong, that we finally understand what we are looking for.

This also is true with finding a technology provider. We're not suggesting you need to find out their Netflix favourites, but before you can select a suitable supplier it is critical to determine your association's needs.



Organize a brain storming session and write a checklist of requirements, separated out into 'must have' and 'nice to have'.

Armed with this information you can create a shortlist of potential providers and then interview them more effectively.

Things to consider could include:

Do you currently use any other systems that need to integrate with the new technology?

Does your organization have the skills to set up integrations with other platforms? Even with native integrations you need someone in your team that knows a lot about the system you want to connect with. Ask the vendor how they manage integrations.

Does your team have the skills to write bespoke HTML, or do you need a content management system with a simple drag-and-drop interface? If it's the latter, add 'user friendly interface with minimum technical skills needed' to your must-have list.

Will the system hold a lot of data on your members? If so, does it offer solid data security – you don't want to end up on the news, after all your member details have been leaked!

Alongside this list, you should spend time focusing on your objectives and come up with three top goals. You can then present these objectives to potential vendors and ask how their solution will help you achieve them.

These could be:

Cutting costs

Increase operational efficiencies

Bring in new capabilities, to add value to your members

Be clear about what you want to achieve and keep coming back to these goals throughout the process to track your progress.

Understand your member requirements

Just as you need to understand your association's needs you also need to get inside the minds of your members. There is no point spending time and money on new technology or products unless you are certain that there is a demand for them.

Get feedback on technology user habits and requirements by sending out a survey to your members, offering incentives such as the chance to win free admission to your next event, or discounted membership.

Alternatively, run a focus group, with free beer and pizza. No-one can resist beer and pizza... especially when it's free.

You can then add this feedback to your checklist of requirements.

If this piece of technology isn't member-facing, do the same with your staff, or whoever will be using it. Never assume you know what the end user needs or wants.

Things to find out include:



What devices and systems people have access to and which ones they actually use.

For example, consider which browsers your members use in your particular niche. If all your members work for the US government don't go with a vendor who solely develops for Google Chrome, only to discover all US government internal PCs are wired up with Internet Explorer (by the way, this is just an example.... we have no idea what browser the US government uses).

Do they predominantly use desktop or mobile devices? If your members are all field engineers in the gas industry, for example, you'll need to ensure this technology is mobile-friendly.





Due dilligence

Once you have created a shortlist, based on your association's and your members' requirements, you can start to evaluate the suppliers themselves. Gathering and analyzing background information on suppliers will enable you to make an informed decision before you sign on the dotted line. Thorough due diligence minimizes your risk of picking the wrong tech vendor.

Industry experience

Ask questions which cover the following areas of their business:



Financial stability

- How long have they been in business?
- Does the company have a record of profitability?
- Are they growing or downsizing?



Expertise

- Do they have previous experience with similar associations?
Ask to see case studies, if possible.
- Do they understand your association and its members?
- Are they knowledgeable about the issues and technologies relevant to your association?
- Do they have partner certifications relevant to the solution(s) you are looking for?



Innovation and development

- Do they have a team dedicated to product development?
- Do they have a healthy product roadmap with on-going developments and innovations?
- How much research do they do each year?
- Do they have the resources to continue to innovate and develop new products and features as your network evolves?

Proven track record

A key part of due diligence is looking at their client base, which speaks volumes about their customer service and product quality. If they have long-term, high-profile clients, they must be doing something right.

Ask for references and, if possible, talk to other associations – who will have similar expectations and requirements – to find out about their experience with the vendor.

Here are a few questions you can ask:

- 1** Why did they pick this vendor?
- 2** How long have they been a client?
- 3** How has this provider addressed their specific needs?
- 4** Did they meet their requirements?
- 5** Did the vendor stay within budget and timeline?
- 6** Is the customer service team responsive and knowledgeable?

Obviously, the vendor will only provide references from contented customers, so it's worth asking other associations if they have any experience with the vendor. You can also look online for reviews.

Another indication of a good vendor is its affiliates. Find out if they belong to any networks or associations, and the criteria they had to meet to become members.



Understanding their technology

Due diligence done. You've gathered plenty of information and spoken to lots of references, so you know which vendors you can trust and which ones you can't. To whittle down that shortlist even further you need to really get under the bonnet of their technology.

