

MARCH 2022



Institute of Sales
Professionals

Selling to the Public Sector

Trends and opportunities

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Trusted Insight on Government
Contracts and Spend



The market's trusted source of insight

Corporate clients



BCG

Capita

leidos

serco

BOEING

SAP

Jacobs

zoom

M
MOTT
MACDONALD

IBM

netcompany

Public sector clients



Cabinet Office



Crown
Commercial
Service



Foreign &
Commonwealth
Office

Local
Government
Association

Media citations

FT

The
Economist

120+

In 2022 alone

THE TIMES

BBC

The Telegraph

The
Guardian

Bloomberg

NewStatesman

EveningStandard.

REUTERS

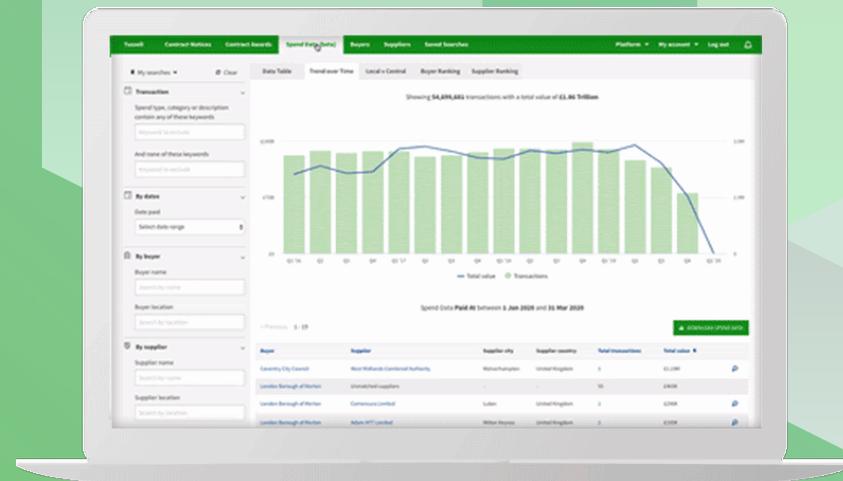
FINANCIAL TIMES

*“Serious-minded
business
data provider
Tussell”*

Matthew Vincent
22nd September 2018

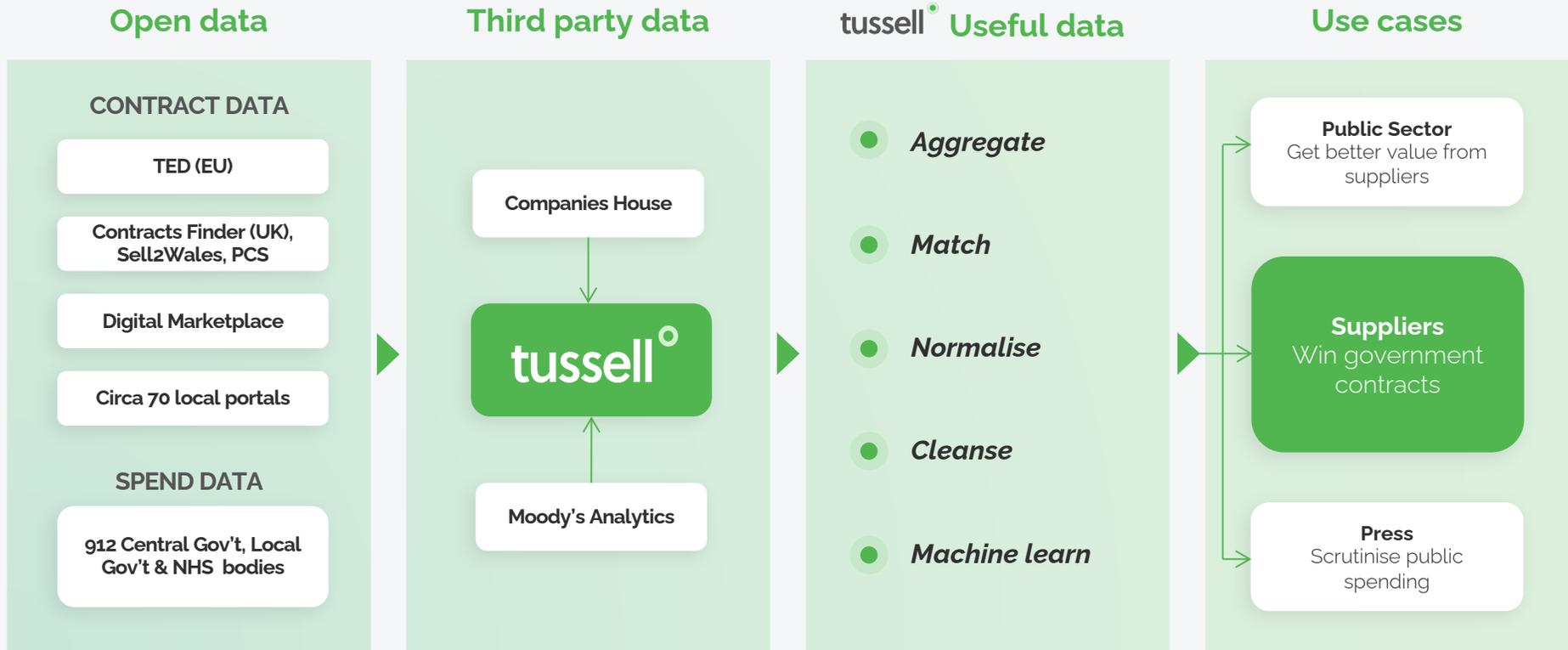
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All the data in this report came directly from Tussell Insight, our online market intelligence platform



