



## SUPPLIER MARKET ANALYSIS

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### Lesson No 1 – How to study potential suppliers

Let's go deeper with you and understand how to study and evaluate potential suppliers and I prepare for you many instruments. Let's see first of all market research. It is about five border forces. Should understand which forces the most important and influence to all situations on the market. The second one is what? Many of you are familiar with this instrument, I am sure. But you need to understand that this instrument can be very useful in procurement and help you to develop the strategy. I propose your risk identification and assessment. It is very important especially these days, especially during covid 19 lockdown and you need to know how to use this instrument for your activity and which helps you to manage all unpredicted situations and give you more insurance in what you are doing. And of course assessment of the competition level. It helps you to understand what is the level of competition, is it monopoly or oligopoly on the market and how to manage your relationship with suppliers in different situations on their market. Study more carefully understand what are the forces and who are the main competitors on their market. And of course develop your strategy according to this situation study potential Suppliers even if you have stable and good relationships with your suppliers, be hungry, search for some other companies, search for new one companies, search for substitutes. Of course it will help you in developing your strategy, it helps you to find innovations and it helps you to feel more stable in this unpredicted world and situation on the market. Current Suppliers Portfolio you need to understand who are your suppliers, how they work, who are their clients, how it is situated on their market according to credit metrics and how it influenced your business and evaluate all your suppliers, especially key and strategic ones and it help you to develop strategy of relationships with these suppliers Development of Measures to manage market shares and suppliers what does it mean? It means that you need to measure which volume the market manage your suppliers, how it influence on the whole market, can you change the situation? Can you help to decrease level of monopoly for example or oligopoly? Or you just accept it and work with this situation? And sometimes it can be very useful if you search for Eucommerce, search for new technologies and change the situation on their market. Comparative Prices analysis on the Market you need to understand which prices on the market, how they constructed and what is included in the prices. So search for this information with your suppliers, with for example associations, professional associations you need to understand what is inside the prices and how you can negotiate with suppliers, the different elements of this price and how of course you can decrease the price and get the best options and world market trends and suppliers apply market what does it mean? You need to understand everything about world trends and tendencies. You need to understand how different markets and how different suppliers influence to the whole chain. Because for example you buy the final materials or product but you don't understand the whole chain before this final product. As better you understand it, the better you will negotiate and the better you can develop your strategy and develop your metrics and assess the risk and you will be prepared and raw materials market as part of supplier supply market it is very important how it influences the product or services you buy. Can you change anything? Can you decrease level of risks and decreased level of influence of raw markets to your final relationships with your supplier? To the price to the product? And of course instruments like RFI and PESTEL analysis we will cover these topics. Reply is very important instruments which helps

you to understand the situation on the market It is official relationships before the tendering process with your suppliers and of course it helps you to understand what is the market and what you need to include into the specification or correct your specifications for example and is very useful and very good instruments. We will cover this topic and I explain you how to work with this and how it will help you to understand the market. Stay with us and we will help you and give you different instruments.

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