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 Supplier benchmark

2025 state of public sector procurement

Peer-generated insights from a survey of 100+ companies selling into the UK public sector.

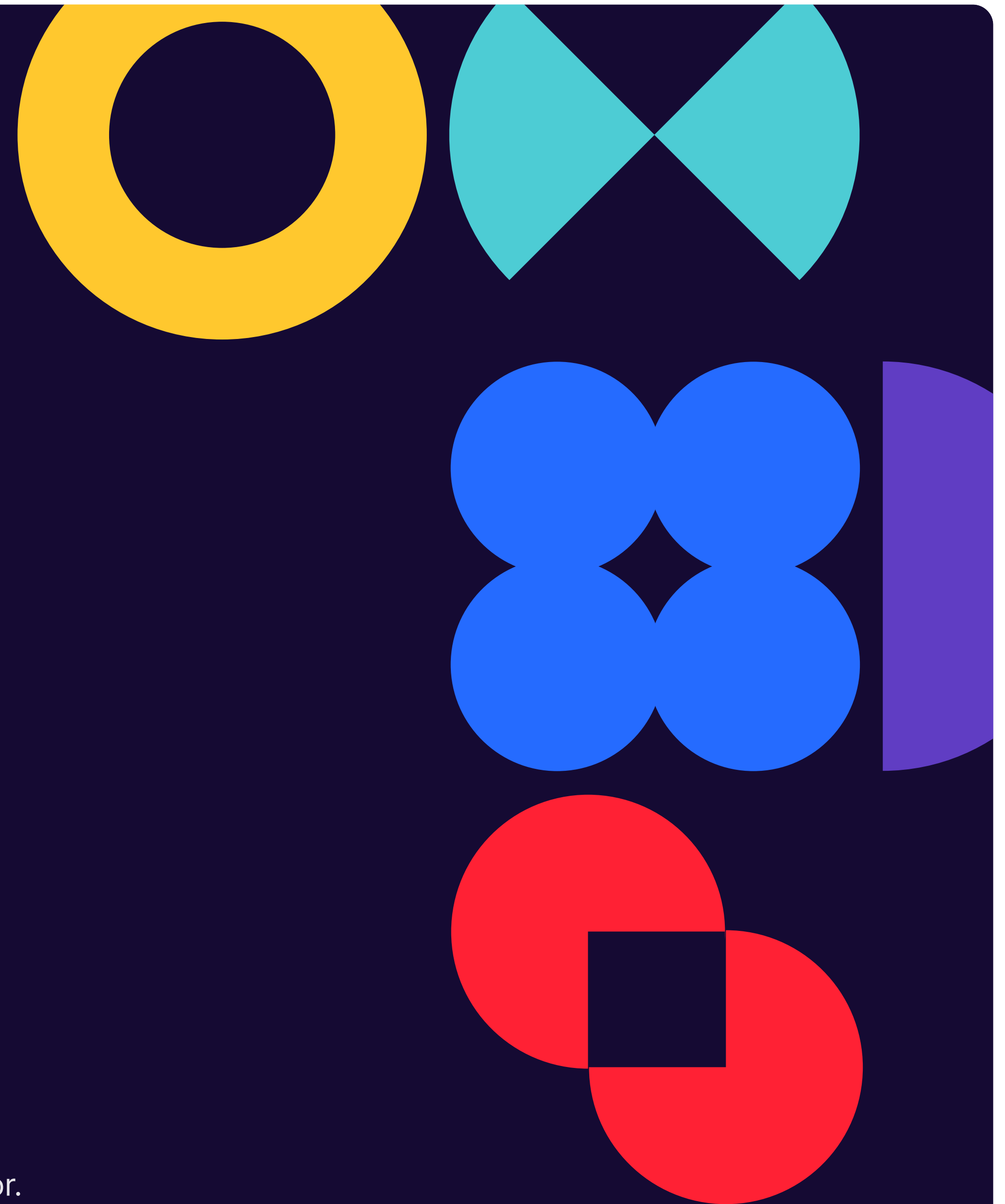


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Overview

2025 is a reset. The Procurement Act is now live, NHS England is ending, and new policy shifts are pushing a system stuck in the past to finally move forward.

But, budgets are tighter. Expectations are higher. And every pound spent with suppliers has to deliver proven value for a government focused on efficiency.

To stay in the game, suppliers need to step up or risk falling behind.

Running this survey, we learned that while procurement now looks modern on paper, suppliers think it's stuck in practice. Old habits, outdated systems, and admin overload are creating friction and holding suppliers back.

As for things suppliers can control, the best teams are moving early, using AI, building buyer influence, and investing where others won't.

Key insights

The numbers that matter.

64%

Buyer relationships are the top blocker. 64% cite lack of access to buyers as their top challenge.

67%

New business is hard to win. 67% of sales come from existing customers; only 33% from new wins.

<50%

Marketing investment is low. Over half of marketers invest less than 10% of their budget in the public sector. Only 14% invest significantly.

02.

Participants and methodology

Who we surveyed, how we did it, and why
their voices matter.

Who we heard from and why you should care

As the Procurement Act came into effect, we ran a rapid survey across the supplier side of public sector sales.

We spoke to **over 100 senior leaders** in sales, marketing, and bid roles, from C-level executives to hands-on managers.

These suppliers span tech, consulting, infrastructure, and more. From lean small-to-medium-sized enterprises (SMEs) to global giants, the mix reflects the full market.

We asked **24 questions** to uncover how suppliers are selling, what's shifting, and where they are getting stuck.

This report turns those insights into clear, practical advice to help you grow your public sector revenue in 2025 and beyond.

The voices behind the logos

This isn't just theory, these insights come from the companies winning government contracts.



....and more.

Big players, emerging challengers, and tech at the centre of innovation

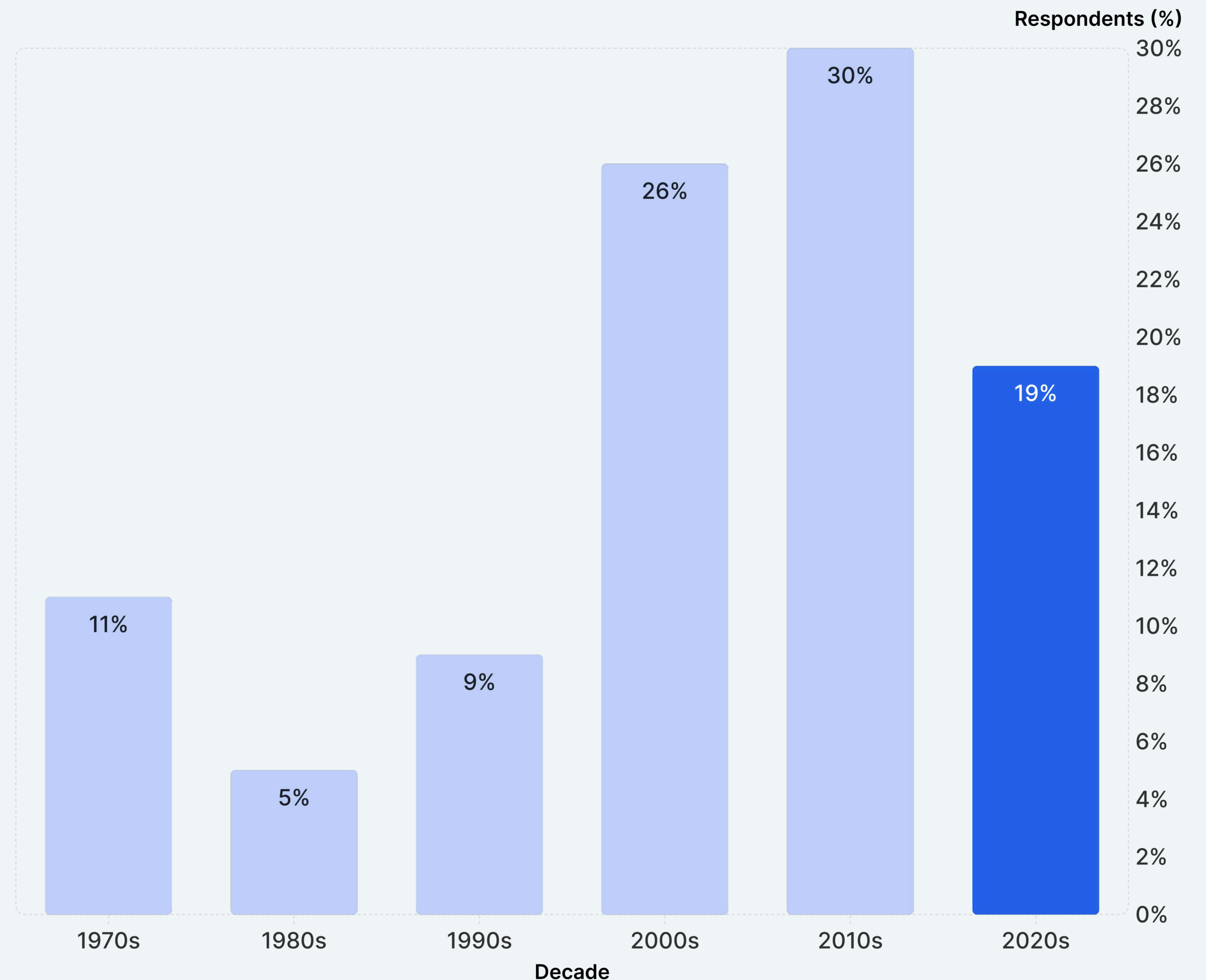
These are the suppliers who answered our survey.

By size, the split is broad. **42% small, 25% mid-sized, and 33% large companies.** This isn't just about big fish.

