

# THE STEP BY STEP GUIDE TO MULTIFAMILY GROUP PURCHASING



How to Choose a Purchasing  
Partner That Won't Let You  
Down

Production of

**Buyers Access**<sup>™</sup>  
Purchasing Power • Expertise • Performance

## BUYERS ACCESS SMART APPROACH TO PURCHASING

...brings your **whole multifamily purchasing** world together in one unparalleled service.

- ✓ **Save time:** Spend time with residents
- ✓ **Purchase with Ease:** Negotiated prices on products
- ✓ **Manage Reports:** Understand your spending actions

Register here for a free consultation on the Smart Advantage Purchasing Program

Free Consultation



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“Purchasing all of the products for your property no longer has to be a pain in the neck.”



If you're reading this eBook, chances are you're a property owner or the go-to decision maker who understands the importance of cost effective purchases for your property or properties. You 'get' that buying last minute products at the local hardware store or office supply store is both time consuming and expensive. You know this because your property managers are paying top dollar for single item purchases and taking time out of their busy day to do so. The reality is, this is a waste of time and the focus should be on servicing residents. You're missing out on the powerful business results that an effective purchasing program can provide.

Whether you're just getting started with a purchasing partner search or you want to find a purchasing partner that better fits your company's needs, this eBook can serve as your essential step by step guide to selecting a purchasing partner and implementing a purchasing program.

From establishing your initial consultation to implementing a customized purchasing program, this comprehensive purchasing partner eBook will guide you through every essential step you should be taking to effectively save on purchasing costs, and promoting product consistency. Whether you are small to mid-sized property management company or a large portfolio, these essential steps are equally applicable.

Step One



**GETTING TO KNOW A  
MULTIFAMILY GROUP  
PURCHASING PARTNER**

“*An experienced partner will show you the best practices in multifamily purchasing.*”

## WHAT IS A MULTIFAMILY GROUP PURCHASING?

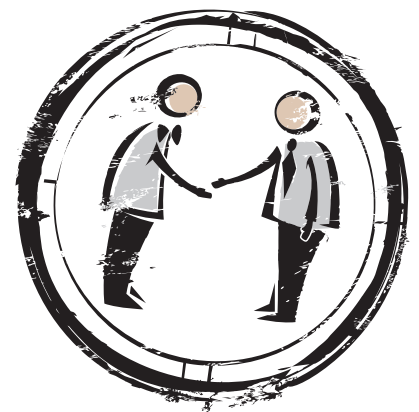
To start, a Group Purchasing Organization (GPO) is an entity created to help businesses obtain discounted pricing on products from vendors based on membership. So what does that really mean? It means that your business can reap the benefits of group purchasing with dedicated suppliers for a discounted price point as long as you are an active member. So what does that mean for multifamily? This means that the multifamily industry (apartment, student housing, senior living) can benefit from businesses providing group purchasing services which can cover various facets of multifamily purchasing. These services can range from product searches, price checks, bid solicitation, bulk purchases as well as product standardization, supplier reviews and recommendations on services such as cleaning, landscape, pest control and more.

### Why Do I Need a Purchasing Partner?

Your local suppliers may not be able to offer you the same services that you can get through a purchasing partner. Ask yourself a few questions:

- Do you have the resources and knowledge to develop standards?
- Can your local supplier offer you assistance in compiling competitive bids for an appliance rehab?
- Does that supplier offer you a toll free number that you can call for help with any special requests ?
- Can your suppliers offer you reporting?

As expert purchasing partners, Buyers Access can build a customized purchasing strategy for your property. Our team will be available to you when you need help with product searches, training programs, assistance with capital projects and much more.