This is the fun part, it's your opportunity to really test the vendors technical know-how and find out as much as possible about their capabilities. You need to understand their approach to innovation, get to know the functionality, find out about data ownership and check their data security processes.

Product roadmap

A supplier may use the latest technology, but software and systems change at an exponential rate. Make sure you ask the provider about their product roadmap and how they plan to adapt and innovate to stay ahead of the curve and help you offer additional value to your members.

Technology providers are measured on the efficiencies and solutions they provide for their clients, so look for a company that places innovation at the forefront of its business. They should be happy to talk about their roadmap and demonstrate their active approach to product development.

Here are some questions to ask:



1

Does their roadmap fit with your association's needs in the long term? Refer back to your original checklist of requirements so you have a clear idea of where you want your association to be in five, or 10 years' time – and think about the changing needs of new, younger members.

2

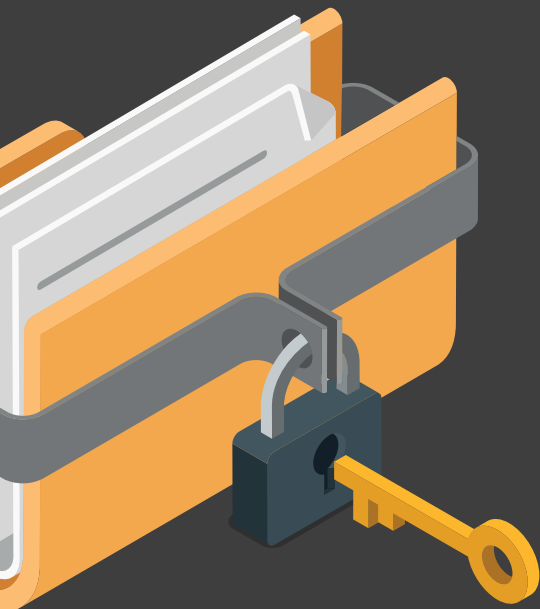
How is the roadmap managed? A product roadmap that shows how previous projects have been managed successfully and on time should reassure you that the supplier is steadily evolving, and will therefore add value to your association.

3

Can you contribute ideas? A product roadmap should be based on customer demand, so ask if your needs, ideas and requests will be taken into consideration and how you can communicate this to them.

Seeing is believing

The vendor should provide detailed demonstrations that show how their software meets your needs. If they promise a particular functionality, make sure you see it demonstrated. If the vendor touts mobile features, ask to see this in action on someone's phone – don't assume it will work the way you think (or hope) it will.



Who owns the data?

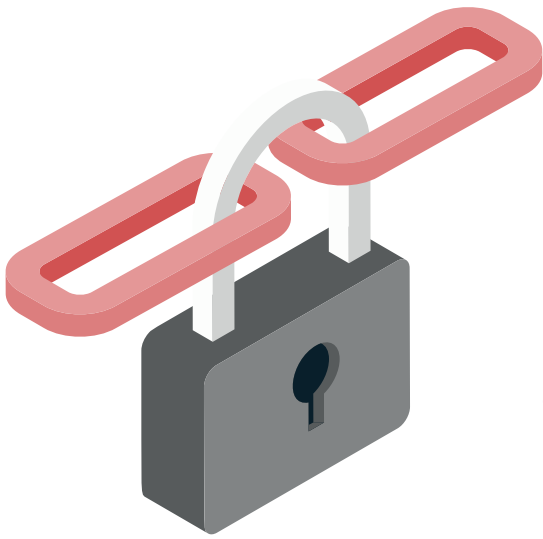
Nearly all businesses are built on the foundation of data – and associations are no exception. In fact, data is the key to understanding your members and ensuring future success and growth.

Your association is the data controller (i.e. you decide how and why personal data is used), and the technology provider is the data processor, as they process data on your behalf.

As the data controller you are entitled to receive all the data surrounding the activities the processor carries out on your behalf.

When evaluating potential providers, make sure you ask which data systems they use and how this data will be fed back to you.

You also need to find out who owns this valuable data. No matter how happy you are with your provider right now, you could decide to go your separate ways in the future. Some suppliers may try to hold your data hostage in return for an exorbitant amount of money, so ask what happens if you leave, how you would get your data back, and how much it might cost.



