

A Supplier's Guide to Prequalification

Download the Guide















About Us

SupplierGateway has made it easier for buyers and suppliers to connect and do business for over 20 years.

We understand how important it is to make a great first impression when trying to find new business and get those coveted high-dollar contracts. Let's demystify one of the first things you'll have to do before winning that contract- prequalify.

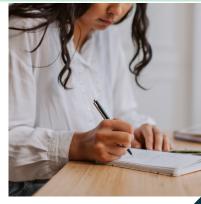
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Pre-qualifying as a supplier is tough but absolutely critical to landing new clients and scaling your business.

What is **Prequalification?**

As a supplier, pre-qualification is one of the most important steps to securing new business. It allows buyers to evaluate your company and ensure you meet their standards before inviting you to bid on contracts. Going through pre-qualification, while time-consuming, is worthwhile because it:



Reduces risk for buyers. By verifying suppliers in advance, buyers can avoid working with companies without the capability or experience to fulfill contractual obligations. This gives buyers confidence that prequalified suppliers will get the job done right.

Saves time and money. Prequalification weeds out unqualified suppliers upfront so buyers don't waste resources evaluating and negotiating with companies that ultimately won't make the cut.

Positions you as a credible partner.

Completing a buyer's prequalification process signals you have the qualifications, expertise, and transparency to work with them. This can open up more opportunities to bid on work.

Transparency is also key. Provide honest, accurate information about your company's structure, finances, certifications, safety records, etc.
Buyers will likely conduct background checks, so avoid misrepresenting details that could damage your credibility.

While prequalification requires an investment of time and effort, the rewards of expanded opportunities and long-term client relationships make it worthwhile. See it as a chance to articulate your value and build trust, and you'll be on the path to becoming a sought-after partner. With the right preparation and mindset, pre-qualification can open doors to new and mutually beneficial business engagements.

INFORMATION YOU WILL NEED TO PROVIDE DURING PREQUALIFICATION

PERSONAL AND BUSINESS INFORMATION

For key contacts at your company, you'll need to provide full names, titles, phone numbers, and email addresses. Background and identity checks may also require documentation like government-issued IDs, passports, or proof of home address. You'll need to provide details on your business structure (corporation, LLC, partnership, etc.), company history, mission and vision statements, financials, and insurance policies. Include your company's legal name, tax ID number, address, and website URL. Provide an overview of your company's experience, expertise, capabilities, and competitive advantages.

COMPLIANCE DOCUMENTATION

To verify you meet all regulatory and legal requirements, provide items like business licenses, certifications, permits, and professional accreditations. For example, if you deal with hazardous materials, share your permits for transporting and handling them. If you employ professionals requiring certification or licensure like engineers or accountants, provide documentation showing active and valid credentials.



Provide specifics on your products and services, including technical specifications, images, performance data, and client testimonials or case studies. Explain how your offerings can meet the needs of the buying organization and provide value. List the geographic areas you serve.

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How To Get Selected

To get on a buyer's pre-qualification list, you need to show them you have what it takes. As a supplier, the pre-qualification process allows you to position your company as a viable candidate for future opportunities.

- 1. Meet the basic requirements. This typically means a certain number of years in business, proper business licenses or certifications, insurance coverage, and financial stability. You won't make it past the initial screening if you don't meet the minimums.
- 2. **Highlight your experience and expertise.** Buyers want suppliers with a proven track record of success on similar projects or providing comparable goods and services. Be prepared to provide client references and examples of relevant work
- 3. **Demonstrate your capabilities and capacity.** Can you meet the volume or timeline demands? Do you have the resources, technology, and processes in place to deliver as expected? An established quality management system shows you're committed to consistency and continuous improvement.
- 4. **Focus on value-adds.** What makes you stand out? Innovative solutions or approaches? Sustainability initiatives? Donated services or products? Specialized skills and knowledge? Look for ways to strengthen your proposal.
- 5. **Stay engaged with the buyer.** Periodically update your information, seek feedback on your performance, and look for openings to build the relationship. Strong supplier partnerships can lead to more long-term contracts and expanded opportunities down the road. With the right preparation and follow-through, pre-qualification success can be within your reach.