81% entered the market before 2020. But new entrants are on the rise with **1 in 5** joining in the last five years.

By sector, **tech leads the pack at 58%**, but it's far from digital-only. We heard from suppliers across healthcare, professional services, transport, education, and more.

Survey question: What year did your company start selling to the UK public sector?



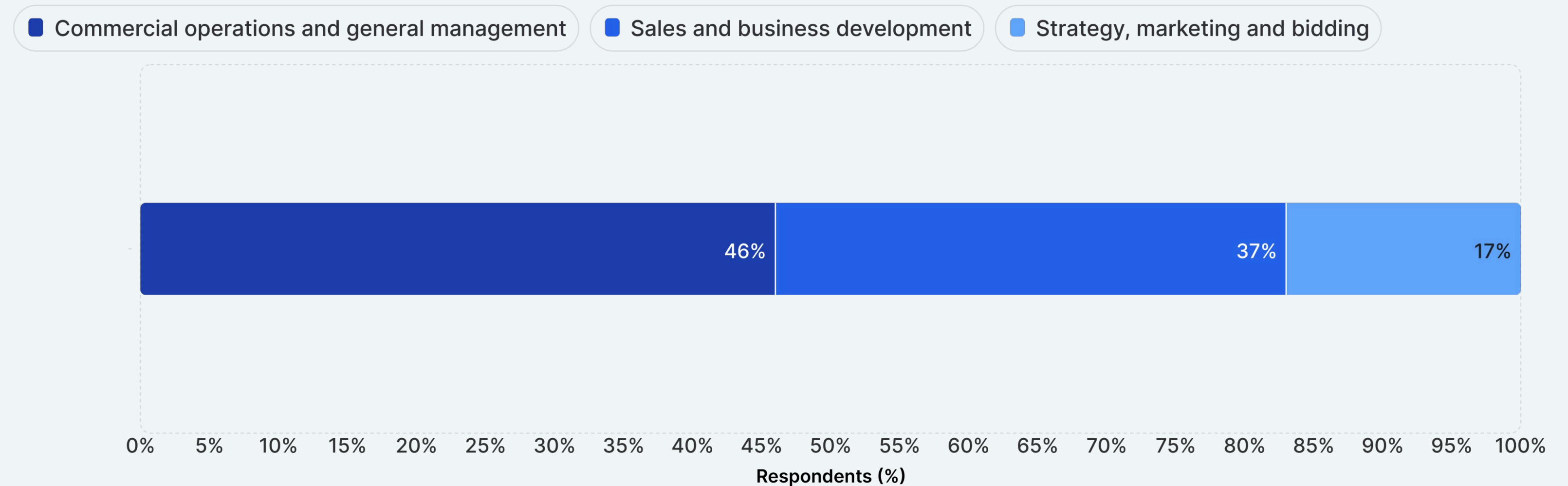
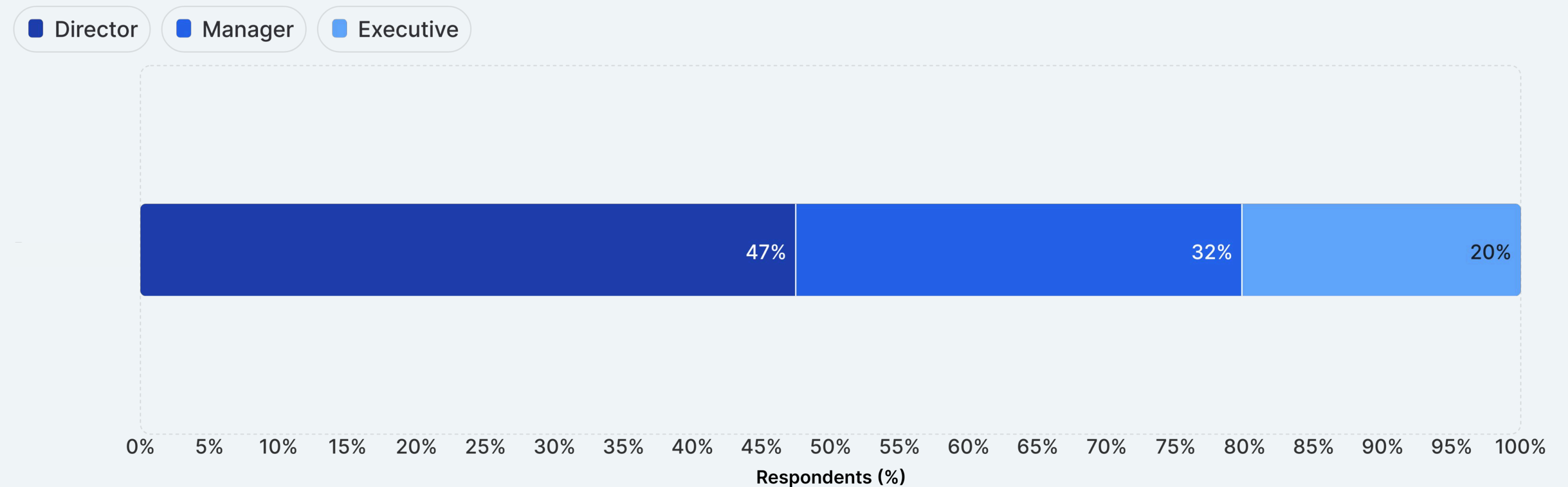
Leaders making real decisions, not observers

Respondents are the people dictating pipelines, closing deals, and setting strategy.

67% hold director or C-level roles. The rest are senior managers with real responsibility.

46% in commercial operations and general management, **37% head up sales** or business development, and **17% drive strategy, marketing, or bidding.**

Survey question: What's your role and level of seniority at your current company?



03.

Performance of public sector teams

What supplier performance looks like today and tomorrow.

Teams are growing, but not everywhere

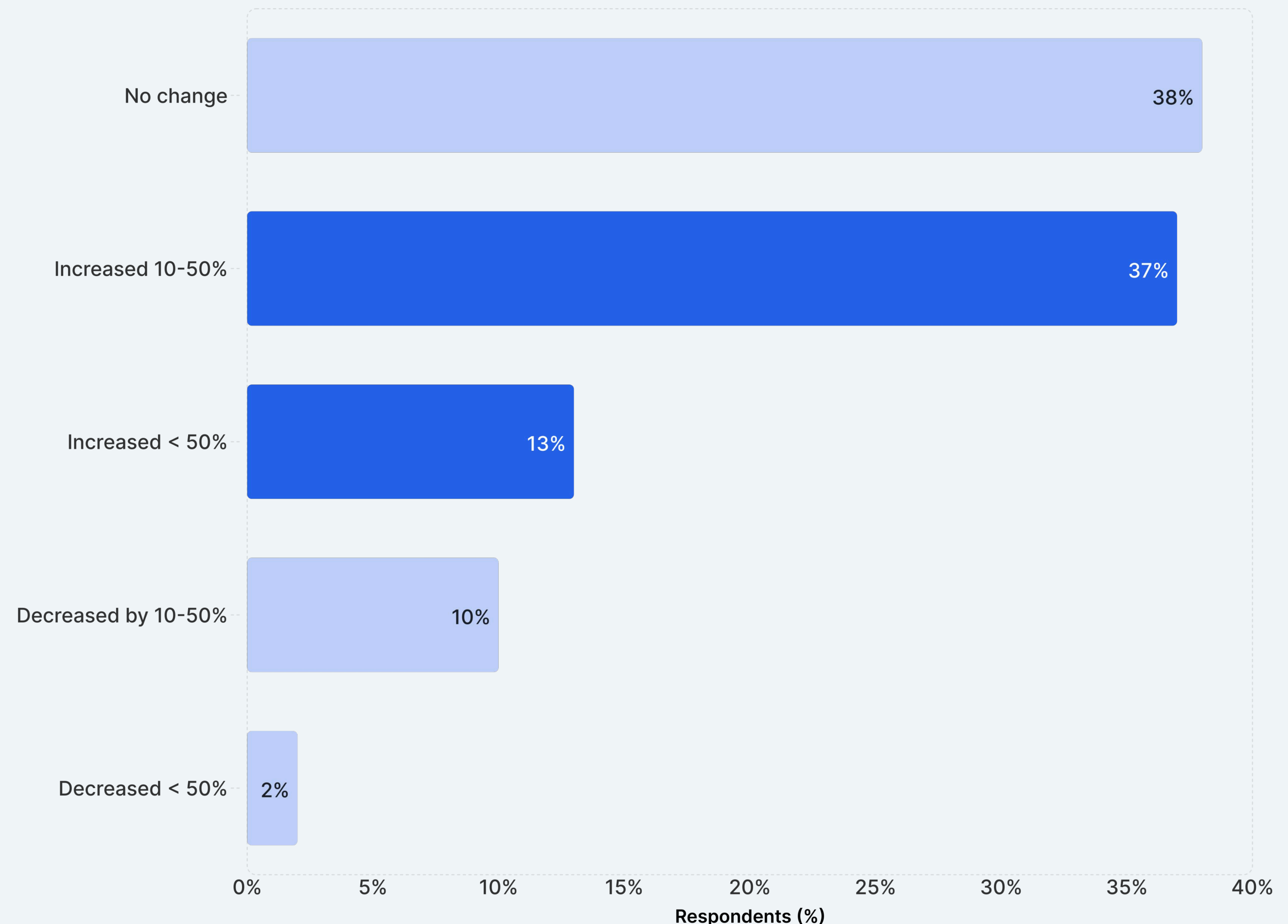
With **88% of teams either staying the same or growing in size**, there has been a lot of opportunity for suppliers selling into the public sector.