Data security

Security is one of the most important factors when choosing a technology provider. Your members have trusted you with personal information, so it is imperative that this data – and your association's reputation – is protected.

However, data security isn't just about your responsibility to your members. As the data controller it is your responsibility to ensure your association complies with data protection laws.

In Europe, the General Data Protection Regulation (GDPR) (find out more [*here*](#)) comes into force in May 2018, which could see organizations fined millions for serious offences.

Under GDPR, authorities will take into account how long it took to resolve the problem, when deciding on a suitable penalty. So it's imperative 24/7 support is available from your vendor, to ensure any issues are quickly spotted and dealt with ASAP.

Even if your membership are not based in Europe, there are legal implications associated with the retention of sensitive data and severe penalties for data breaches.










Data security will also protect your association against cyber-attacks. There have been a number of recent high-profile data thefts, which highlight just how vulnerable organizations are to cyber criminals. In September 2017, credit rating company Equifax was hit by a data breach that exposed the social security numbers and other data of around 143 million US citizens. Uber recently hit the headlines for concealing a massive breach of the personal information of 57 million customers and drivers in October 2016.

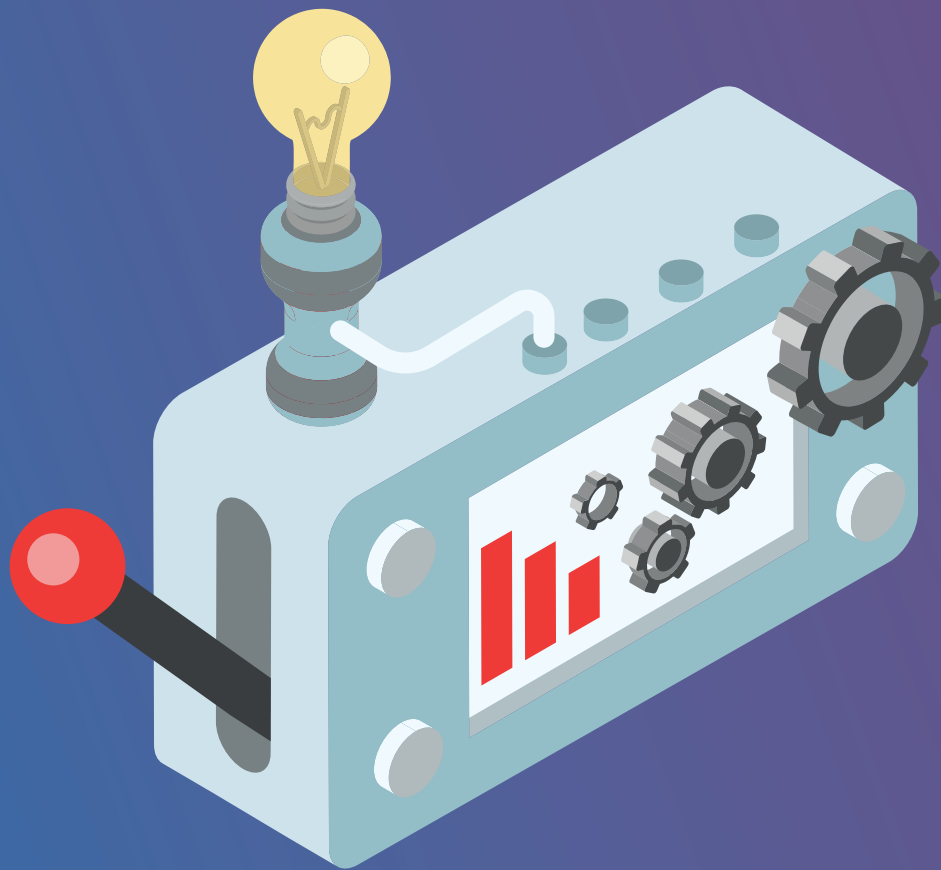
Interrogate any potential vendor to find out what processes they have in place to protect your data and manage your security. They should use appropriate access control mechanisms, which will ensure live data can only be accessed by users who need it to perform their role.

It's common for vendors to outsource parts of their technology to a third party, who specialize in a specific service outside their core capabilities (e.g. email marketing). Known as sub-processors, they will require access to your members' personal data. It is the vendor's responsibility to ensure sub-processors have appropriate technical and security measures in place to protect personal data. However, it's a good idea to carry out your own audit checks to ensure appropriate contractual data processing agreements are in place.