To learn more or book a demo visit [tussell.com](https://www.tussell.com)

We transform open data into useful data



Agenda

01

Market
landscape

02

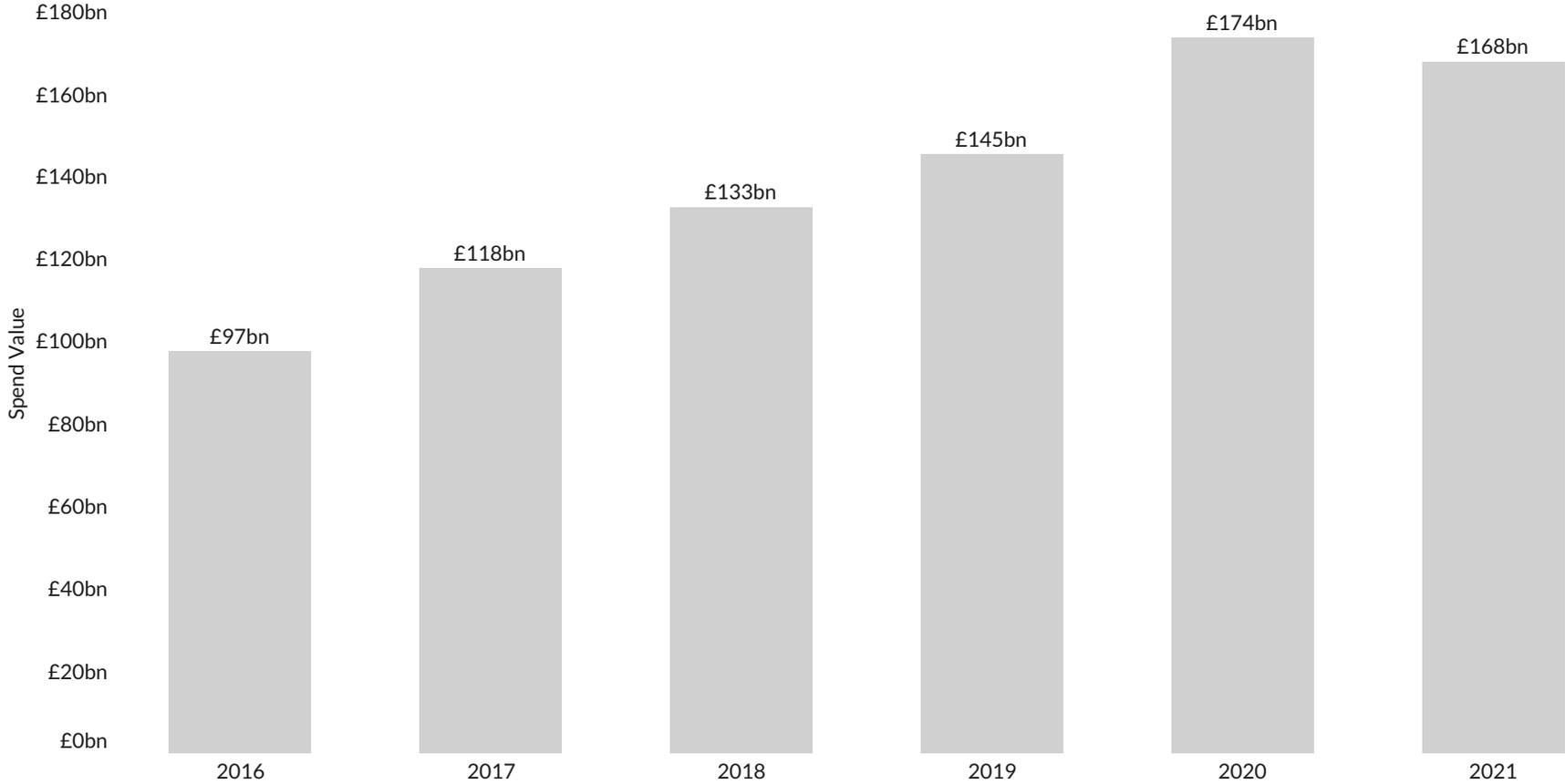
