



Winning in public sector sales: Strategies for navigating procurement, compliance and buyer expectations

Why public sector sales are changing (and challenging)

The public sector is undergoing a significant transformation, driven by digital modernization, increased regulatory scrutiny, and shifting funding priorities. Traditional approaches to lead generation and sales no longer suffice, as government agencies demand greater transparency, security, and efficiency from their vendors.

To navigate this evolving landscape, organizations must understand the new procurement dynamics, anticipate regulatory changes and adapt their strategies accordingly. But it goes beyond that.

Success in this space requires a deep understanding of agency missions, strategic alignment with funding priorities and the ability to build lasting relationships with decision-makers.

Key challenges and opportunities

As the public sector transforms, vendors face both obstacles and openings to gain traction. The most pressing challenges include:

- **Procurement complexity**—lengthy approval processes and strict compliance requirements slow down deal cycles.
- **Regulatory shifts**—new laws around cybersecurity, data protection, and ethical procurement create additional hurdles.
- **Evolving buyer expectations**—government decision-makers expect tailored, data-driven outreach instead of generic sales pitches.
- **Tighter budgets and funding shifts**—understanding where funding is directed is crucial for positioning solutions effectively.
- **Uncertainty around fiscal year-end spending**—many agencies rush to allocate remaining budgets before the fiscal year ends in September, creating short-term opportunities for vendors.

How organizations can win public sector business

To stay competitive, vendors must rethink their sales approach, particularly around:

- **Master procurement and compliance**—align sales strategies with evolving government regulations.
- **Unlock budget with grant support**—help agencies identify and access grant funding to create budget, remove barriers and stand out from competitors.
- **Adopt consultative selling**—shift from transactional sales to a problem-solving, advisory approach.
- **Leverage market insights and data**—identify funding trends and target agencies with strategic messaging.
- **Refine seller skillsets**—equip teams with public sector knowledge, regulatory awareness and relationship-building expertise.
- **Capitalize on existing contracts**—target add-ons to active projects that are easier to fund and quicker to close.



Policy and budget landscape under the current administration

Government spending priorities and procurement policies are shifting under the current administration, with a strong emphasis on efficiency, national security, and energy independence. Vendors must understand these shifts to align their offerings and secure government contracts more effectively.

1 Fiscal priorities and budget shifts

- **Infrastructure and energy investments**—increased focus on domestic oil production, energy security and critical infrastructure projects.
- **Federal spending cuts and efficiency measures**—the newly established Department of Government Efficiency (DOGE) is leading initiatives to cut federal spending by \$1 trillion, impacting consulting contracts and agency expenditures.
- **DOE and DoD funding growth**—major investments are flowing into artificial intelligence, cybersecurity, and energy resilience, creating new business opportunities for vendors in these sectors.

2 End-of-year fiscal spending

- Many agencies rush to allocate remaining budgets before the fiscal year-end.
- Vendors should focus on expedited procurement strategies, leveraging existing government contracts, and targeting last-minute opportunities.

3 Procurement and regulatory changes

Agencies are now scrutinizing vendor qualifications more rigorously than ever, demanding comprehensive compliance documentation and robust cybersecurity credentials upfront.

- **Executive Order 14173 and DEIA restrictions**—recent federal contracting regulations restrict contract eligibility to vendors actively enforcing Diversity, Equity, Inclusion, and Accessibility (DEIA) frameworks within their organizations.

Vendors must thoroughly reassess internal hiring policies, workplace culture, and reporting structures to align with these mandates. Being proactive and transparent in DEIA compliance not only ensures uninterrupted eligibility but also serves as a differentiator.

- **Vendors must also proactively demonstrate their security posture**—via frameworks like FedRAMP, CMMC, and NIST standards—to expedite procurement processes and ensure eligibility for high-priority contracts. Those unable to clearly document their compliance risk costly delays or even outright exclusion from federal procurement opportunities.



