

Industry Report 2025

By Triops Technologies

**Key data, emerging trends & strategic implications for US Federal & European
Public Procurement**

Executive Summary

The government contracting industry is undergoing a significant transformation. With the US federal procurement market exceeding \$750 billion and European public procurement surpassing €240 billion annually, the combined \$1+ trillion opportunity is attracting more competition than ever. Yet the industry remains plagued by fragmentation, inefficiency, and manual processes that cost contractors billions in lost productivity.

This report synthesizes current industry survey data from government contracting professionals to identify the most pressing challenges facing contractors in 2025. The findings reveal a clear pattern: organizations that fail to modernize their contract discovery, data management, and proposal processes will fall behind. Those that embrace AI-powered platforms will gain a decisive competitive advantage.

The core insight: 90% of contractors report inefficiencies directly impacting their ROI, yet only 33% rate their data management as effective. This gap represents an enormous opportunity for technology-enabled solutions like TCP.

Industry at a Glance: Key Stats

\$750B+	US federal procurement market size (annual)
€240B+	European public procurement market size (annual)
54%	Government contractors reported higher revenue in 2025
62%	Expected continued revenue growth in 2026
90%	Contractors saying inefficiencies negatively impact their ROI
80%	Professionals experiencing burnout sometimes or often



Operational Efficiency: The \$50B Problem

Process inefficiencies represent the single largest drag on contractor profitability. The industry data is stark: nearly every contractor surveyed acknowledges that operational waste is eroding their returns.

Impact on ROI

Impact level	% of respondents
Moderately significant impact on ROI	45.4%
Slightly significant impact on ROI	31.9%
Very significant impact on ROI	13.7%
Not significant	9%

Most common inefficiencies

Inefficiency type	Prevalence
Inaccurate documentation	50%
Redundant processes	31.9%
Miscommunication	9%
Technology misuse	4.6%

Impact on project timelines

63.6% of respondents report that inefficiencies cause project delays sometimes, with an additional 27.3% experiencing delays often. Only 9.1% rarely face timeline disruptions from process waste.

TCP Advantage: The Triops Contracting Platform eliminates the most common inefficiencies by automating contract discovery across 30+ procurement portals, centralizing pipeline management, and generating compliant proposals in minutes instead of weeks. Our customers report 3-5x more bids submitted with the same team size.

Data Management: The Foundation Gap

Effective data management is the backbone of successful government contracting. Yet the industry data reveals a troubling reality: most organizations are operating with suboptimal data practices that undermine every downstream process from opportunity identification to proposal development.

Current data management effectiveness

Self-assessment rating	% of respondents
Neutral (functional but not optimized)	45.8%
Effective	33.3%
Ineffective	16.7%
Very effective	4.2%

Top data management challenges

Challenge	Frequency
Lack of organization	41.7%
Inconsistent metadata tagging	33.3%
Poor search capabilities	12.5%
Security concerns	12.5%

Primary benefits of better data management

Benefit	Priority ranking
Improved efficiency	45.5%
Better decision making	36.4%
Enhanced compliance	13.6%
Reduced costs	4.5%

TCP Advantage: TCP's GovCon DNA Algorithm automatically organizes, scores, and matches contract opportunities using 6-factor intelligent analysis: NAICS/CPV codes, security clearances, contract value ranges, set-aside eligibility, technical capabilities, and geographic alignment. This eliminates the data organization problem entirely.



AI Adoption: The Competitive Inflection Point

AI is no longer a future consideration for government contractors, it is a present-day competitive differentiator. The survey data shows universal awareness but uneven adoption, creating a significant first-mover advantage window.

AI familiarity levels

Familiarity level	% of respondents
Moderately familiar	36.8%
Very familiar	31.6%
Slightly familiar	21.1%
Extremely familiar	10.5%

Barriers to AI adoption

Concern	% citing this barrier
Data privacy issues	73.6%
High costs	52.6%
Lack of understanding	42.1%
Potential job displacement	5.2%

Expected benefits of AI integration

Expected benefit	% of respondents
Increased efficiency	63.1%
Enhanced data analysis	63.1%
Improved decision making	57.8%
Cost reduction	47.3%

70% or organizations report being open (or very open) to adopting new technologies. Only 10.4% express reluctance. The window for early-mover



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advantage is narrowing but still wide open.

TCP Advantage: TCP addresses all three top AI adoption barriers simultaneously. Our GDPR-compliant, SOC II architecture ensures data privacy. Our subscription model (€2,000–€3,800/month) delivers enterprise AI at accessible pricing. And our platform requires zero AI expertise, the GovCon DNA Algorithm and AI Proposal Generator work out of the box.