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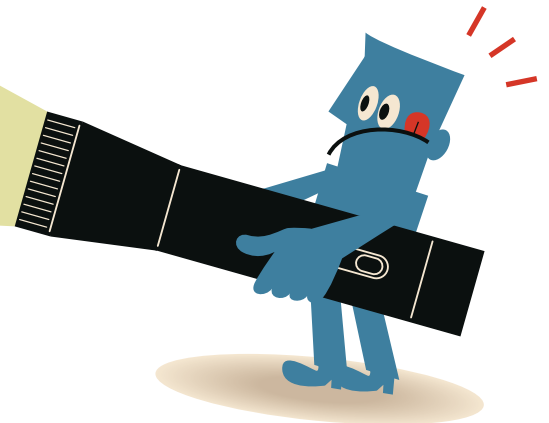
## WHY BUILD A CUSTOMIZED PURCHASING STRATEGY?

More and more owners are interested in how to save more money on the various products they purchase. With the right purchasing partner, you can take advantage of member pricing and leverage top quality products from national suppliers as well as track and measure product purchasing across your entire portfolio.

### How do I find the right Purchasing Partner?

Learning the proper way to select a multifamily group purchasing partner for your property can be the key to your success. One important area of focus is having the understanding of the big picture reasons for selecting a purchasing partner. Often times important pieces are forgotten or missed all together which can lead you to get on board with the wrong partner. It is imperative for all owners or the go-to decision makers to provide a list of their needs and wants as well as share how they go about the property's daily purchasing habits.

There are many additional key elements that should be considered when choosing a purchasing partner for your property or portfolio. For example, Buyers Access has expert Account Managers available to walk you through a detailed needs analysis to help determine your purchasing goals and map out the best purchasing strategy for your portfolio's unique needs. In addition, the Buyers Access dedicated Member Services team can assist in product searches, bulk purchases, special requests, price checks, management reports, bid solicitation, bid contractor sourcing and training. Lastly, the Client Success team diligently works to support all departments at Buyers Access, from business analytics to corporate office management. All three teams work hard to bring you smart multifamily purchasing services.



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Step Two



# **STANDARDIZING A SMART PURCHASING PROGRAM**



“Standardization creates the opportunity for **expense** reduction within your portfolio.”

## WHAT IS STANDARDIZATION?

Standardization is a rapidly growing trend within the multi-housing industry. Thousands of properties around the country are seeing the value of standardization because it increases asset value and makes life easier for the property staff! Capitalizing on the advantages of this type of program will increase productivity among your staff and improve resident satisfaction. Standardization is the end result of a process through which the most commonly used parts within a portfolio are analyzed and identified as the most cost effective and functionally proficient parts available to fill your needs. This list of parts is then actively promoted and utilized exclusively throughout the portfolio.



## WHAT VALUE DOES STANDARDIZATION ADD?

Overall, standardization creates the opportunity for expense reduction and asset protection within your portfolio. Although individual part pricing may come into play throughout this process, your portfolio truly benefits through improved processes and an increase in time saved.

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## WHY STANDARDIZE?

Standardizing on your most commonly ordered items offers many advantages to property operations:



**Saves You Time** – Standardizing on your top items saves you time by simplifying the ordering process. Rather than looking through the purchasing guides to determine which toilet seat or faucet you need, you can reference your list of standardized items and reduce your order time.



**Consistent Quality of Product** – You can be assured that the quality of the products you are installing in your portfolio is consistent from property to property.



**Firm and Consistent Pricing** – By committing to a select number of items, we are better able to leverage our position with our suppliers and secure firm (and sometimes more favorable) pricing.



**Less Inventory on Property** – Improving the availability of product from our suppliers translates into less inventory items stored on site. You will no longer need to worry about stocking what you need since most items will be available for next day delivery. In addition, you won't have funds tied up in excess inventory.



**Increase in Turn Rates** – Realizing that your suppliers will have what you need when you need it, you will undoubtedly improve your turn rates since you won't be waiting for deliveries.



**Improved Availability of Product** – Limiting the number of items used on property allows our suppliers to concentrate more effectively on fewer part numbers. This results in better fill rates and improved availability of product.