You should also check if the vendor is ISO 27001 certified, or what other accredited awards they have been given.

Questions to ask about security:

-  *Where is the data held?*
-  *How is it stored? Is it encrypted?*
-  *Are back-ups encrypted?*
-  *What are the controls around authentication? Does it meet your IT security policy?*
-  *Do they conduct regular vulnerability tests?*
-  *What recovery arrangements are in place in the event of an IT infrastructure incident?*
-  *What assurances can they provide to ensure service availability 24/7?*
-  *Who has access to live data?*
-  *Are there sub-processors?*



Operational fit

Your shortlist should now be down to a small number of reliable vendors with great technology that does exactly what you need it to do. But that's only half the battle. You don't want to rush into an agreement with a vendor solely based on the technology and its features.

The next thing to consider is the operational fit. Here you need to be thinking about how the vendor operates, and whether it works for your association? Think about scalability, is this vendor going to make it hard for you to grow? How easy will it be to integrate with your existing systems? And don't be afraid to ask them why they are better than their competitors!

Scalability

Chances are one of the reasons you are looking for a new technology supplier is because you want to increase member numbers and grow your association. So, when finding the right partner, one of the most important things to consider is whether they can support you as you grow.

They may be able to help you reach your current objectives, but what happens beyond that? You need to look to the future, consider how your association's requirements may change, and find a software provider that can scale accordingly, in an efficient and cost-effective way.

After spending time and money on finding the right vendor, the last thing you want is to have to invest in a new solution a few years down the line, if they can't keep up with your evolving needs.



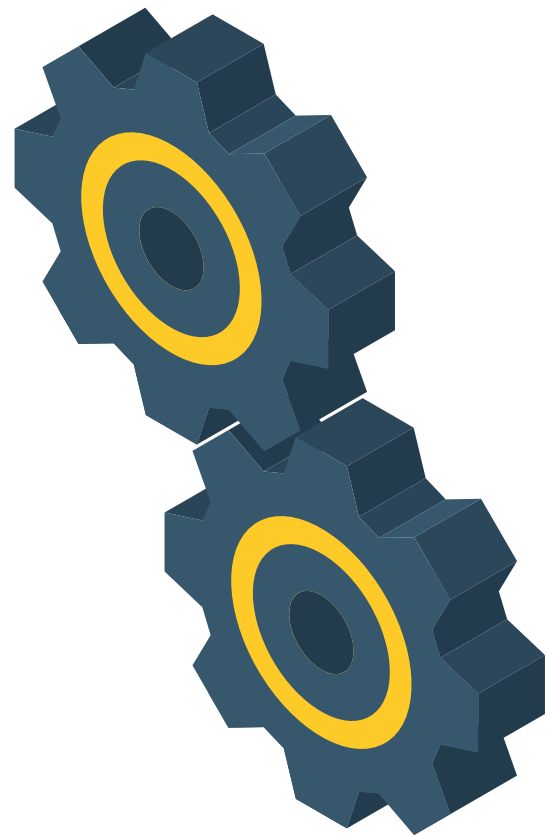
Integrating with existing systems

Technology providers are measured on the efficiencies they provide for their clients, so a company that puts innovation at the forefront of its business is clearly a strong contender for your business.

However, don't be dazzled by sexy new systems claiming they will transform your association from average to awesome. You need to find out if your own systems are compatible with the provider's, before you jump into bed with them. Figuratively speaking...

You can expect a few hiccups along the way when changing to a new platform or provider, but the finished product should seamlessly integrate with your existing systems.

Remember, you're looking for the best technology solution for your association, not just a provider that gets the job done.



Why you?

Don't be afraid to ask a technology provider why you should choose them over their competitors. This not only gives you the opportunity to find out more about their business and products, it will also test their knowledge of the industry. If they can't answer this question, they're probably not the right choice.



Service and support

You should now be in a position where you know your vendor and their technology pretty well. The next thing to think about is their service and support. It's very easy to forget about this in the pre-contract process and suddenly find yourself with a service agreement that's nothing like what you were expecting.

It might not feel like the right time to dive into the service agreement but, post-launch this will become your main point of contact and it will have a major impact on how well this technology works for your association. There are two primary areas to consider: the helpdesk and available training.