Stakeholder Engagement & Buy-In

Securing internal alignment remains a critical success factor. The data shows that while nearly everyone recognizes the importance of stakeholder buy-in, most organizations struggle to achieve it consistently.

Importance of stakeholder buy-in

Importance level	% of respondents
Important	53.9%
Critical	23%
Very important	19.2%
Somewhat important	3.9%

Biggest alignment challenges

Challenge	% of respondents
Insufficient resources	37%
Conflicting priorities	26%
Lack of engagement	25.9%
Communication barriers	3.4%

80% of respondents encounter stakeholder resistance sometimes or often, with only 20% reporting rare resistance. The most effective strategies for gaining cooperation are building trust (37%) and creating a shared vision (26%).

TCP Advantage: TCP's unified dashboard gives every stakeholder, from BD teams to executives, real-time visibility into the full pipeline across US and EU markets. Shared data, transparent scoring, and collaborative workflows eliminate the information silos that drive misalignment.

Workforce Burnout: The Hidden Cost

The government contracting workforce is under severe strain. The data paints a concerning picture of an industry where burnout is not the exception but the norm, driven by structural issues that technology can help resolve.

Burnout frequency

Frequency	% of respondents
Sometimes	60%
Often	20%
Rarely	15%
Never	5%

Top contributing factors

Factor	% citing this factor
High workload	60%
Tight deadlines	55%
Lack of resources	50%
Bureaucratic challenges	35%
Limited work-life balance	30%

TCP Advantage: By automating the most labor-intensive parts of government contracting, opportunity scanning across 30+ portals, contract matching, and proposal drafting, TCP directly reduces the workload burden that drives burnout. Our AI Proposal Generator turns weeks of manual work into approximately 15 minutes, giving teams capacity back.

Strategic Implications for Contractors

The convergence of these five trends, operational inefficiency, data management gaps, AI adoption readiness, stakeholder alignment challenges, and workforce burnout, creates a clear strategic imperative for government contractors in 2025 and beyond.

The cost of inaction

- 40% of contractor time lost on administrative tasks that could be automated
- \$50+ billion lost industry-wide due to missed opportunities from fragmented discovery
- 90% of organizations reporting inefficiency-driven ROI erosion
- 80% of workforce experiencing burnout, threatening retention and quality

The first-mover advantage

With 70% of organizations open to new technology but only 10.5% deeply familiar with AI in government contracting, the window for competitive differentiation through technology adoption is wide open. Early adopters will capture disproportionate market share as the industry transitions from manual to AI-powered contracting workflows.

What the winners will do differently

- Unify their contract discovery across all relevant procurement portals, US federal, EU, and national platforms
- Deploy AI-powered matching to focus limited BD resources on highest-probability opportunities
- Automate proposal generation to bid 3-5x more contracts without expanding headcount
- Centralize pipeline data to eliminate stakeholder misalignment and improve decision velocity
- Reduce manual workload to address burnout and retain top talent

How TCP Addresses Every Challenge

The Triops Contracting Platform was purpose-built to solve the exact challenges identified in this report. TCP is the only platform that unifies US federal and European government contracting into a single, AI-powered workflow.

Industry challenge	TCP feature	Result
Fragmented portals	30+ portals integrated	Single source of truth
Inaccurate docs	AI proposal generator	Compliant proposals (~15mn)
Data disorganization	GovCon DNA algorithm	6-factor auto-matching
Redundant processes	Unified pipeline dashboard with tasks tracking	3-5x more bids, same team
AI privacy fears	GDPR compliant	Enterprise-grade security
Burnout	FULL workflow automation	40% admin time reclaimed
US-only or EU-only tools	Transatlantic coverage	Only unified US/EU platform

Pricing

TCP delivers enterprise-grade capability at accessible price points designed for the contractors who need it most:

- US Enterprise or EU Enterprise: €2,000/month, full access to one market
- Global Enterprise: €3,800/month, unified US + EU coverage with multi-currency tracking

Inner Circle leading members receive 50% off first-year pricing plus advisory board participation. Limited to 20 seats.



Methodology & Sources

This report synthesizes data from industry surveys of government contracting professionals conducted in 2024–2025, combined with market sizing data from public procurement records and industry analyses. Key data sources include:

- Industry survey of GovCon professionals (60% with 10+ years experience, across small businesses to large enterprises)
- Deltek 2024 Clarity Government Contracting Study
- SAM.gov and TED.europa.eu procurement data
- TCP internal platform analytics and customer research

Survey respondent profile: 40% small businesses (<100 employees), 30% mid-sized (100–500), 30% large organizations (500+).

Focus areas: 45% Technology/IT Services, 30% Professional Services, 25% Defense Contracting.

Ready to transform your GovCon operations?		
Start discovering contracts across 30+ portals today		
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