4 Expansion of digital marketplaces

Government agencies increasingly leverage strategic procurement platforms and contract vehicles to streamline purchasing, particularly for IT solutions and services. Key Federal contract vehicles:

- **NASA SEWP V:** Popular Government-Wide Acquisition Contract (GWAC) known for quick processing times, especially useful in scenarios where other contracts are delayed.
- **FS3 (FirstSource III):** DHS's primary contract vehicle for IT Value-Added Resellers (ITVAR), though recent protests have delayed contract awards. Many DHS procurements have temporarily shifted to SEWP V, impacting vendor strategies significantly.
- **AWS Marketplace:** Cloud services platform widely utilized by federal agencies to procure cloud and IT-related solutions quickly.
- **GSA Advantage:** Provides easy access to federal supplies and services from pre-approved vendors.
- **CIO-SP4:** NIH's GWAC designed specifically for IT products and services, enabling agencies to procure advanced technology efficiently.

5 Compliance frameworks

While not procurement vehicles themselves, these frameworks have become non-negotiable requirements shaping agency buying behaviors:



FedRAMP (Federal Risk and Authorization Management Program): Provides a standardized approach to security assessment, authorization and continuous monitoring for cloud services and solutions.



FISMA (Federal Information Security Management Act): Requires federal agencies and contractors to implement rigorous cybersecurity programs, impacting vendor eligibility. Solutions meeting FISMA standards are positioned more favorably for federal contracts, especially within agencies emphasizing stringent security postures.



CMMC (Cybersecurity Maturity Model Certification): Specifically applicable to the Department of Defense (DoD), CMMC assesses vendor cybersecurity maturity, directly affecting eligibility to bid on defense contracts. Vendors without appropriate CMMC levels risk exclusion from key DoD procurements.



ITAR (International Traffic in Arms Regulations): Governs the export and handling of defense-related technologies and sensitive information.



DFARS (Defense Federal Acquisition Regulation Supplement): A DoD-specific procurement regulation enforcing additional cybersecurity measures on contractors handling DoD information, often tied to NIST SP 800-171 compliance.



Why memoryBlue



Real-time market insights

memoryBlue's daily interaction with public sector buyers means we pick up early insights on shifts in procurement behavior—insights that directly influence GTM strategies for our customers. Here are a few examples:

- **Impact of FS3 protests:** Our conversations reveal DHS buyers rapidly pivoting to SEWP V due to FS3 award protests (11 protests as of September). Vendors who quickly recognized this shift have been able to maintain momentum despite procurement disruptions.
- **DoD end-of-year flexibility boost:** DoD has recently increased its year-end spend cap from 20% to 40% for the last two months of FY25. Despite spending cuts, this shift indicates growing urgency in pushing Commercial Off-The-Shelf (COTS) products more rapidly through procurement channels—a development we've heard directly from DoD procurement officers. This insight provides reassurance to vendors experiencing slower cycles earlier in the fiscal year, indicating a likely acceleration in the coming months.



Pipeline growth

memoryBlue focuses on generating and accelerating opportunities at the top of your funnel, allowing your team to concentrate on closing deals and achieving long-term success.



Strategic approach

Our experienced, data-driven team helps technology companies leverage key contract vehicles, anticipate regulatory requirements, and engage decision-makers effectively across federal, state, local governments, DoD, education, and more. We proactively collaborate with your procurement partners to align strategies, streamline processes, and ensure deals progress smoothly through complex procurement cycles—reducing friction and accelerating results.



Why memoryBlue, continued



Dedicated public sector expertise

We recognized early that navigating public sector sales requires specialized expertise, which is why we established our dedicated Public Sector office five years ago—a differentiator many outsourced sales providers don't offer.

Check out just a few of the customers we have helped drive public sector sales for:



**If you're ready to amplify your public sector sales strategy,
partner with the team that knows how to win in this space.**

Let's talk.

Sources

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