Helpdesk

No matter how carefully you choose your provider, problems will inevitably occur and getting the best out of your new technology will require support.

Finding a vendor who understands your association, your culture, your members and your requirements will mean they are better equipped to support you on a day-to-day basis. Having to explain what you are trying to achieve every time you make a call or send an email is wasted time and money.

As detailed under 'Data Security', service availability is the key to preventing a data breach from spiralling out of control. If the issue is not dealt with immediately, not only would the financial penalty increase, but there would be a real risk of damaging the association's reputation and losing the trust of your members.

Hopefully you'll never find yourself in this situation, but it's highly likely you will experience downtime or problems with the technology. While this isn't as serious as a data breach, any time out could also be costly in terms of money and reputation. Helpdesk availability will make this a lot more manageable.

Many vendors will charge extra for support, so make sure you factor this into the buying decision.

You should also ensure the level of support offered by the vendor is appropriate to the needs of your organization. If the new technology is integral to your day-to-day functions then you might need support 24/7, 365 days a year. However, you don't want to be paying for an unnecessary level of support if you don't anticipate needing 'always-on' contact.

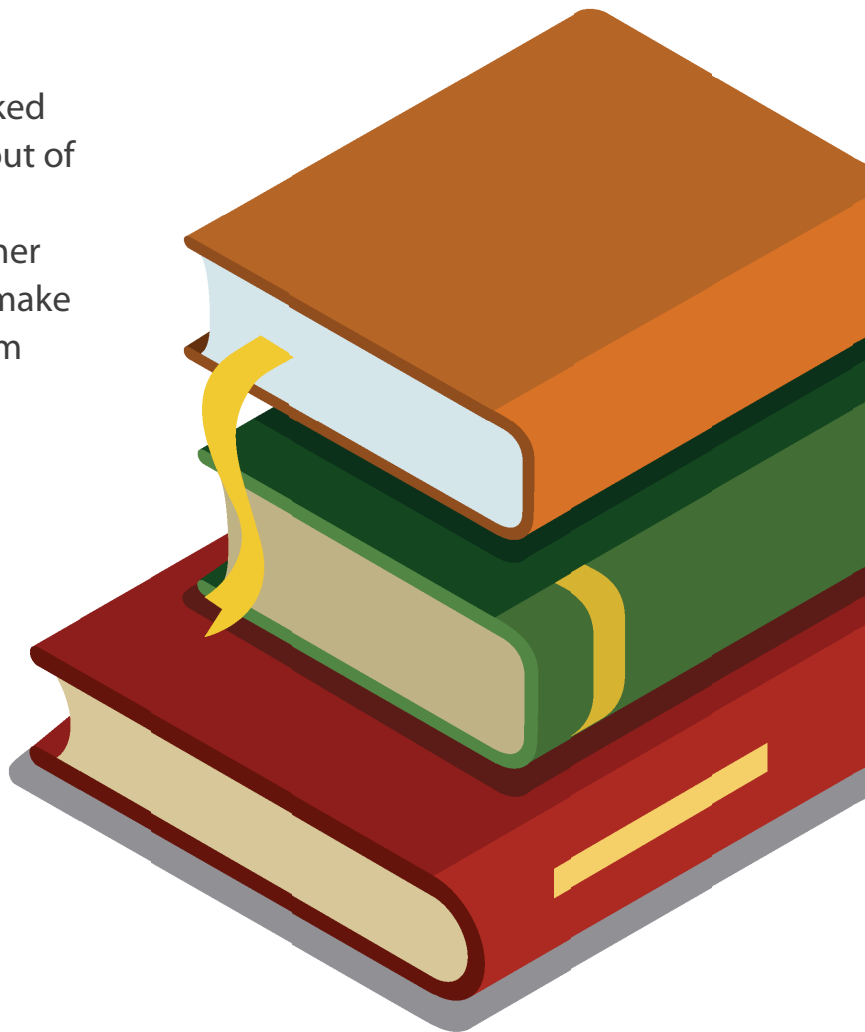


Training users

Find out how easy the new technology is to set up and how long it will take to learn to use. Most vendors will provide training for this, but make sure it's included with the implementation costs.

If you're a big association, with an extensive list of products and members to import, look for a vendor that offers a personalized onboarding process that will get you off to a strong start with the new tools.