50% of suppliers expanded their UK public sector sales teams in the past three years. **13% of these grew headcount by more than half**. The remaining **38% stayed the same**, while **only 12% saw cuts**.

Teams grew by landing new contracts, more complex delivery needs, and public sector work climbing the priority list.

Downsizing happened due to budgets tightening and shifting business priorities due to a competitive and uncertain market.

Survey question: How has your UK public sector team size changed over the last 3 years?



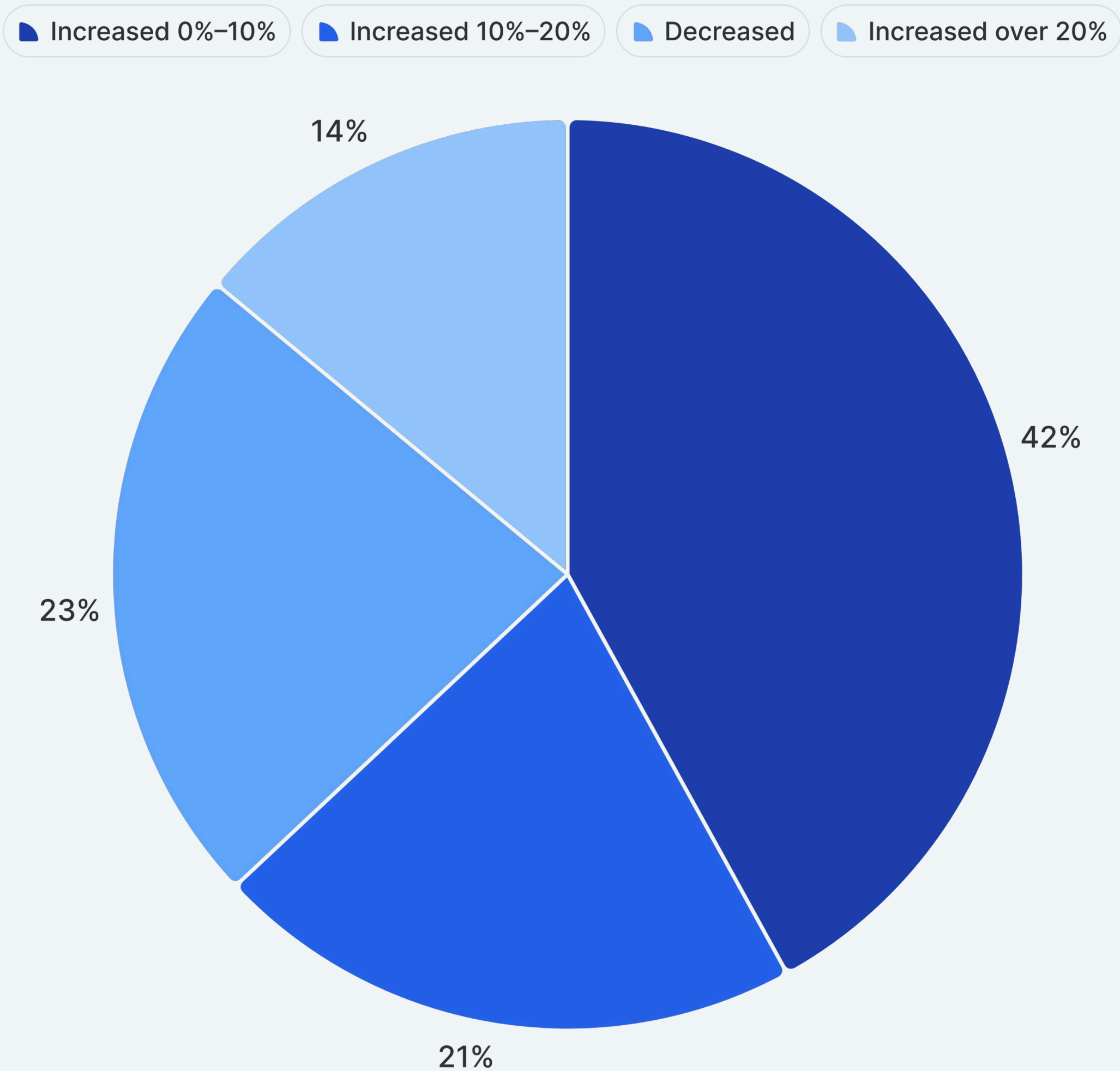
Revenue growth is modest, but it's moving

79% of suppliers grew public sector sales from 2023 to 2024. Under 10% revenue growth was seen by the majority of respondents.

21% of suppliers saw sales drop, citing tighter budgets, tougher competition, and market fatigue. Same reason as team downsizing.

Only **13% of suppliers experienced over 20% growth in revenue**.

Survey question: By how much did your company's public sector sales fluctuate from 2023 to 2024?



Mid-market is where the money is

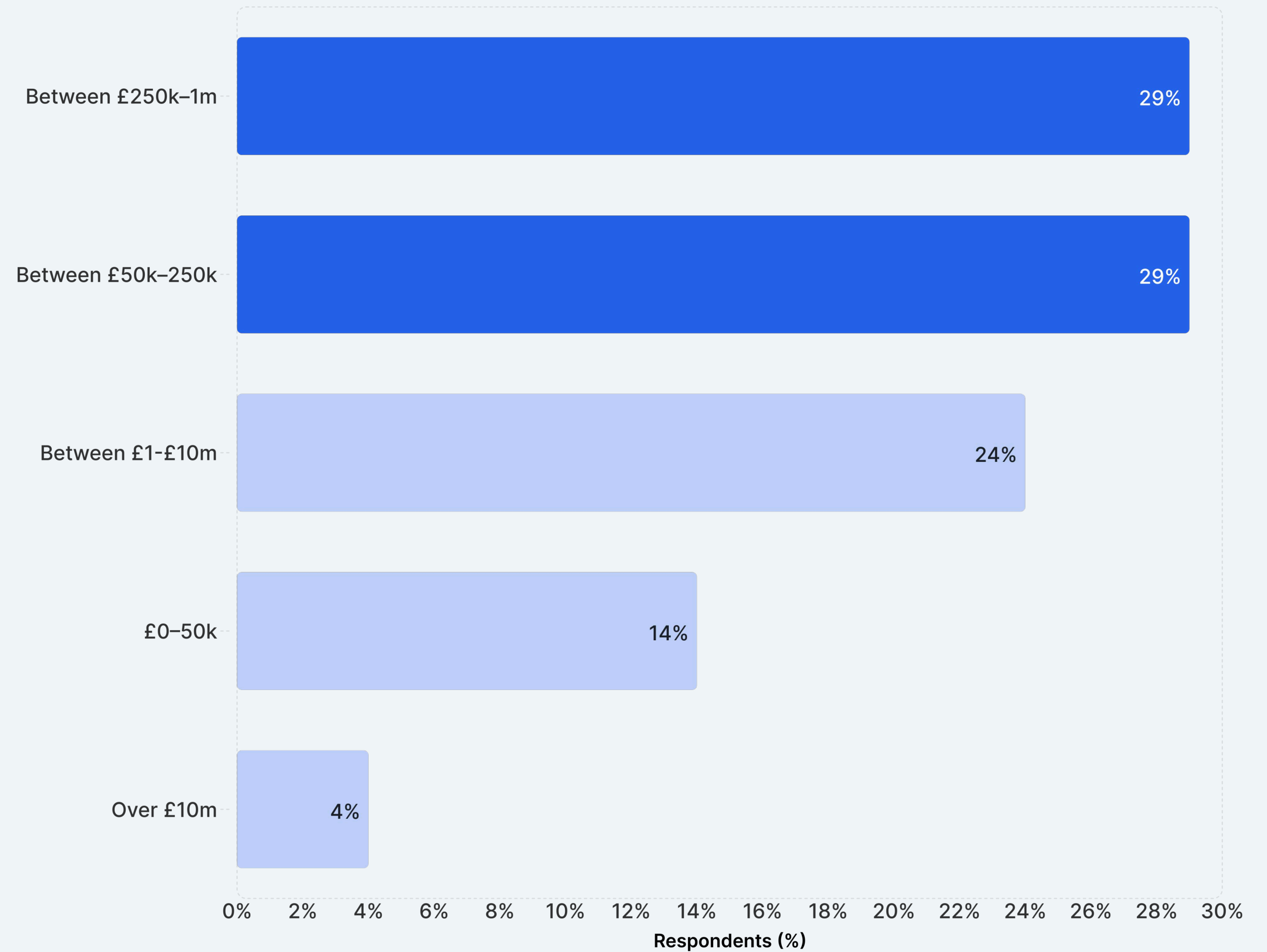
The majority, 58% of suppliers, land contracts worth £50k–£1m.

While this is a wide range, it's where most of the market is competing as its mid-value, mid-complexity, and within reach for all suppliers.

24% land deals between £1m–£10m. Just 4% report winning deals over £10m. Surprising given the large enterprises that responded to our survey.

For smaller companies, don't underestimate smaller wins. Contracts under £250k often open doors to frameworks, renewals, or cross-sell opportunities.

Survey question: What is the total value of your company's average UK public sector contract?