Routes to
market

03

How can I
position my
firm to win?

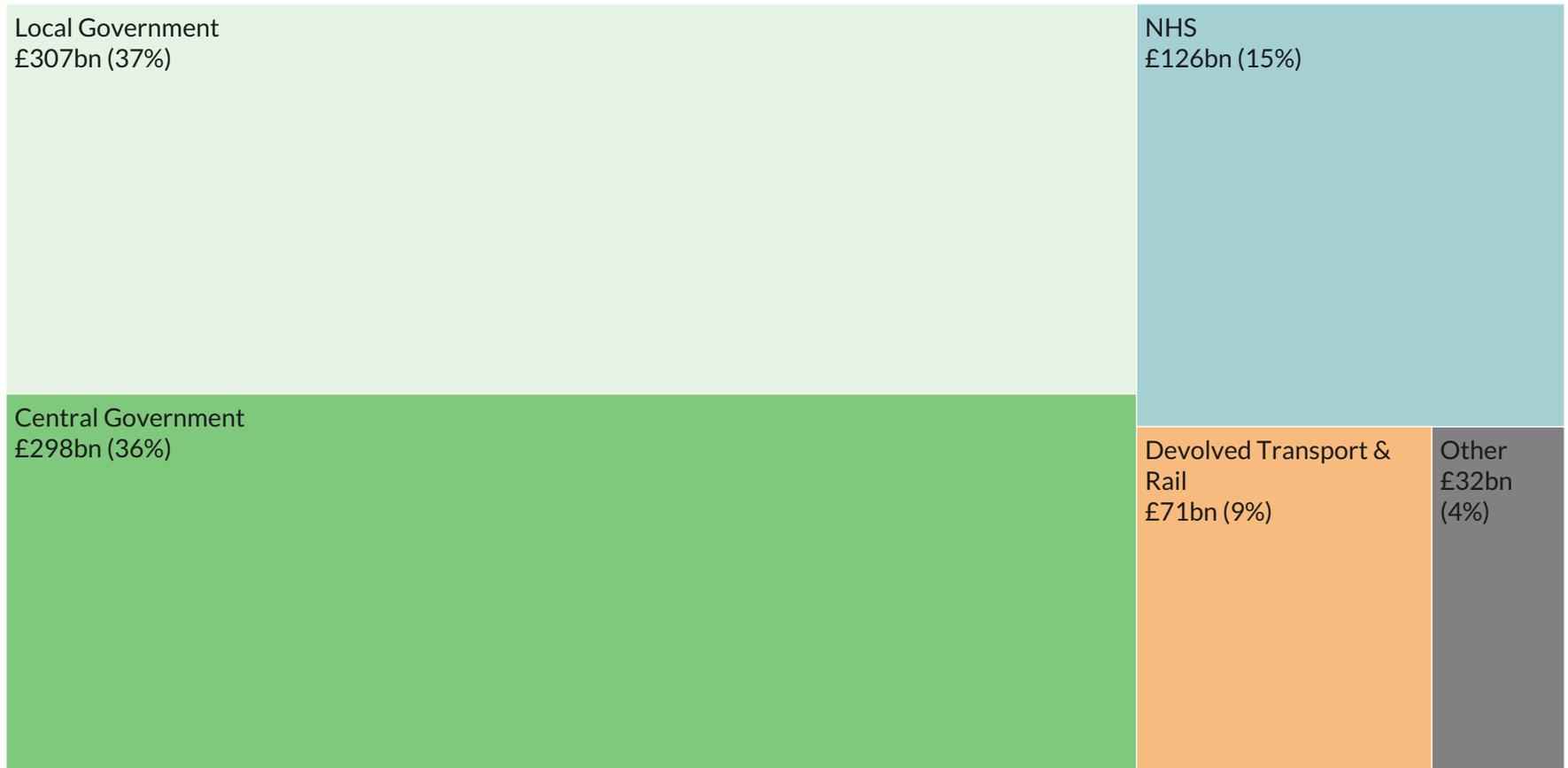
Public sector procurement spending has increased consistently over the last five years