You could also check if the vendor has someone within their organization, tasked with making sure clients get the most out of the technology they provide. Lots of technology providers now have Customer Success teams who will be on hand to make sure you are getting the most value from your investment.



Negotiating the contract

At this stage it's time to start agreeing terms and negotiating the contract.

You'll need to make sure the contract works for your association and try not to be blinded by all the exciting things you know the technology can do.

Understanding how the pricing model works and what pricing options are available is crucial. You also need to identify any hidden costs and agree Key Performance Indicators.



Pricing model

There are a number of different ways to pay for outsourcing your technology – make sure you choose one that fits with your budget and cash flow requirements, rather than your provider’s agenda. However, it’s also important you find a solution that aligns with the interests and expectations of both you and your service provider, to ensure a successful relationship.



Fixed price

This is the most common model in outsourcing, where the price is decided at the start of the project. The success of this model depends on the understanding of your association’s requirements and involves careful planning. It is also dependent on the vendor’s ability to accurately estimate how much time and resources will be spent on the project. Once completed you’ll be in charge and able to keep 100% of your profits.



Time and materials

As the name suggests, this model is based on the time and materials used to complete the project. It offers a more flexible approach and is more transparent, as the number of hours spent on the project are tracked. This model is a good option if the scope of your project is unclear and your requirements keep changing.



Incentive based

This model is often used in conjunction with the traditional models above. You offer a bonus or incentive when the service provider achieves agreed Key Performance Indicators (see more on this below), which you believe will add value to your association.



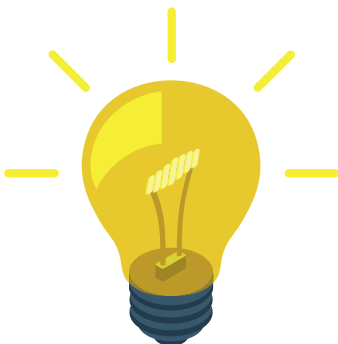
Revenue share

In this model, you and your technology provider jointly fund the development of new products or solutions and they recover their costs once revenue is generated. For example, they may receive a percentage of membership fees from new subscribers. This model can be a good incentive for the vendor to come up with innovative ideas and solutions, as it is in their interest for it to increase revenue and reduce costs. It can also be a good solution if your association doesn't have the funds to pay for the project upfront.



Pay as you use/Pay per unit

In this pricing model the product or service is metered. There are a number of different ways this could work, and this will ultimately depend on the kind of technology you are looking to purchase. If it's webinar software, your licence fee might be based on the number of attendees that sign up for your webinars each month. If it's an email marketing provider, you might be charged based on the number of email addresses in your database or how many emails you send a month. The benefits of this model are that you are only ever paying for what you use. But, this solution causes some serious headaches if you need to scale your activities at any point.



Check for hidden extras: You should always read the small print to find out if there are any hidden fees, such as support, data retrieval, upgrades or improvements.

Some providers include regular enhancements as part of the bundled service, to improve the user experience and conversion rates. If this is included in your fee, ask to see the roadmap for the last six months and six months in the future, to get a feel for the value you'd be getting.

Key Performance Indicators

It's imperative to agree Key Performance Indicators (KPIs) before you sign a contract, to ensure you and your vendor are working towards the same goals. Remember the top three goals you set during your initial brainstorm? Now is the time to revisit and expand them, if necessary, before formalizing them into agreed KPIs.

By putting KPIs in place both parties know what they need to do to ensure software implementation is a success.

Make sure your KPIs are clear by asking:

1 What are you measuring?

Focusing on too many KPIs is a waste of resources, so before deciding on what you want to measure, you need to be clear about what your association's goals are. You also need to make sure these goals are SMART:

Specific

Measurable

Achievable

Relevant

Timely

If you're upgrading your website, for example, your SMART goal might be to increase membership numbers by 5% within six months. Your KPIs for this would include:

- Website traffic (organic/unique visitors)
- Conversion rates (the website's ability to persuade visitors to take a desired action e.g. membership sign-up, or conference registration)
- Landing page performance
- Blog traffic
- Keyword ranking
- Backlinks

2 Who will measure them?

Once you've agreed your KPIs you need to agree on who will measure them. Your provider may provide regular reports as part of their contract, or there could be an extra charge. Alternatively, some will supply your association with the necessary tools to measure them yourself. Make sure you find out before you sign up, and ensure it fits with your budget and resources.