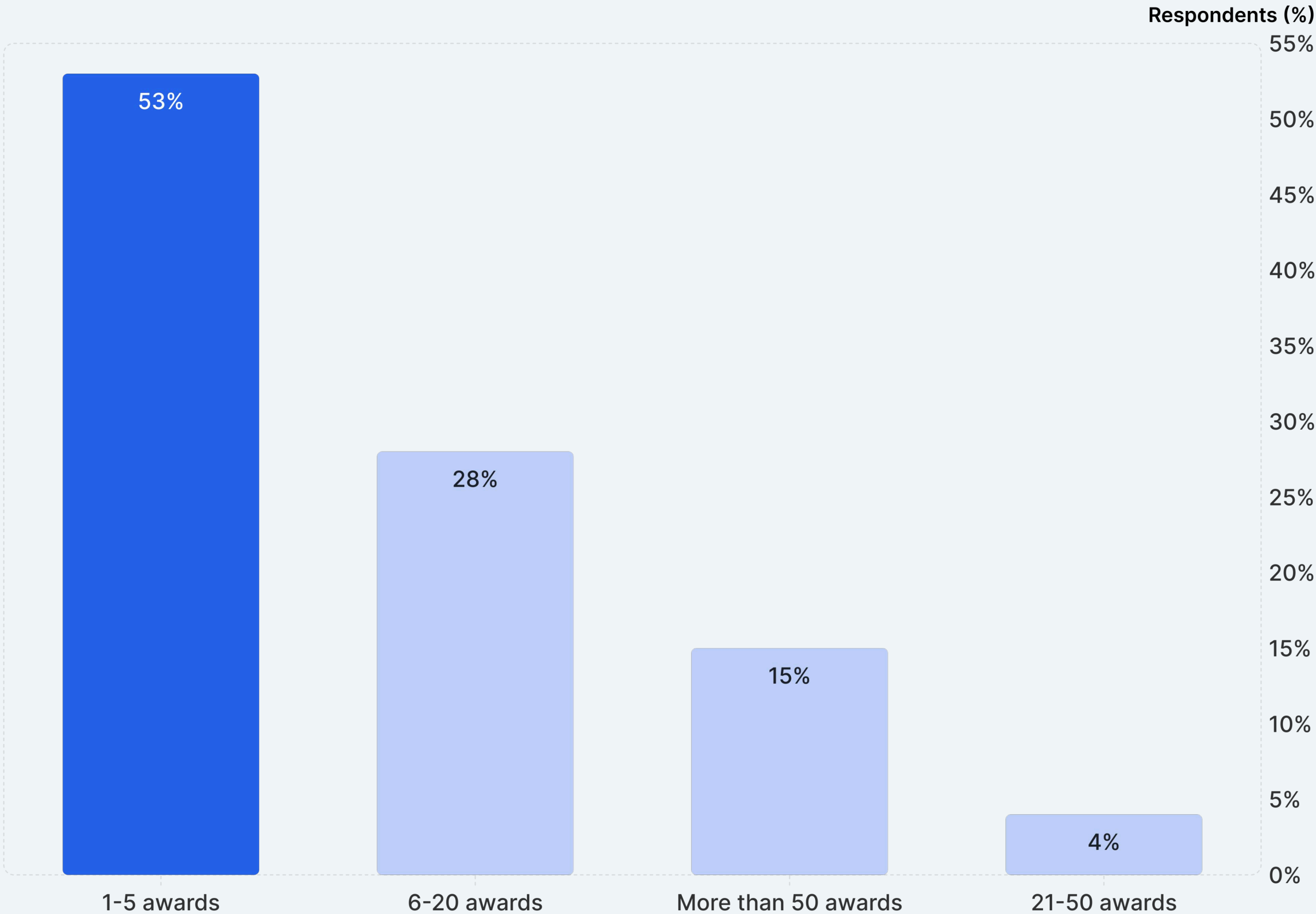
Momentum comes from many small wins

53% of suppliers landed just 1–5 contracts last year. Only 15% broke the 50 mark.

In a crowded market, winning anything is a signal you’re doing something right.

Build a tight, high-quality pipeline, generate relevant case studies with current buyers, and double down on what’s working to win more.

Survey question: How many UK public sector contracts has your company won in the past 12 months?



Buyers stick with who they know

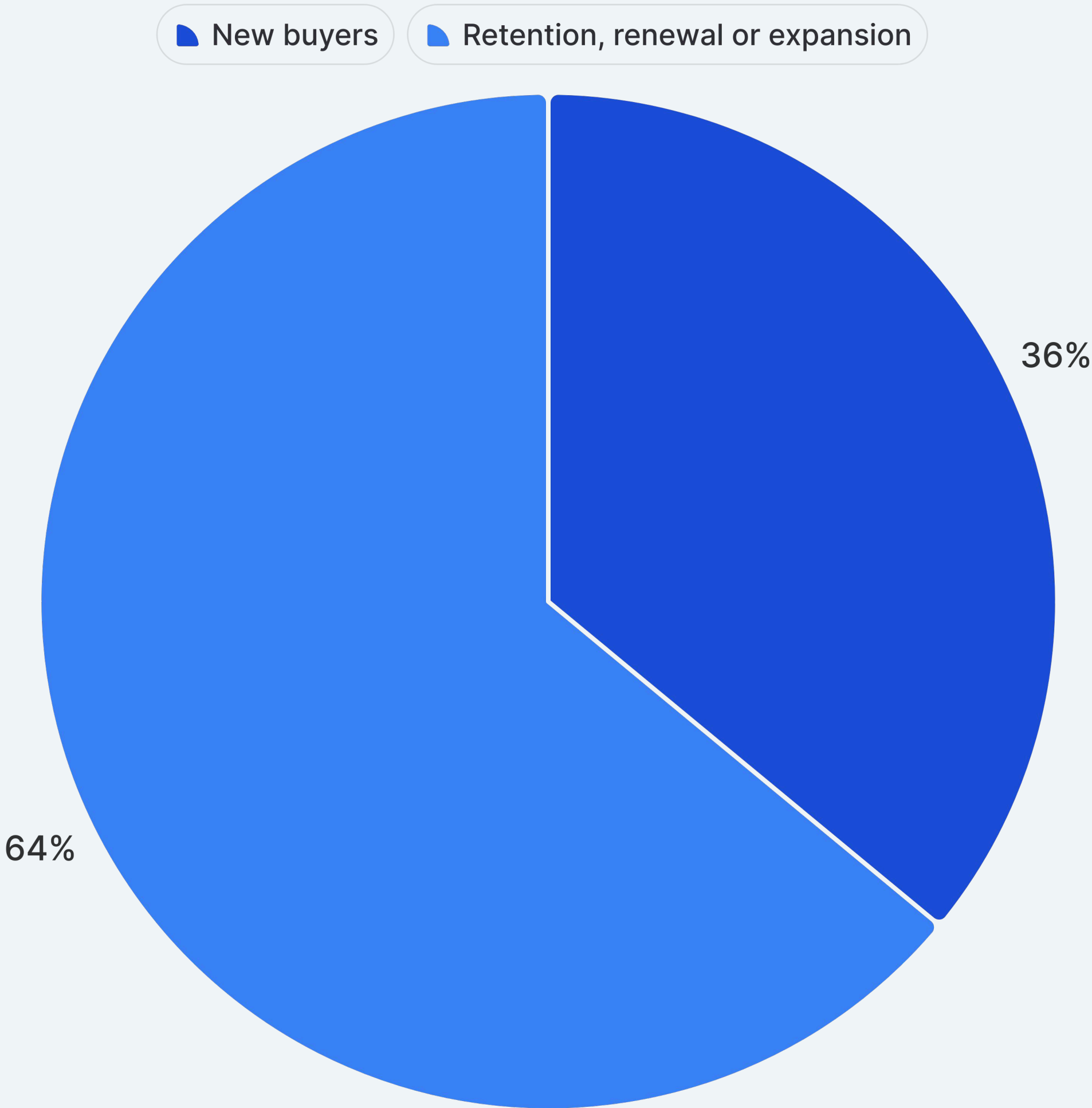
64% percent of sales come from deals with existing buyers, while just 36% come from new ones.

Winning once often leads to repeat wins through renewals, re-procurements, and expansions.

The same suppliers keep winning, pushing out new entrants.

This closed shop culture limits innovation, increases risk, and reduces value for money.

Survey question: Are your company's public sector contracts primarily with new buyers, or are they typically renewals or re-procurements with existing buyers?