## DID YOU KNOW?

A property management company of 5,400 units saved \$81,000 per year and 12% reduction in flooring expense by standardizing their floorcovering. The right purchasing partner can provide guidance and can search for ways to reduce expenses, ensure product consistency, and streamline purchasing for needs across your portfolio of properties. [Click here to read a Floorcovering Case Study.](#)

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Step Three



# **ACCOUNT MANAGEMENT MAKES THE DIFFERENCE**

“A trusted and experienced multifamily group purchasing partner should be able to **prove** how they can be the single largest difference to your bottom line.”

## WHAT IS ACCOUNT MANAGEMENT?

An **Account Management** department is one of the most important departments in any organization. An Account Manager has the responsibility of building client relationships and being the liaison to suppliers. In the case of multifamily, an Account Manager could manage a property or entire portfolio of properties.

### How does an Account Manager help me?

Members of the Buyers Access Smart Advantage Purchasing Program are assigned a dedicated Account Manager that can review and analyze the health of your account and/or program, understand the challenges facing the property or portfolio, and identify areas of opportunity to reduce expenses. The Account Manager can also structure a property implementation plan based on your needs. This implementation includes training sessions, web training, and phone training. This is necessary to ensure that the entire portfolio understands the value in the Buyers Access partnership on an ongoing basis. Also included in this implementation plan are custom pricing/auditing reviews that determine what works best for your organization. Based on your company wide objectives, a review of product usage and identification of categories will be incorporated into a standardization program. In addition, experienced Member Services specialists will be at your service with full purchasing support for your properties. Detailed usage reports are also made available to property owners and managers to monitor the portfolio's level of participation and their purchasing activity. Buyers Access also has the ability to monitor the performance of our national suppliers through various reporting methods. In short, this transparency allows you to make sure you get what you are paying for. A trusted and experienced multifamily group purchasing partner should be able to prove how they can be the single largest difference to your bottom line.

### Ask yourself the following questions:

1. Does your Account Manager help guide your company to make an impactful decision regarding your purchasing?
2. Does your Account Management team provide enough data to change any preset opinion and/or to help influence decisions in this relationship driven industry?
3. Does your Account Manager feel like an added member of your purchasing team or another sales person?

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Contact Buyers Access for a **Free Consultation** and let us share how we answer these questions.

Step Four



# **AN EXTRA PAIR OF HANDS THROUGH MEMBER SERVICES**

## WHAT IS MEMBER SERVICES?

A **Member Services** team or department can vary depending on the type of purchasing partner and how members are assisted by the company. In general, responsibilities of a member services team includes delivering customer service, listening to member(s) issues, and offering site level solutions.

### How does a Member Services Specialist help me?

Members of the Buyers Access Smart Purchasing Program have an entire department of Member Services Specialists waiting to assist you. The Buyers Access Member Services team provides expertise in the areas of product searches, special requests, bulk purchases, training and support, bid solicitation, or an extra set of hands. Think of Member Services as your own purchasing department.