Public sector procurement spending, and average growth since 2016, 2016 - 2021



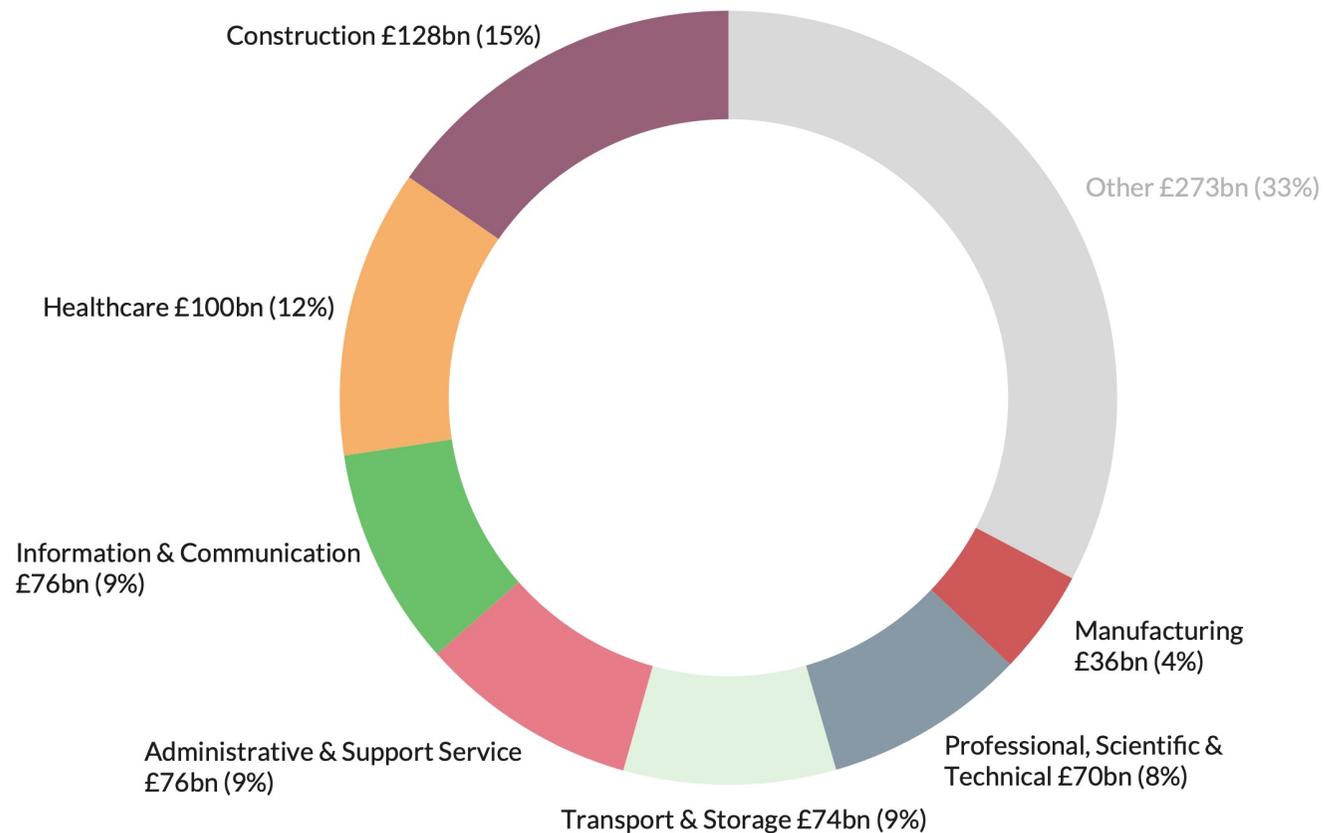
Local and Central Government account for almost three quarters of the market