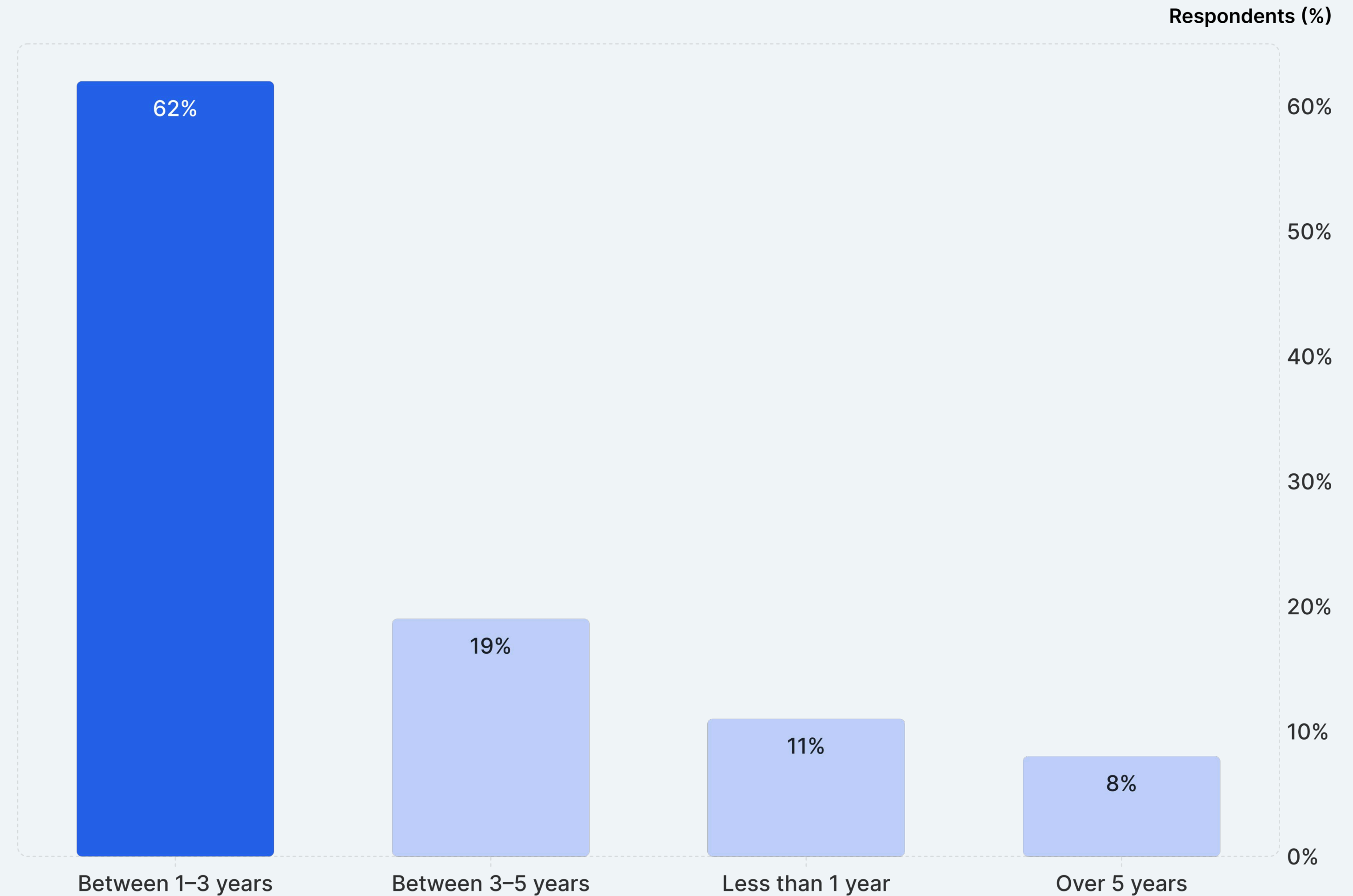
Winning contracts leads to long-term value

62% of suppliers report contracts lasting 1–3 years.
19% lock in deals of 3–5 years.

For the majority of suppliers, contracts are slow to win. But once you're in, you stay in.

Coupled with the previous slide, this data proves the long-term strength of incumbents.

Survey question: What is the average length of contracts your company has won?

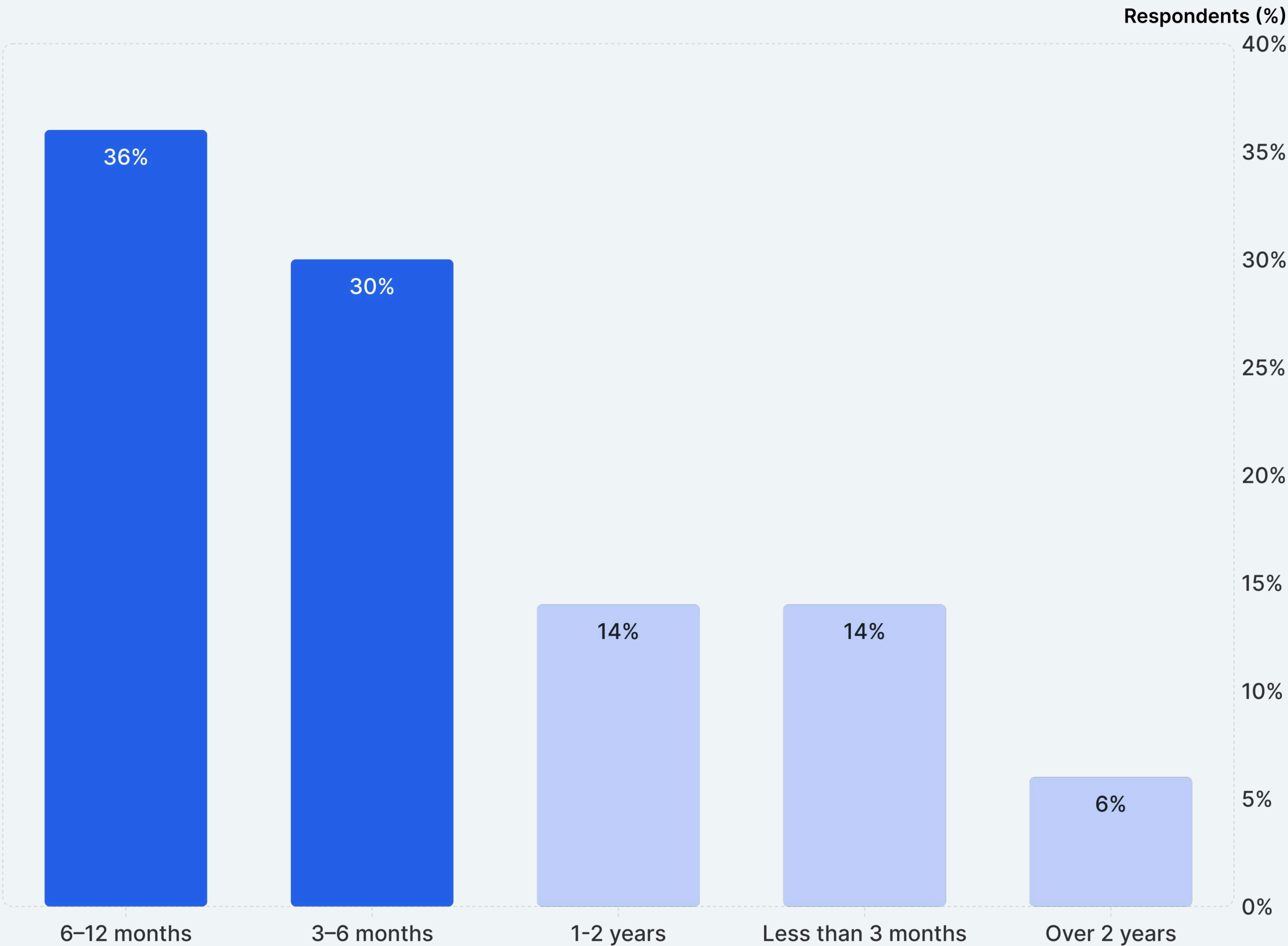


Sales cycles are slow. Relationships speed things up

63% of suppliers say it takes 3–12 months to close a deal. 28% face even longer timelines, some stretch over 2 years.

Public sector sales aren't fast, but they are predictable. If you build trust early and stay in the game.

Survey question: How long does a typical sales cycle take from sourcing an opportunity to being awarded a contract?



04.

What winning suppliers are doing differently in 2025

What sets top-performing suppliers apart from the crowd and how they're positioning for growth.

Teams are growing, but not everywhere

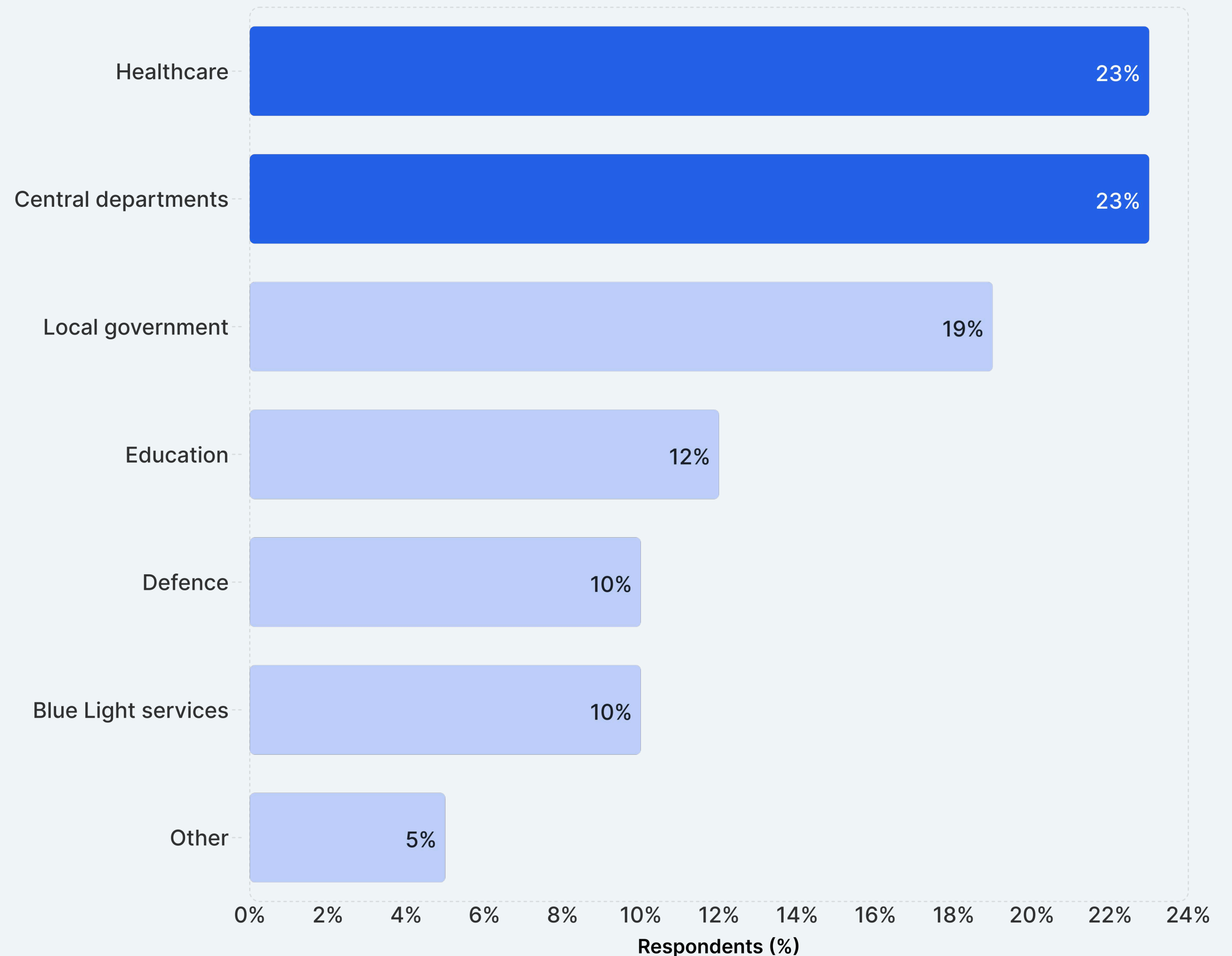
Almost **50% of responses chose healthcare and central government departments** as their core focus, where the most innovation and ROI is.