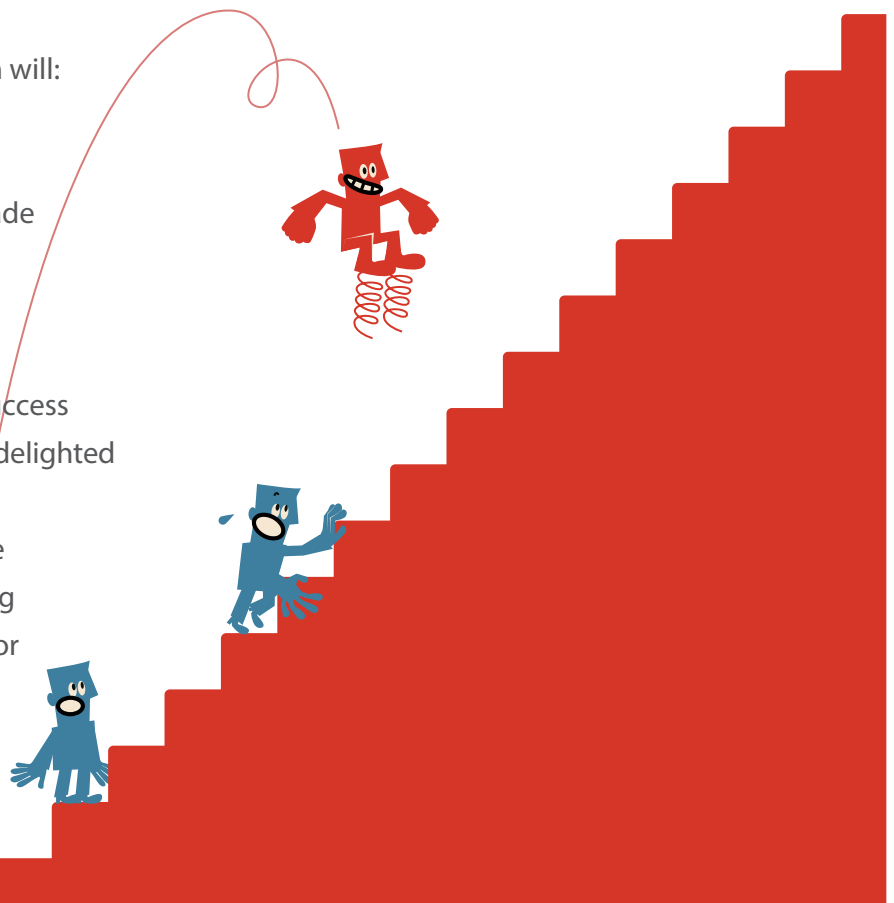
### What separates our Member Services team from the rest?

Well, service comes first. The Member Services team ensures that our members are confident in our commitment to service and that their overall experience is a great one. We ensure our team will:

- Be responsive
- Follow through on commitments made
- Provide unique insight & knowledge
- Proactively address challenges
- Find creative solutions
- Educate and train member staff for success
- Take the extra step to keep members delighted

Providing customer service is simple. If you are looking to simplify your multifamily purchasing experience, look no further because we here for you!

“Take the extra step to keep members delighted.”



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Step Five



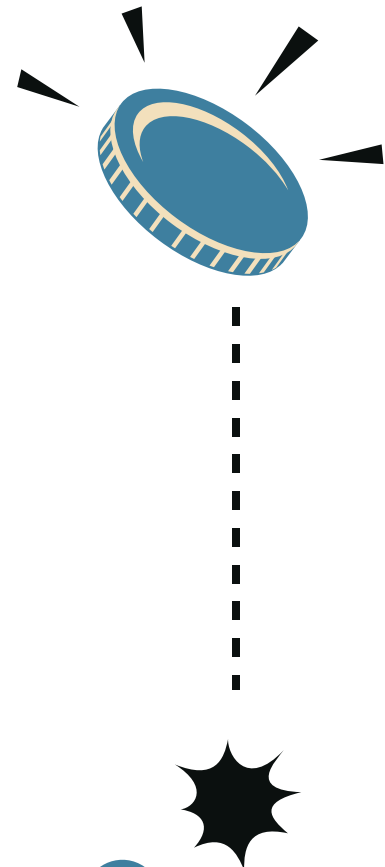
# **SAVING TIME AND MONEY THROUGH COMPLIANCE**

## WHAT IS COMPLIANCE?

Compliance is the means of conforming to a rule, such as a specification or standard. In order to get the most of your purchasing program, compliance is necessary.

## WHERE IS YOUR COMPLIANCE?

As a member of the Buyers Access program, you can expect projected savings and maximized NOI through portfolio-wide program compliance. This compliance can be achieved with clear communication, education, and customized training. Below is an example of projected savings calculated through compliance.