Public sector procurement spending by area of government, 2016 - 2021



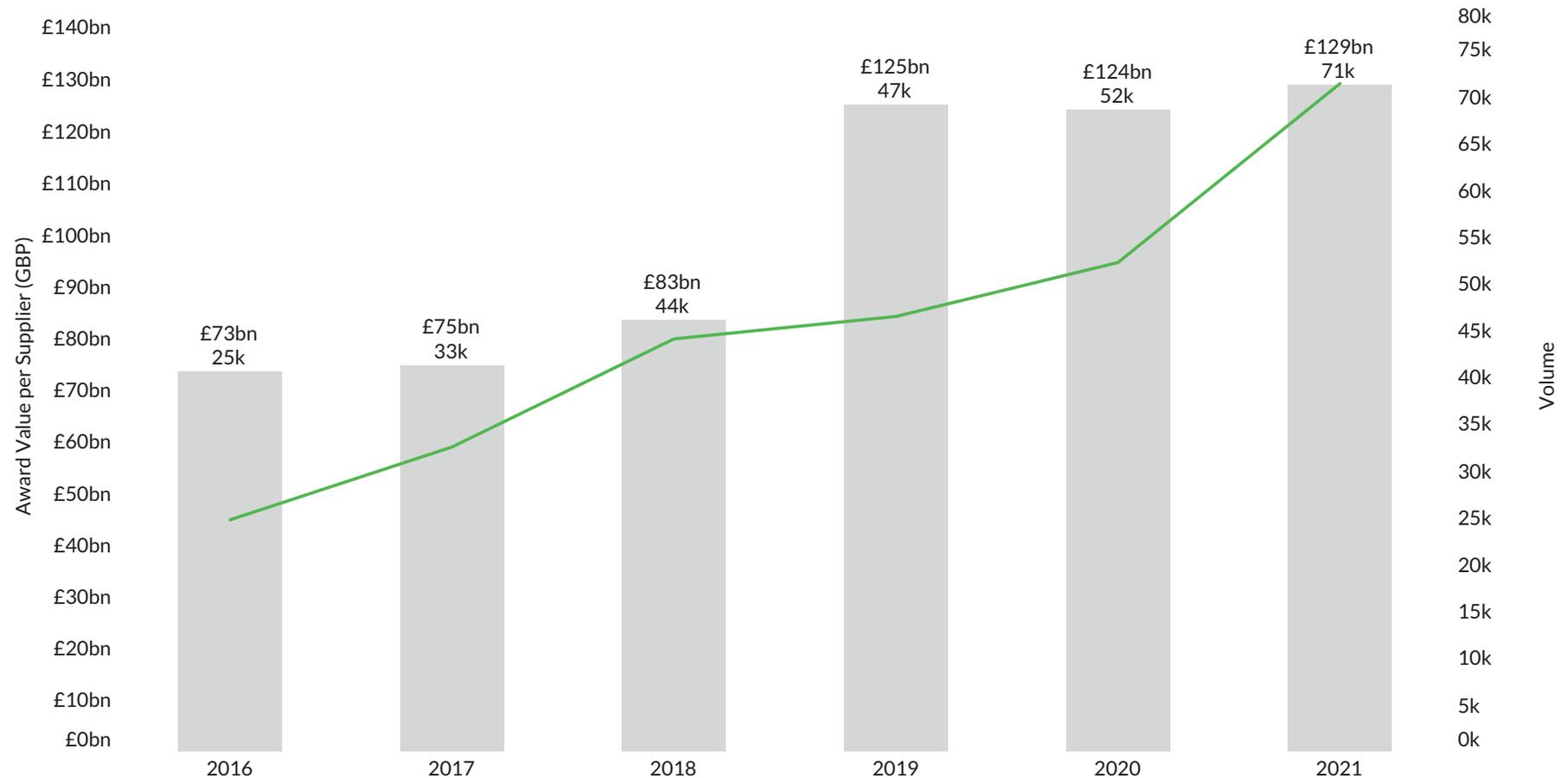
Construction, health & IT industries top spending, but public sector buys a huge range of products & services

