

## PROCUREMENT TALK, SERIES 7 EPISODE 7

### IS QUALITY MORE IMPORTANT THAN PRICE?

Date: 30 June, 2025



“Welcome to Procurement Talk and this is your host David Byrne. Procurement Talk is for procurement and business professionals, where we provide insights and solutions to your procurement challenges.

Hello and welcome to Procurement Talk. This is your host David Byrne. It's great to be back for another episode. This episode is titled, Is Quality More Important than Price?

That's a really tough question. And I think it really depends on actually what you're buying. I mean, quality does count and quality is very important, and it's a key milestone for a lot of products and a lot of goods and services, but then you've got to bring into the question of value. When does quality get too much and increase the price too much? You could say that with clothing, some clothes are ridiculously expensive and you can just buy a simple, good quality t-shirt that is far less, its cheaper in price. That's a simple example. And we strongly recommend that when you're making a purchase, that you look for good value. If you're in a sales job, for a certain industry or a product, then it's important that you know your customer and it's clear what actually drives them to make a decision on a purchase. And it's about understanding that you need to provide a good price if that's more important than good value and good quality.

Alternatively, in certain industries, quality may be the only deciding factor. And I really hope that's the case. I used to work in aviation where quality was the key. It was a key driver within our organisation and it was a really important factor in making all our decisions, and what drove our ethos and our values across the organisation. But that's only in certain organisations, in certain industries where that really needs to be to that high standard, compare that to the T-shirt example that I said earlier, I mean, they're chalk and cheese apart. If you're on a plane, yeah, you want it to be quality, you want it to be of the best standard possible. If you're buying a t-shirt, that's different. If you're driving a motor car, you want that to be of the best quality, of the best standard that is available.

And quality, it's not just an act, it's a habit and it's a key thing that sets apart a culture with an organisation.

But then you've got to look at the happy customer and return customer. They're the key things for you as an organisation. You want that happy customer. You want the return customer because you want that repeat business. You need the income coming through the door. And that's really a balance between the service that you're actually selling, the price that people are willing to pay, and the value that they will actually get for their money.

You hear this old comment, “buy cheap, buy twice”, and it's a common one that you hear, but in some cases buying something relatively cheap that's not of a tradesman quality, for example, you might buy a fairly cheap tool that you might only use once or twice, compared to a tradesman who's going to use the tool day in, day out, well, they need a better quality tool. So that cheaper tool in that case is quite logical and it does make it for the a reasonable person to buy. So that's something that should be considered, you know do your research on the product that you're actually going to buy and how often did you're going to use that product. Is it going to be reliable? Do you need it to run consistently? Or can you go for a cheaper brand? And, if you buy the cheaper brand, is that a false economy because it's going to break and you need that tool again and again and again, and you're going to have to keep buying it. Well, you don't want to go there, do you? So in that case, you're better off buying the more expensive tool. So do your research and understand what particular value and what particular service that you want from this particular procurement. Get the references that you need and make sure that you put it together.

Quality is never an accident. It's a result of an intelligent effort. And putting in that quality and that workmanship really does lift the culture at an organisation. It sets the standards, the values of an organisation, it's the way we do things around here. And that's the difference between a quality and a cheaper product. Henry Ford put it nicely when he said “Quality means doing it right when no one's looking” and that really is about the culture of an organisation, it's about doing it right when no one is looking. It's about, this is the way we do it, there's no if buts or maybes that's the quality of what we do.

So, if you're understanding that value judgment on whether or not it's a quality or a price discussion, really think long and hard about the particular product you're buying and the market that you're buying it in, and the particular service that's going to be gained from that particular procurement activity.

And price is always a component because no-one's got endless money that they can just push at a particular procurement activity, so price always comes in there, but quality, it's the key component within those decisions, and ensuring that you get the good value. Good price and a good quality leads to happy customers. And you want those happy customers and you want those return customers. So make sure you get the quality and the price right, particularly for your organisation. All the very best and bye for now.

This concludes this episode of Procurement Talk. Thank you for listening. Procurement Talk is brought to you by David Byrne and BWD Consulting. We're helping organisations transform procurement. Talk to you again soon. Bye for now.