# of Units 5000	Increased Compliance/ Unit*				
	10%	20%	30%	40%	50%
<b>MRO</b> <small>(excludes major HVAC and Appliances)</small>	\$1.39	\$2.78	\$4.17	\$5.56	\$6.95
	\$6,950	\$13,900	\$20,850	\$27,800	\$34,750
<b>Paint</b>	\$0.75	\$1.50	\$2.25	\$3.00	\$3.75
	\$3,750	\$7,500	\$11,250	\$15,000	\$18,750
<b>Office Supply</b>	\$0.64	\$1.29	\$1.93	\$2.57	\$3.21
	\$3,214	\$6,429	\$9,643	\$12,850	\$16,050
<b>Projected Savings by 10% Increase in Compliance</b>	\$13,914				

\*Compliance savings rates are based on actual comparison of items purchased at retail versus a catalog supplier (ie. HDS or MUSA) and national account program

## HOW DOES YOUR SAVINGS LOOK?

Where does your compliance fall? Are you working with the right multifamily group purchasing partner to save time and money? You can find out more about our customized program design via a free consultation.



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Step Six



# **INTUITIVE E-COMMERCE SOLUTIONS**

“Not all Multifamily Group Purchasing Partners are created equal and neither are their e-Commerce sites.”

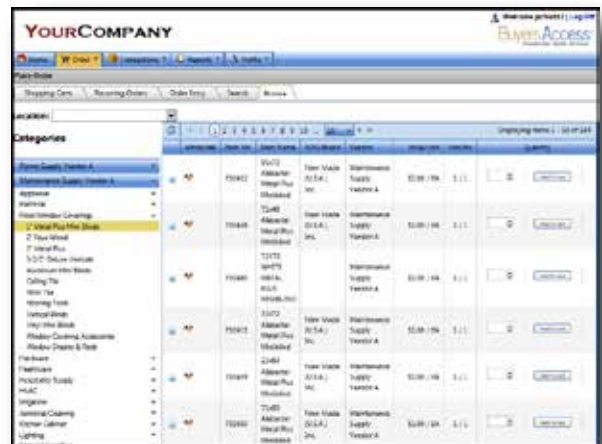
## WHAT IS E-COMMERCE?

Electronic commerce or purchasing, also known as e-Commerce, is the process of transacting or facilitating business via the internet. This may include selling products online and delivering products electronically.

### What e-Commerce capabilities are important in a Multifamily Group Purchasing Partner?

As part of your membership with Buyers Access, you will enjoy complete commerce automation and reporting solutions with intelligent direction and feedback for purchasing decisions. As a member, you have the flexibility to establish an order and invoice process that meets your needs. Below we highlight our very important e-Commerce capabilities.

- Locating and Ordering Products
- Personalized Site Configuration
- Tiered Approval Process
- Electronic Invoicing
- Accounts Payable System Integration
- Budget Management at General Ledger Level
- Material Safety Data Sheet (MSDS) Availability
- Configure Web Experience with Unique Suppliers
- No Additional Costs/Fees for Buyers Access Members



Not all Multifamily Group Purchasing Partners are created equal and neither are their e-commerce sites. Buyers Access takes member feedback seriously and it has played an instrumental role in the development of our e-Commerce site. It is important that we remain scalable in our e-commerce technology and deliver only the best group purchasing website in the multifamily industry. Does your purchasing program provide a robust and customizable e-Commerce site? Are they listening to your e-Commerce needs as a customer? We would like to hear about your needs. Give Buyers Access a call today at [800.445.9169](tel:800.445.9169).

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[www.buyersaccess.com](http://www.buyersaccess.com)

Buyers Access



“Multifamily Group Purchasing Partner”

Step Seven



# **GET THE MOST OUT OF YOUR BUSINESS INTELLIGENCE AND REPORTING**

“*A solid **Business Intelligence and Reporting** solution can help an organization optimize its budgeting and planning processes.*”

## WHAT IS BUSINESS INTELLIGENCE?

Business Intelligence is a set of processes or methodologies that transform raw data into meaningful and useful information for business decisions. This data can identify opportunities that serve as a guide towards a desired goal.

