

The 5 Big Benefits of Joining a GPO





But First, What is a GPO?

- A Group Purchasing Organization (GPO) leverages the collective buying power of its members to obtain deep discounts from suppliers
- It works kind of like Costco – without the membership fee, since you purchase as part of a large group, you get “bulk” discounts
- By buying as part of a group, you increase your [buying power](#)
- The more members, the bigger the discount
- [Learn more about how GPOs work](#)

GPO Benefit #1. Greater Savings

Your organization probably doesn't have high volume needs in *every* category. Because of this, you pay a heftier price tag since you don't qualify for bulk pricing. You can't negotiate the same volume-based discounts a GPO can.

But when you join a GPO, you gain access to exclusive, **below-industry average pricing**. For example, since [UNA's](#) GPO does a couple million in office supply spend alone, [Office Depot](#) gives our members deep discounts.

In other words, joining a GPO helps mid-sized businesses get the same pricing and value-added services as a **fortune 500 company**.





Benefit #2. Better Contracts

The two major factors when it comes to getting the best contracts is your **buying power, and your category expertise**. If you don't have high enough volume, you won't get the best discount. You might not even get the opportunity to [work with the supplier at all](#). Likewise, if you don't have the capacity to monitor each supplier carefully, you'll pay too much.

Luckily, partnering with a GPO can help. First, you get **deeper discounts** in almost any category. For example, UNA's free memberships [save companies an average of 22% per year](#).

Second, working with a GPO also creates **price stability**. The GPO's pre-negotiated contracts ensure your prices won't inflate.

Benefit #3. More Supplier Accountability

A common misconception is that you lose control when you join a GPO. But that's not true. Ultimately it's the buyer's job to manage the agreement. But, the GPO can set you up for success and become an additional layer of supplier accountability.

Since the GPO provides your agreements, they'll help **monitor those contracts**, and ensure suppliers fulfill their promises.

Not only will you not have to worry about **compliance**, but you also won't have to go out to bid for the sake of driving down costs.





Benefit #4. Category Expertise

If you're managing a lot of indirect spend costs, like [shipping](#), [MRO & JanSan](#), [travel](#), or [office supplies](#), you're probably not an expert in each category. Which makes your job much more complicated.

It's the plight of the mid-sized company. The challenge is, **you're big enough to be scaling** and have growing procurement needs. But you don't have a fully developed procurement team in place yet. The more your business grows, the more your costs increase, but you don't always have the contract negotiation power you need.

Joining a GPO pairs you with **category specialists** who will make sure you're getting the best price. Which means you don't have to have an in-house expert for every category.

Benefit #5. Get Contracts Quickly

The great convenience of buying through a GPO is that it's highly efficient. **Agreements are pre-negotiated**, you'll get below-average industry pricing, without having to issue an RFP or haggle with suppliers. Plus, you'll get a better discount.

Best of all, you can get started very quickly. For example, when you leverage a [UNA supplier](#), you can *start saving in 30 days or less*.

You'll also get **extra contract monitoring** through the GPO, ensuring your new vendor keeps up their end of the bargain.



Conclusion: GPO

Benefits

1. Increases savings across major indirect categories
2. Offers better contracts with premier suppliers
3. Improves supplier relationship management and accountability
4. You get category expertise, monitoring, and mediation on every supplier deal you use
5. Agreements can be implemented quickly, no RFP or negotiation needed

Bottom line, partnering with a Group Purchasing Organization, can help your business scale and grow.





Next Steps

Get Your Feet Wet

We recommend beginning a new GPO partnership by starting with a couple of categories. See what the relationship is like.

Find a Long-Term Partner

Look for a GPO who wants to be a true partner to your organization. Avoid transactional relationships.

More Value

If your team is spending a lot of time on categories that don't move the needle much, joining a GPO can help you increase savings and deliver more value.

About UNA

We help you increase your buying power and provide access to better discounts than you could negotiate on your own.

UNA is a free GPO that provides billions in purchasing power, and a vast portfolio of contracts. You'll never pay admin fees, and you can pick suppliers a la carte.

[Start saving your business an average of 22%](#) on indirect and direct spend.

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