3 How will they be measured?

You need to agree how these KPIs will be measured. This is where data is king and there are dozens of web analytic tools that will measure it for you.

The tools you or your supplier use depend on what you are measuring to help you meet your SMART goals. Your technology provider should be able to advise you on what tools are best – many will provide them as part of the software.

4 How often will they be measured?

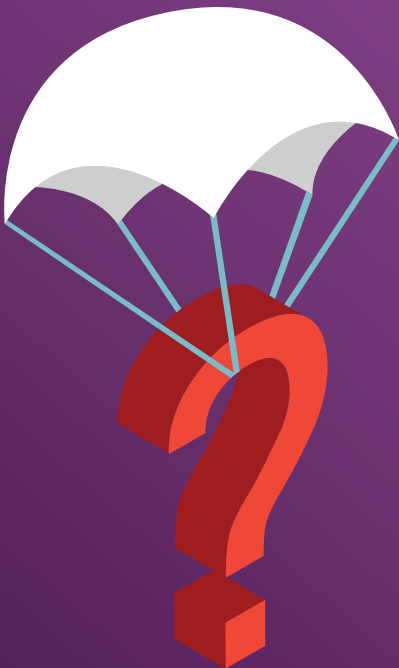
It is important to agree a schedule for collecting KPI data. Otherwise, you run the risk of collecting more data, more often than necessary, which is a waste of your time and money. It might be necessary to monitor a KPI more regularly to meet monthly sales goals, while membership satisfaction could be measured quarterly.



5 Reviewing your KPIs

To ensure your KPIs continue to reflect your SMART goals it is important you review them with your provider on a regular basis and adjust them, if necessary. As the contract evolves, things may change:

- Services may be added or taken away
- Your goals may change as a result of the growth or decline of your association
- The relationship between you and your provider may change – for the better or worse!
- You may decide to refocus on other areas of your association



Test drive

On paper, a software or system may look like the perfect choice – particularly if the provider has done a good sales job. However, when your staff and members actually use the technology, it may not meet their expectations or needs.

An on-site software demonstration will determine the capabilities of a product and give you and your team the chance to see if the vendor's claims are true. Make sure you are clear about what you want to see, otherwise the vendor may show you what they think are the most impressive features, and miss out specific features that are relevant to your association.

It's also a good idea to get a few of your members to trial the new software – as ultimately, it's the end user that needs to be happy and comfortable with the final product. Some providers may offer a free trial, so you can test run the software before parting with your cash.

Understanding the jargon

Choosing a technology partner is complicated enough, but to make matters worse, you find yourself dealing with organizations that seem to be speaking a completely different language!

To make the process easier we've created a jargon buster, that covers the key terms you are likely to have thrown at you.



A/B Testing

Sometimes called 'split' testing, A/B involves comparing two versions of a web page to see which one performs better.

API

Commercial sites make some parts of their code available to developers, so that they can build tools for the site. This code is called the API (application programming interface) and the things they build are called applications (see below). API is essentially a way to plug one website into another.

Application

A software program that runs on your computer, such as email. The word application is used because each program has a specific application for the user.

Back-end

This refers to everything the user can't see in the browser of a webpage, like databases and servers.

Big data

A collection of data from traditional and digital sources, inside and outside your company, that represents a source for ongoing analysis.

Browser

Short for 'web browser', this is a software application used to retrieve and display content on the internet. You will almost certainly use one of these every day. Examples include Google Chrome and Safari.

Bugs

A software bug refers to an error or flaw in a computer system. Basically, it's a mistake in the code that means the application doesn't perform in the way it is intended to.

Cache

Stores data so that future requests for that data can be served faster.

Cloud

Cloud computing means storing and accessing data programs over the internet instead of your computer's hard drive.

CMS

A content management system (CMS) allows someone to upload, edit and manage content displayed on a website without the need for coding skills.

CSS

Cascading style sheets (CSS) is the language used to define styles for your web pages, including the design, layout and variations in display for different devices and screen sizes.

Data center

The physical location where servers and storage are operated and managed. It is the brain of any organization.

Data migration

The process of transferring data between data storage systems, data formats or computer systems.

Data mining

This involves digging through data to discover hidden connections and predict future trends.