### Why is it important to have a business intelligence and reporting solution?

A cornerstone to any legitimate program is the ability to determine the results as well as calculate the return and impact to the business. Without a Business Intelligence and Reporting solution to support this need, you are virtually in the dark. As a member of Buyers Access, you will benefit from our investment in utilized technology which includes a robust Business Intelligence and Reporting solution. We have the application, and more importantly, a team of industry experts who have the ability to identify trends and anomalies in large sets of data. Further, we have the flexibility to set client specific benchmarks. This allows us to report against your standards and calculate compliance levels of your dedicated program, not a comparison against an average.



Overall Compliance



MRO Compliance



Paint Compliance



Office Products  
Compliance



Flooring Compliance

### Ask yourself the following questions:

1. If you currently receive reporting, is it consolidated to provide a snap shot of all purchasing activity or do you have to sift through countless reports by a supplier or by a category?
2. Where do you find the time or resources to review business intelligence analytics, identify the opportunities, and determine an action plan?
3. Are you comparing against the correct Key Performance Indicators?
4. Do your reports visualize trends?

Contact Buyers Access for a **Free Consultation** and let us share how we answer these questions.

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Step Eight



# **OPTIMIZE AND CONTROL BUDGETS**

“Join the community and leverage a program that was born through collaboration.”

## WHAT IS SPEND MANAGEMENT?

Spend Management is the way in which companies control and optimize the money they spend. Whether it is the money spent on goods or services for direct inputs (raw goods and materials used in the manufacture of products), indirect material (office supplies and other expenses that do not go into a finished product), or services (temporary and contract labor, print services, etc.) a company needs a mechanism by which they are not only able to save money but also control costs.

### How is Spend Management helpful to my purchasing program?

The concept of Spend Management can mean many things to many people. Some may define it as acquiring the lowest price, while others may define it as budget control.

Through our years of experience and belief in providing the solutions that help our members maximize the value of their real estate assets, Buyers Access has developed a standard approach and best practices to Spend Management, rather than a definition. Since what we provide is a consultative service to the multifamily and student housing industry, our approach has been molded by the voices of our members through a collaboration of the multifamily and student housing community. We have consolidated those definitions and ideas and developed our Smart Advantage Purchasing Program. In a world that is ever changing, we are committed to our Community of Members to acquire, develop, and deploy these solutions. Don't sit idle and alone with one approach or one definition, join the community and leverage a program that was born through collaboration.

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Step Nine



# **BUILDING RELATIONSHIPS WITH SUPPLIERS**

“Members will get focused supplier management support and a strategic approach to your purchasing program.”

## WHAT IS SUPPLIER MANAGEMENT?

Supplier management is the systematic, enterprise-wide assessment of suppliers' assets and capabilities with respect to overall business strategy, determination of what activities to engage in with different suppliers, and planning and execution of all interactions with suppliers, in a coordinated fashion across the relationship life cycle, to maximize the value realized through those interactions.

### How important is Supplier Management?

At Buyers Access, we take our partnerships seriously, and it shows. We've helped thousands of properties around the nation reduce their costs and generate more efficiency from their maintenance efforts. We source only top suppliers for the multifamily industry and work with the best contractors to make sure your purchasing program is a success. We take pride in an ongoing commitment to strengthen our supplier relationships to ensure members benefit from the value differentiated products and services we offer. What does that mean to a future Buyers Access member? It means members will get focused supplier management support and a strategic approach to your purchasing program.



### Ask yourself the following questions:

1. Does your current purchasing partner have a thorough supplier selection process before adding a supplier to their network?
2. Do you feel that you have a healthy variety of product and services available within your current supplier network?
3. Does your purchasing partner work on preferred pricing while helping drive compliance to your purchasing program portfolio wide?
4. Does your purchasing partner stay current on products and services in the multifamily industry?
5. Are your suppliers following through with their commitments?