Following this, **19% prioritise local authorities.**

Smaller suppliers often find early traction in local, education, and blue light sectors. This is where budgets are more accessible and relationships run deep.

Focus on buyers who fit your offer, habits, and timing. Once in, prove value and target similar buyers to grow your public sector revenue.

Survey question: Which of the UK government buyer types offer the most significant opportunities for your company?



There's no single route to success, but most bet on frameworks

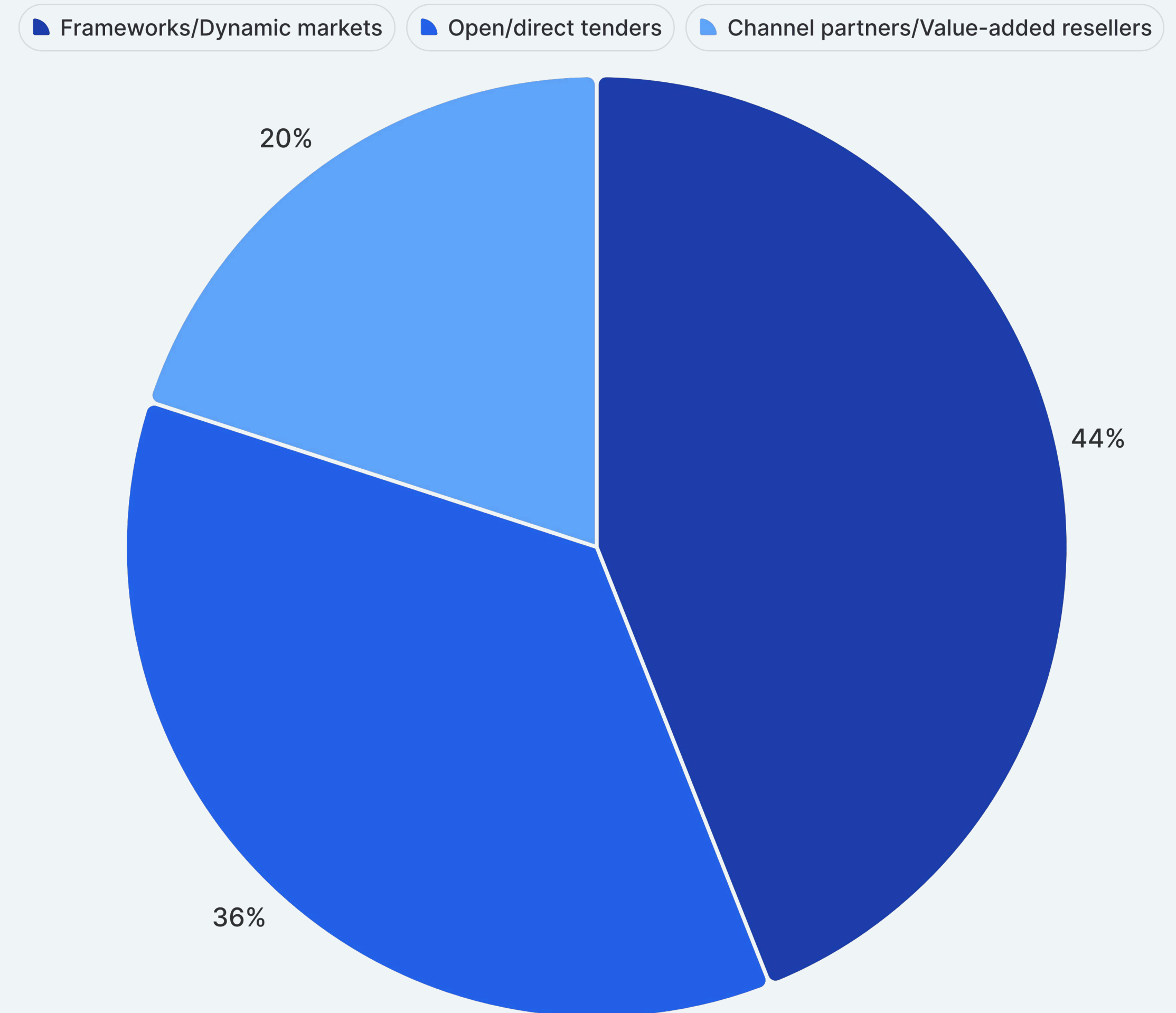
Frameworks, tenders, and partnerships each come with trade-offs. Top suppliers don't pick one, they build a blend that works.

44% of suppliers use frameworks and dynamic markets as their main route to market. **36% continue to track and compete for open tenders.**

20% have found success developing strategic relationships with channel partners.

Frameworks and certifications won't drive quick revenue, but they signal you're ready, visible, and credible. The best teams treat them as long-term marketing assets.

Survey question: What procurement route is most important to your company when selling to the public sector?



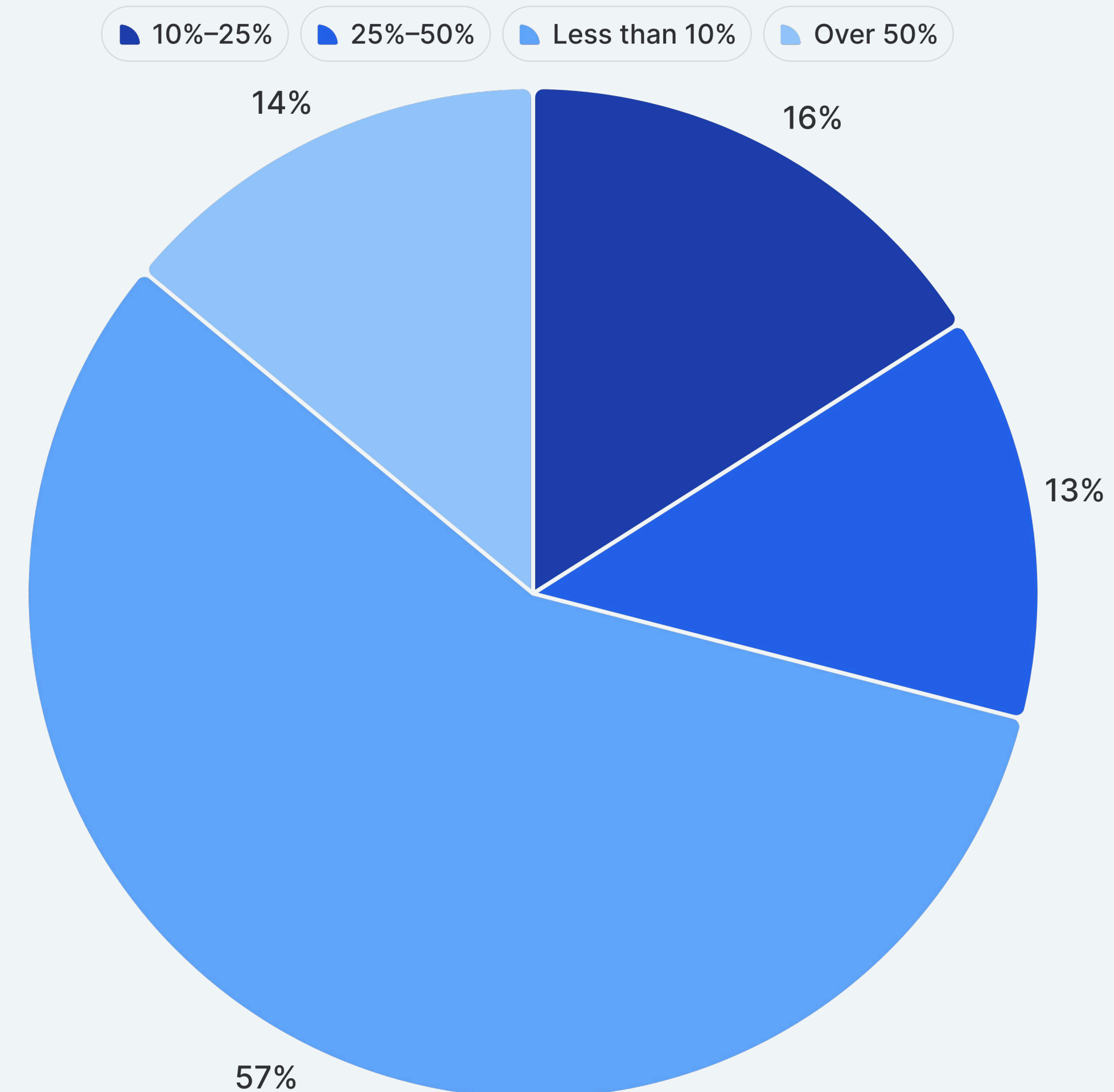
Most suppliers don't market to government, so the ones who do stand out fast

57% of suppliers spend less than 10% of their budget on public sector marketing.

