Three Success Strategies for Differentiating Yourself as a Supplier

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Final Purchasing Decisions

Dominant Awarding Rules: National Governments Purchasing

(Source: UNEP Global Review of Sustainable Public Purchasing, 2013)
What’s a (sustainable product) to do?

- **We researched over 1000 purchasing policies and guidance documents:**
  - Some set requirements
  - Some set leadership points
  - Many on the receiving end suspect that they’re not being fully implemented

- **So what to do:**
  - If you’re ahead of the curve; but your messaging is getting lost in the mix?
  - How to differentiate as a purchaser when you and your competitors all work with the same suppliers?

- **We recently spoke to 11 organizations:**
  - Purchasers: what they see works, what they’d like to see more of
  - Suppliers: what strategies they take to differentiate and win
A range of strategies are being taken

- **Offer innovative solutions** that truly solves the customer need
- **Meet price requirements** and then differentiate
- **Educate** your buyers & your own sales team
- **Improve your marketing**, tell your story, explain the benefits, validate your claims
- **Co-Create, Adopt and Advocate** Leadership Standards
- **Partner and Network** with credible organizations
Top three strategies

- **Education:**
  - Of customers, of sales force

- **Partnerships:**
  - With Customers
  - With NGOs
  - With like minded companies & even competitors

- **Marketing - Specifically demonstrating and validating benefits:**
  - Economic (cost reduction or equivalent); environmental (in numbers); social (benefits)
Some nuance to this

- **Product cycle length & size of contract**: changes when/how often you interact/how close is the relationship

- **Sector sensitivities**:
  - Some are spending a lot of time answering questions, others virtually nothing
  - Some can rely on ecolabels/others can’t

- **Products/Services**: different types of contracts and interaction

- **Large enterprise contracts**: trickier, cover many thousands of SKUs
  Harder to differentiate here: need to use recognizable symbols
What’s not really working

- **Adding to the confusion** by making spurious & undocumented claims

- **Being too focused on the technical detail** in communications, remember: there is a person on the other end

- **Not answering customer questions** on sustainability/not answering them well

- **Charging a premium** that makes it hard for the buyer to argue for
Thank you!

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