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Step Ten

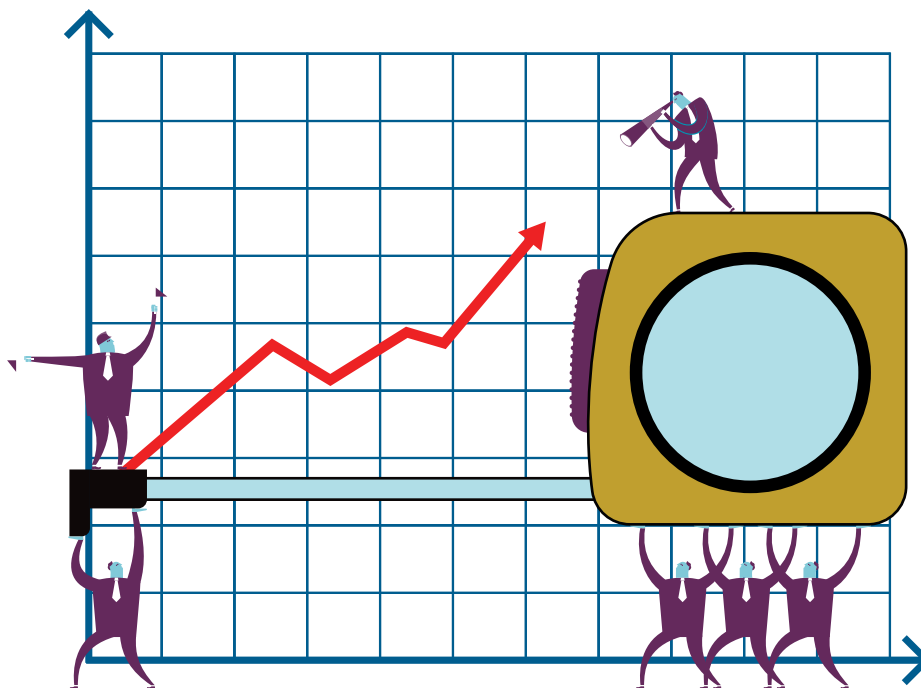


# **IMPROVING THE CUSTOMER EXPERIENCE**

“Are C-Suite executives calling you personally to ask about your customer experience?”

## HOW DOES YOUR PURCHASING PARTNER MEASURE UP?

Does your purchasing partner incorporate an internal methodology to ensure member satisfaction? Are they taking a proactive approach to any challenges you have? Are C-Suite executives calling you personally to ask about your customer experience, documenting that feedback in an objective and actionable way? At Buyers Access, we've taken the extra steps to gather feedback from all levels within our member management companies. This gives us a great opportunity to regularly communicate one-on-one with our members, giving us insight to where we can improve and work hard to delight them with our service. If you want to join a multifamily purchasing partner that focuses on delivering world class products, services and a continual improvement of the member experience, please contact us here at Buyers Access.



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Step Eleven



# **CONCLUSION AND ADDITIONAL RESOURCES**

“Multifamily purchasing can be profitably managed by tackling your purchasing activities step by step.”



Selecting a multifamily group purchasing partner might seem difficult. However, with the right purchasing partner, multifamily purchasing can be profitably managed by tackling your purchasing activities step by step.

We hope that by reading this eBook, you have gained an understanding of what qualities a multifamily group purchasing partner should have in order to:

- Manage and control product spend
- Retain residents and increase revenue
- Reduce the workload of property and management staff

You know now how to define a multifamily group purchasing partner, best in class standardization, compliance, account management, member services, business intelligence, e-commerce, spend management, supplier management and customer experience.

Call Buyers Access to learn how your organization can leverage the Smart Advantage Purchasing Program today!

# GET A FREE CONSULTATION



Are you unhappy with your current purchasing partner practices and processes? Are you searching for the right Multifamily Purchasing Partner? Wondering if you are doing all the right things to improve purchasing efficiency, while increasing NOI?

Find out in a customized assessment of your purchasing activities with an expert from Buyers Access!

Free Consultation

[www.buyersaccess.com](http://www.buyersaccess.com)

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