Only 14% go all in. B2B tactics like lead generation and paid ads rarely work.

Successful suppliers focus on sector-specific case studies, thought leadership, relevant events, early outreach, and targeted account-based marketing.

Survey question: What percentage of your company's marketing budget is allocated to targeting public sector buyers?



Revenue growth is the ultimate metric

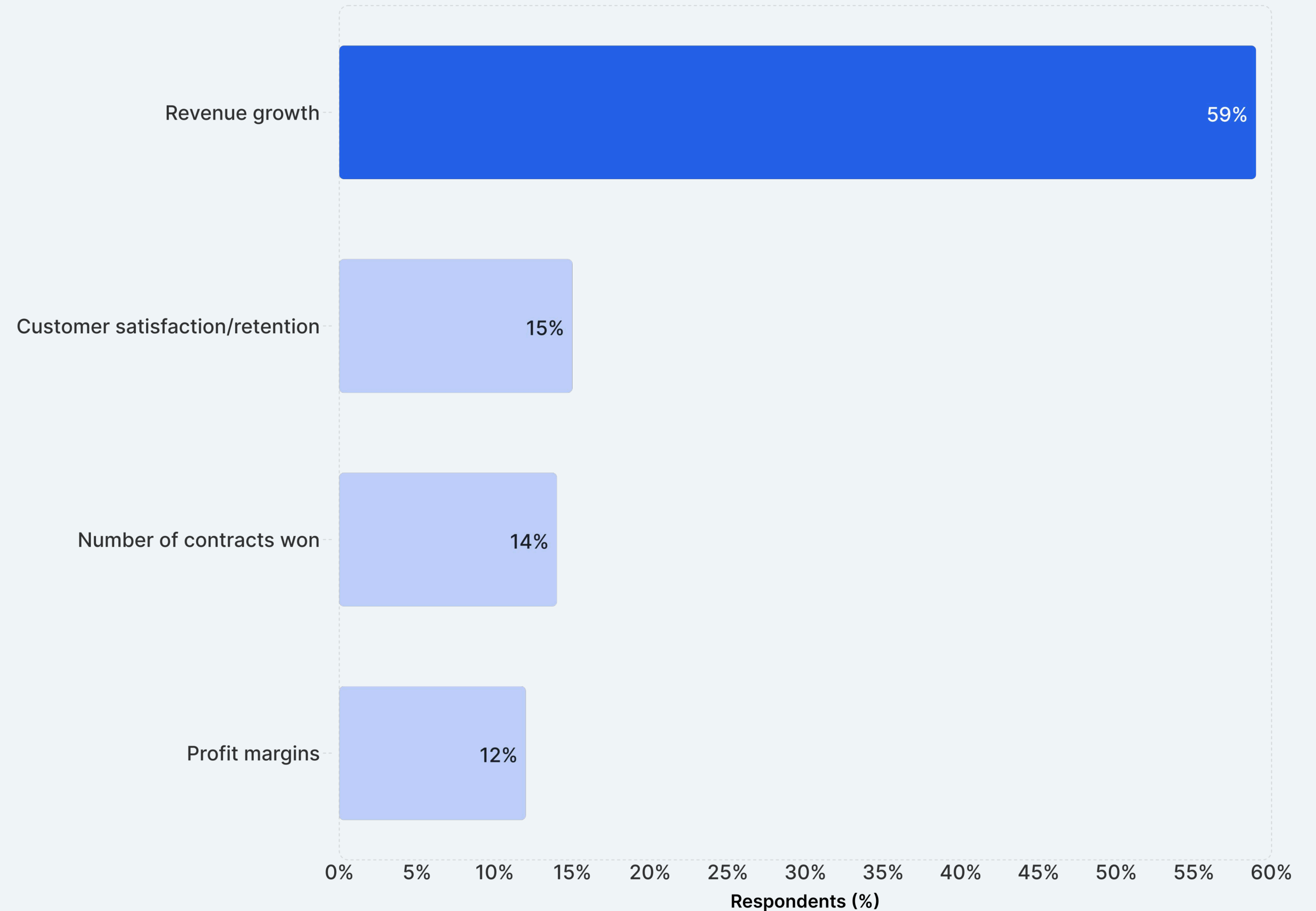
59% of suppliers picked revenue growth as the most important ROI measure.

Only 15% cited number of contracts won, 15% customer retention, and 12% profit margins.

Top suppliers focus on growing the public sector as a revenue stream, not just counting contracts or chasing small wins.

64% of suppliers use digital sales platforms like Stotles to track tenders and framework openings and strategically approach buyers.

Survey question: What is the most important measure of ROI for your public sector sales strategy?



05.

The shifts shaping public sector sales in 2025 and beyond

How public sector sales are changing in 2025 and what suppliers are doing to keep up.

Suppliers are hopeful, but they're not naive

59% plan to increase their public sector focus in 2025.

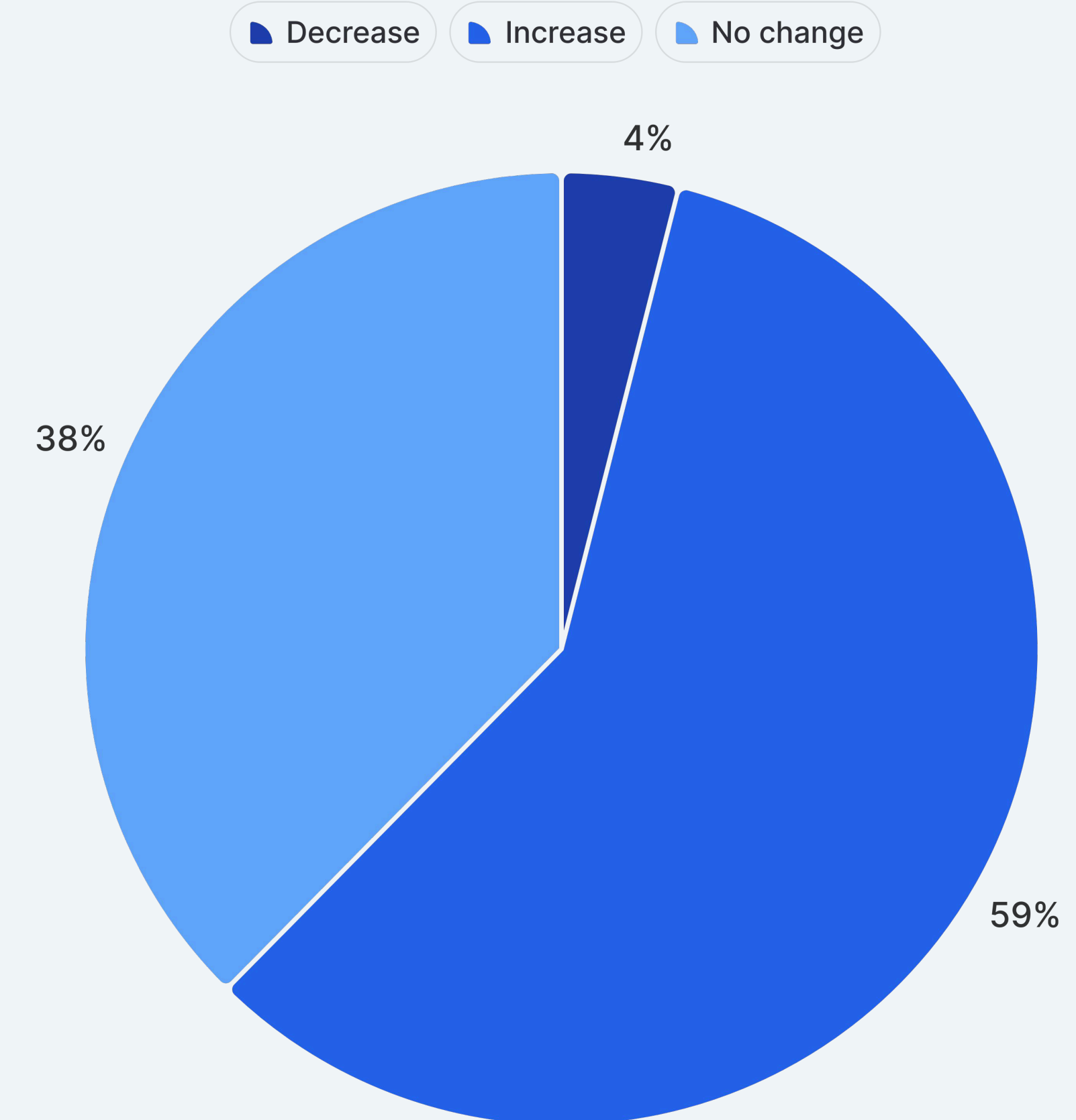
48% will maintain current levels. Just 4% plan to pull back. Mainly due to slow returns and high entry barriers.

Pipeline is growing, especially in health, local government and digital services. Suppliers see momentum from groundwork already laid, including certifications, frameworks and relationships. Many expect Procurement Act reforms to open new doors.

But concerns remain. Budget cuts and delays are stalling deals. Incumbents still dominate buyer relationships. Procurement reform is uneven and unclear.

Momentum is there. But success will go to suppliers who move early, adapt fast, and stay visible.

Survey question: Is your company planning to increase or decrease your public sector focus in 2025?



No relationships means no results

When asked to name their top challenges, suppliers didn't talk about product, pricing, or delivery.