Domain

While the term 'domain' is often associated with 'domain name', it also has a definition specific to local networks. A domain contains a group of computers that can be accessed and administered with a common set of rules.

Front-end

The front-end of a website refers to everything the user can see or interact with on a webpage or web application.

Hosting

A web host stores all of the content of your website on a server and makes it available for any computer connected to the Internet to browse. A web host will charge you to store your website on its servers.

HTML

Hypertext markup language (HTML) is the language used to create webpages.

Native integration

An application program that has been developed for use on a particular platform or device.

Open-source software

If a program is open-source, its source code is freely available to its users, so they can share and modify its design, for any purpose.

Platform

A major piece of software, such as an operating system, an operating environment, or a database, under which various smaller application programs can be designed to run.

Programmatic

Programmatic advertising is the algorithmic purchase and sale of advertising space in real time. During this process, software is used to automate the buying, placement, and optimization of media.

Responsive design

Allows a website to adapt its layout and information according to the visitor's screen size and orientation (i.e. cellphone, desktop, laptop), to ensure a seamless experience whatever the device.

Roadmap

Details the long and short-term developments in the pipeline for a specific product.

SaaS

Software as a service (SaaS) is a way of providing applications over the internet. Instead of installing and updating software and buying specialist hardware, you simply access a service via the web, usually on subscription basis.

SEO

Search engine optimization (SEO) is a strategy used to increase the number of visitors to a website by obtaining a high-ranking position in the search results page of a search engine.

Server

A computer designed to process requests and deliver data to other computers over a local network or the internet.

User flow

The path taken by a user on a website or app to complete a task. The user flow takes them from their entry point through a set of steps towards a successful outcome.

UX

Also known as 'user experience', this is the process of designing products that are useful, easy to use, and delightful to interact with. It's about enhancing the experience that people have while interacting with a product.

Conclusion

We realize there is a lot of information to absorb in this e-book. So, you might want to grab a cup of coffee and have another read through. Actually, make that a pot...

If you're more of an espresso drinker and want a quick shot to go, then there is one thing you should take away from this e-book. That's right. Just one thing.

DO YOUR RESEARCH.

We can offer all the advice, based on our years of experience in the tech industry, but there is no silver bullet when it comes to finding the right technology partner. Every association has different needs, every vendor has different products, every partnership has a different outcome.

It is only by researching your association, your members, prospective vendors and the technology involved, that you can have a clear understanding of what you want to achieve and who can help you achieve it. While this takes time – and money – you will save both in the long term. To coin a great phrase by Abraham Lincoln:

"Give me six hours to chop down a tree and I will spend the first four sharpening the axe."

So get sharpening...

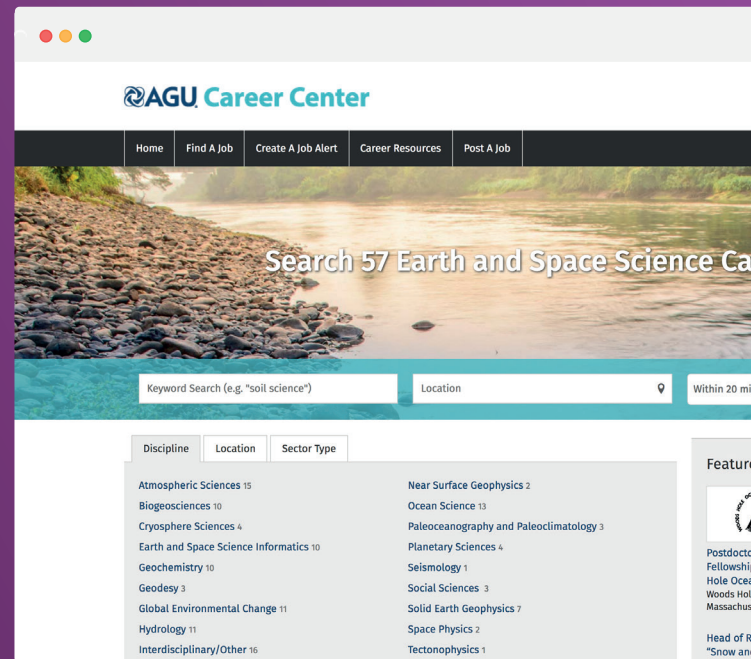
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AGU's Director, Talent Pool



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