
Tender Management Case Study

A proven, transparent and streamlined tender management process.

Two member agencies of a peak procurement council wanted to combine their purchasing power across bulk fuels, fuel cards and lubricants. Previously, each entity had negotiated separate tenders, with oil companies offering an average price over all three products. This simple approach was far more advantageous to the oil companies than the client, but the agencies lacked the internal resources and industry expertise to engage in a more complex tender process.

Fueltrac conducted a Tender and Evaluation process to find out:

- What opportunities were available by combining the purchasing power of both entities, as well as any potential risks
- What benefits could be gained by approaching the tender process as three separate products, instead of an average price
- The optimal strategy to approach the market that presented demand in the best way
- The like-for-like comparison between six tenders to identify the best coverage, price, fees and minimum volume requirements across all locations

Our Approach

Based on their aggregated spend, our consultants conducted a comprehensive market study and supplier analysis. This valuable data informed the tender specification process which included innovative initiatives and mechanisms to optimise the client's combined buying power. We prepared and lodged all tender documents and accurately evaluated the six responses using our comprehensive databases.

We then worked with the client to develop second- and third-round negotiation strategies to ensure the procurement decision was optimal.

Specific Outcomes

Our innovative approach to this tender process helped both entities achieve:

- A 'Best in class' offer from two suppliers
- An overall increase in coverage
- Improved pricing for bulk fuels and lubricants
- A cost saving of \$2 million per annum across their combined fuel card spend



We have greatly benefited from Fueltrac's expert market knowledge. Their innovative approach to this tender process has delivered us the best possible outcome.'

PRINCIPAL CATEGORY MANAGER