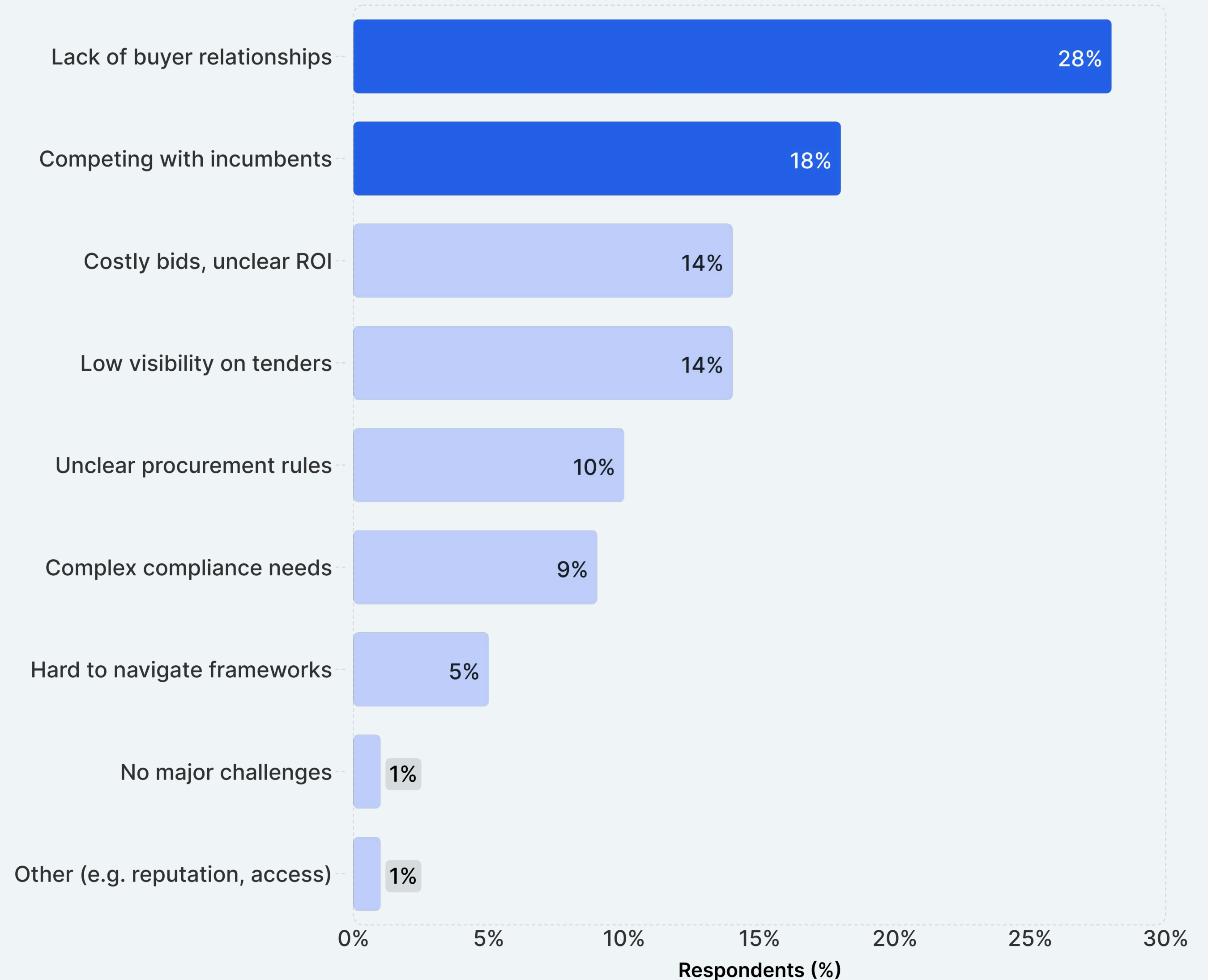
They talked about access.

28% said a lack of relationships is holding them back.

18% said incumbents dominate their buyers.

Others pointed to high bid costs, limited visibility, and unclear processes.

Survey question: What are the top challenges your company experiences when targeting UK public sector buyers?



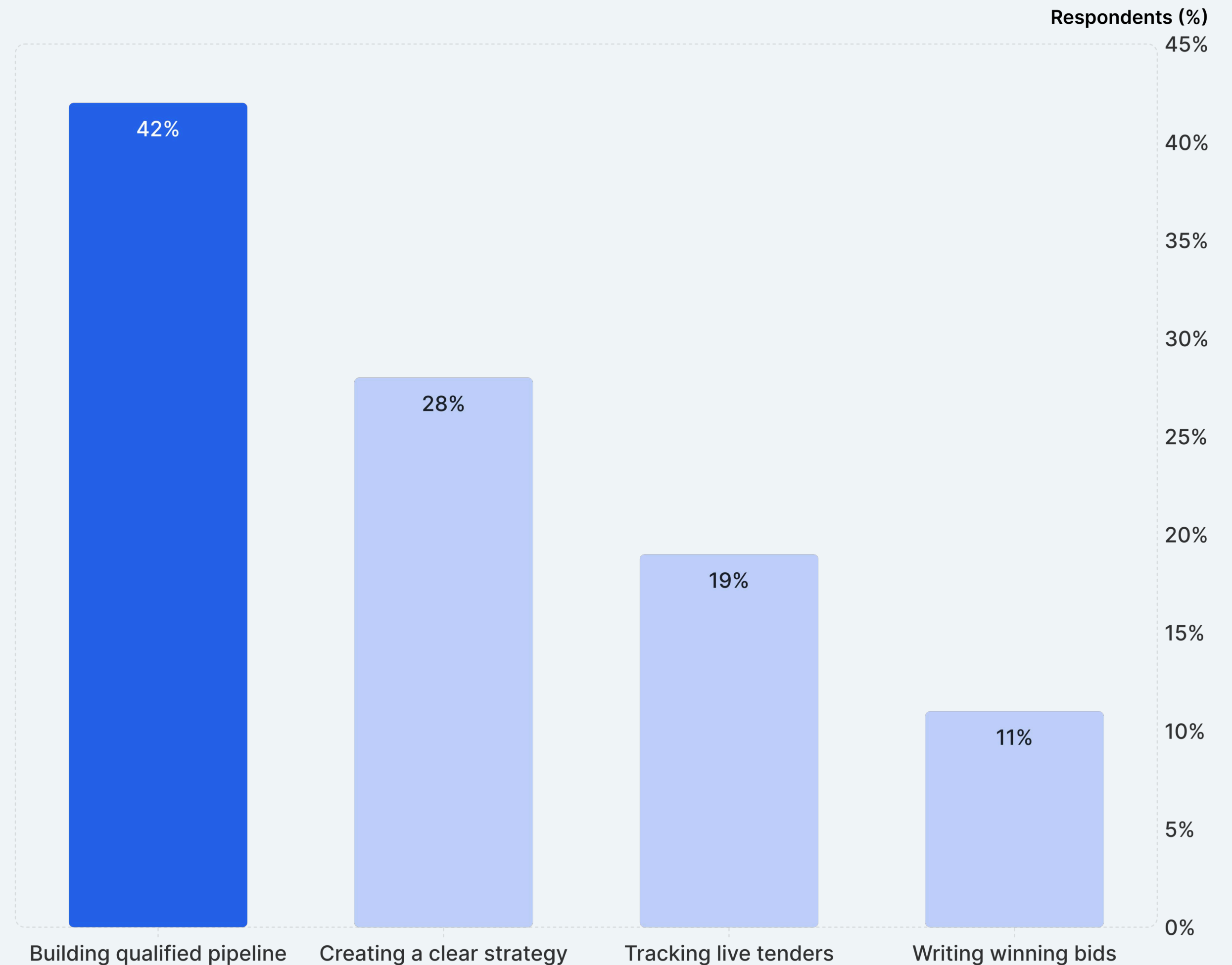
What winning suppliers are doubling down on in 2025

42% are focused on building a direct, diverse pipeline, getting to decision-makers early, long before tenders drop.

28% are investing in clear, repeatable sales strategies, knowing which sectors to target, what to sell, and how to win.

Just 30% are prioritising downstream activities like tender tracking or bid writing.

Survey question: What is the most important focus area for your 2025 public sector sales strategy?



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06.

Build a public sector sales engine that actually wins

What top suppliers get right and how you can too.

Step one

Create Strategy

Understanding your Total Addressable Market (TAM) is the foundation of public sector success, but getting that clarity isn't always easy.

Stotles' Create Strategy tool helps map your market with data from thousands of sources, uncovering exactly where the biggest opportunities are.

Whether you're pinpointing the right sectors, targeting key accounts, building strategic partnerships, or joining the best frameworks, we've got you covered.

[**CLICK HERE TO CREATE STRATEGY**](#)





Step two

Build Pipeline

A strong pipeline powers every successful sales team, but waiting for inbound leads isn't enough.

Stotles' Build Pipeline tool enables you to spot and influence public sector opportunities before they even hit the market.

We centralise information in a one-stop-shop platform to discover buyers going to market, understand their current solutions, find decision-makers, and qualify opportunities, all in one place.

[CLICK HERE TO BUILD PIPELINE](#)





Step three

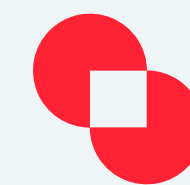
Track Tenders

Finding the right tenders in public sector procurement shouldn't feel like searching for a needle in a haystack.

With Stotles' Track Tenders tool, you can streamline your search with signal-based scoring so you only see the tenders that matter.

No more endless emails or spreadsheets, just clear visibility into the contracts that drive growth.

[CLICK HERE TO TRACK TENDERS](#)





Step four

Win Bids

Winning public sector contracts is tough, but Stotles' Win Bids tool makes it easier.

We've simplified the entire process, from qualification to submission, with AI-driven Bid Studio that simplifies bid/no bid analysis, organises project management, and soon, will even draft proposals for you.

[CLICK HERE TO WIN BIDS](#)

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