Public sector procurement spending by industry, 2016 - 2021



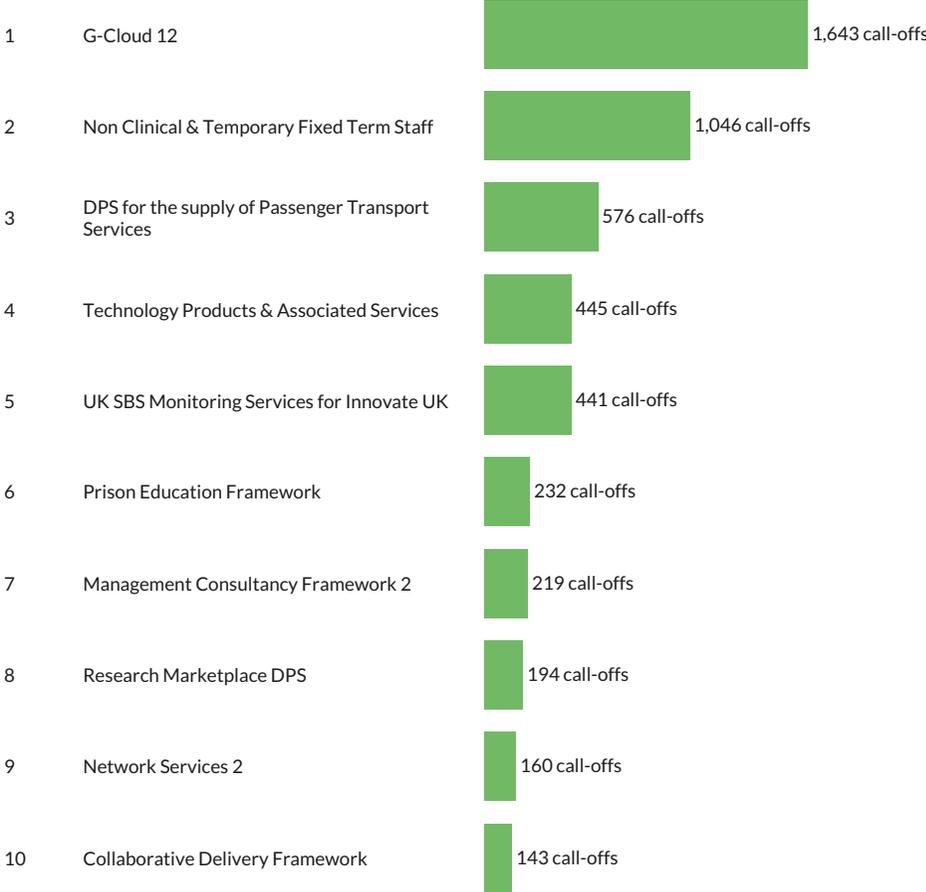
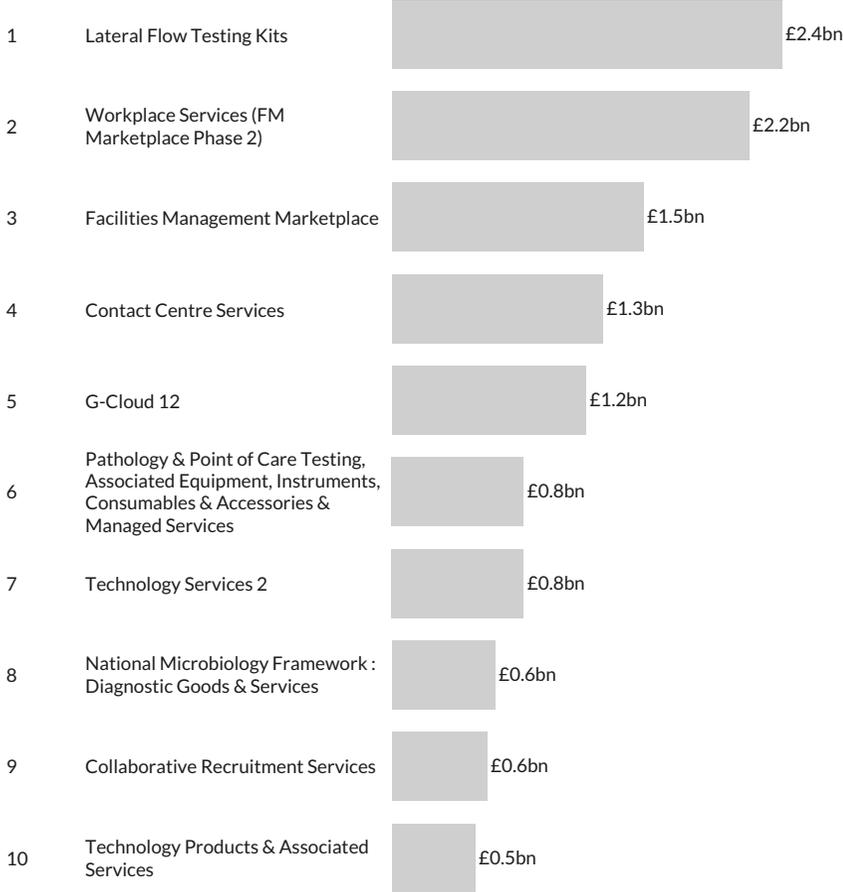
The value and volume of contracts awarded by the public sector grows consistently year-on-year