Tips to **Get Noticed**

To position your company for success in the pre-qualification process, keep these tips in mind:

01

Highlight your unique value proposition.

What makes your company stand out? Do you have proprietary technology, specialized expertise, or a unique approach? Communicate how you provide exceptional value to customers in a way competitors don't. For example, you may have an innovative product, customized services, or an exceptional customer experience. Focus on what differentiates you.

02

Establish credibility and trustworthiness.

Could you back up your claims with facts and statistics? Discuss industry awards or accolades you've won. Be transparent and avoid exaggerating. Credibility is key to building trust. Third-party certifications also show potential buyers that you're serious about your business. Whether your business has sustainability certifications, diversity certifications, or other industry-specific certifications, these will help you stand out from your competitors.

03

Craft a clear company message.

Your messaging should leave no doubt about what your company offers. Use simple yet compelling language to describe your products, services, mission, and values. Explain how you solve important problems for customers. This clear, concise message needs to come through in all your marketing and sales materials to create a consistent brand experience.

04

Share relevant case studies and client stories.

Discuss successful client engagements to demonstrate your abilities. But get permission first and avoid sharing anything confidential. Explain the challenges, your solutions, and the outcomes. Case studies and stories are powerful ways to showcase what you can achieve for new clients.

Following these tips will help you make a strong first impression and position your company as a preferred choice for new business. Focus on standing out for the right reasons, building credibility through transparency, spreading a clear message about your purpose, and sharing your success stories. By highlighting your strengths and value, you'll get noticed for pre-qualification and open the door to new opportunities.

Mistakes To Avoid

As a supplier going through the pre-qualification process, overconfidence and neglecting key details can seriously hurt your chances. Here are some common mistakes to avoid:

- 1. Not providing complete information. In your enthusiasm to win the business, don't leave out important details in your proposal or registration materials. Provide comprehensive yet concise information on your company background, capabilities, experience, credentials, and client references. Buyers want to see the full picture to evaluate you properly.
- 2. Requesting an incomplete RFQ. Before providing a quote, make sure you have all the necessary details about the products or services being requested. Ask clarifying questions to determine exact specifications, quantities, delivery requirements, and any special terms. Submitting a quote when you lack key information often leads to budget and schedule overruns, damaging your relationship with the new client.
- 3. Focusing only on the purchase price. Don't assume the buyer will choose the lowest bid. Many companies evaluate suppliers based on total cost of ownership (TCO), which includes other factors like quality, durability, maintenance, and disposal costs. Describe how your solution may lower TCO through energy efficiency, low maintenance needs, or recyclability. Focus on value, not just price.
- 4. **Not following instructions carefully.** Closely review all instructions, forms, and procedures required for pre-qualification. Make sure you provide all requested documentation, properly completed. Double-check that you meet all mandatory criteria. Failure to follow directions, missing application deadlines or not satisfying mandatory requirements are easy ways to get eliminated from consideration.

How **SupplierGateway** Can Help

✓ PROXIMITY TO BUYERS

SupplierGateway serves the world's leading Fortune 500 companies that use our database to find small, local, diverse organizations to do business with. Get found by the buyers looking for you!

TOOLS FOR SUCCESS

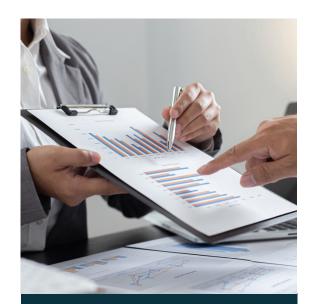
Your supplier profile acts as your 24/7 storefront, advertising your business. Show off your skills, certifications, and more, while being able to lookfor current business opportunities in our system.

GET CERTIFIED AND STAND OUT

Enhanced Digital Certification is a fast and inexpensive way to show buyers you're serious about doing business. Verify your company data and ensure your organization presents low risk to potential buyers.

UNDERSTAND BUYER NEEDS

With Experian Business Reports, you can understand exactly how potential buyers view your company and find your biggest gaps in compliance and risk.



Ready to take your business to the next level?

Head to

<u>SupplierGateway.com</u>
and check out our suite
of supplier tools that
can get you certified
and put you in front of
the globe's leading
brands.