Contract award value and volume, 2016 - 2021



Frameworks are a key tool to sell to government, but some agreements are used much more than others

Most used frameworks by value and volume, 2021



Routes to market in the public sector



DPS

Get onto DPSs and sell through them.

Pros

- Always open
- Direct awards the norm

Cons

- Not widely used (yet)
- Fairly narrow services procured through them



Under threshold / out of scope

Sell lower value packages, or choose areas out of scope.

Pros

- Get your 'foot in the door'
- Avoid procurement process

Cons

- Can only sell low value deals OR you're limited to areas not fully covered by procurement regulations



Tenders

Wait for tenders to be released and respond to them.

Pros

- Low effort
- They come to you

Cons

- Fully open = competition
- Reactive (unless you plan)



Frameworks

Get onto frameworks and sell through them.

Pros

- Can be easy to get onto
- Less competition
- Can receive 'direct awards'

Cons

- Some get very little use
- Still have to fight for business



Partnerships

Find partners to co-deliver work to the Public Sector.

Pros

- Leverage relationships
- Get results faster

Cons

- Less control & revenue
- Service delivery more complex



Tier 2 opportunities

Find companies working with public sector and sell to them.

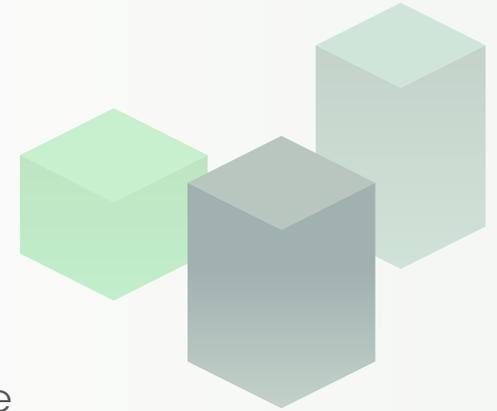
Pros

- Easiest 'way in'
- Helps grow experience & relationships indirectly

Cons

- Reliant on others
- Payment terms & other benefits foregone

How can I position my firm to win?



- Understand the way public sector works
 - Stay focused – pick a defined area of gov and build from there
 - Understand routes to market in your target accounts
 - Map your target market and define a go-to-market strategy
 - Build robust opportunity pipelines using expiring contracts & framework data
-
- ✓ **BE PROACTIVE** - Build relationships with key decision-makers in advance, do not wait for tenders to be released!
 - ✓ **TRUST IS KEY** - Even more so than in the private sector - taxpayers' money is being used and the stakes are high.