

White Paper

# The Buyer's Guide To Bidding

What do customers *really* think of the sales proposals they receive?

Read the results of a 2010 survey with senior purchasers, presented to the UK Association of Proposal Management Professionals.

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[www.strategicproposals.com](http://www.strategicproposals.com)

## Executive Summary

### The buyer’s guide to bidding

In January 2010, Strategic Proposals – one of the world’s leading proposal management consultancies – carried out a survey into **buyers’ views of the sales proposals that they receive**. Responses were received from nearly **thirty senior figures in the procurement profession** in the UK and continental Europe – a response rate of over 60% to the questionnaire, perhaps indicative of the importance of the topic to buyers. The research findings were **presented to the UK Association of Proposal Management Professionals (UKAPMP)** on 20 January 2010, and are published in full in this white paper.

Key conclusions were as follows:

1. Buyers continue to view the **written proposal** as **extremely important**. It may be just one component of a customer’s decision-making process and of the overall bid cycle – but an excellent proposal will **put you far ahead of your competitors**, whilst a poor one will surely lose you the deal.
2. Influencing the customer and establishing strong relationships in the **pre-proposal planning phase** are vital, as is following up on the proposal with a high-class, well-rehearsed **bid presentation**.
3. The best proposals demonstrate a **clear understanding of the client’s needs**, and are **tailored** to their requirements. Evaluators get frustrated by “cut and paste” responses, which often fail to answer the question, ignore their instructions and are frequently badly-written and poorly proofread.
4. The **majority of proposals** received by buyers are of no more than **average quality**. **Very few documents excel** – meaning that those companies that do invest in developing **high-quality proposals are gaining significant competitive advantage**.

The research raises three **key challenges** for sales organisations:

- a. Do your sales teams truly understand the behaviours, processes and tools used by those in their customers’ evaluation teams? **Training sales and bid / proposal professionals to understand the purchasing process is key** to sales success.
- b. Do you have a clear, objective view of what your customers think of *your* proposals – versus those of your competitors? Buyers rarely share feedback fully, openly and frankly with salespeople – so **how do you audit your proposals and capture honest customer feedback** to identify potential areas for improvement?
- c. Given that so few proposals excel, and that those which do are so important in winning business, **is your proposal management function genuinely a centre of excellence** (rather than an overworked back-office factory)?

To explore the findings in more detail, or to discuss how we could help you to improve your proposal capabilities and win rates, feel free to contact us on +44 (0)781 333 2294 or by email to [info@strategicproposals.com](mailto:info@strategicproposals.com).

## The survey results in detail

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### How important is the written proposal in the buyer’s decision-making process?

<p>Director, procurement consultancy</p>	<p><b>Important but not critical</b> - in my experience this step is all about <b>coming across as being a credible supplier</b> who can demonstrate the right knowledge and experience to <b>get to the next stage</b> of the procurement process.</p> <p>Such requests are normally positioned at the front end of a process that also allows for direct interaction and client engagement often involving a sub-set of initial suppliers - and where the participants are often more senior / make the selection decision.</p>
<p>Head of procurement, major public sector corporation</p>	<p>For us, <b>written proposals are paramount</b>. We evaluate tenders solely on the written response - key as <b>we must be totally fair and transparent</b>.</p>
<p>Director of procurement, high-street retailer</p>	<p>I think you have to consider this question in a number of ways and that in these Q&amp;As you have the essence of good or useful proposals. e.g. <b>the supplier has to be able to differentiate the way in which they engage and respond to customer’s needs</b>, just as much as buyers need to be able to do the reverse. If this initial step is well executed then the proposal has a good chance of being positive. e.g. if it’s a commodity market then perhaps a strategic approach from either side is questionable and we should be into and RFX and e-auction.</p> <p>If it’s <b>a proposal that reflects the process and discussions to date</b>, then that <b>is really positive</b>. But this needs an informed supplier and mature procurement process, so here <b>it’s probably about growing the relationship ahead of any formal bids</b> if at all possible (i.e. Sourcing)</p> <p>If it’s a cold proposal that reflects little empathy or feel for what is required/needed and how the potential client operates then this can be frustrating. (i.e. Shopping or Buying).</p> <p>To me proposals from companies that just appear to assert their own needs and style then this sets the tone for a tactical relationship regardless of what they say. Master Service Agreements (MSA) can help set the scene better here, speed up the process and lead to a more win - win end game.</p>
<p>Director of purchasing, leading IT supplier</p>	<p>In this day and age it is <b>very important</b> as due diligence has to be shown, even more so in the public sector and under new rules.</p> <p>For us its <b>part of the toolkit of evidence</b> to review for which suppliers to select. Very important part as it documents what a supplier is offering in all aspects.</p>
<p>Senior manager, procurement, major bank</p>	<p>The written proposal forms <b>one element of the procurement approach</b> to selecting the appropriate solution or future supplier; and will stand alongside other decision making factors such as due diligence, supplier visits, customer referencing and more subjectively a perceived ability to work with a supplier on an on-going basis.</p> <p>From a response perspective, procurement depts, depending on their maturity will use combinations of the above and other factors on which to base their decisions. This will also be influenced by the perceived</p>

	<p>complexity of the product or service and where this sits in their segmentation approach.</p> <p>The written proposal is the <b>opportunity for the Seller</b> to present to the buyer their approach to satisfy the requirements, and to do this in a <b>clear, concise and informed</b> way. It should not cover the minutiae of the seller’s business, which may or may not have some relevance to the requirements. That is not to say that the seller should blindly answer the buyer proposal document without introducing some additional variables. <b>High quality buyers should be looking for perceived high quality sellers to demonstrate innovation and creativity in their bid.</b></p> <p>This means not only satisfying the immediate requirements, but also relationship building, service and product innovation and mutually beneficial cost management solutions etc. Good buyers will be looking to <b>ascertain how well the seller has understood their business and how they demonstrate a willingness towards joint working</b> going forward. However, it is not a one-way street and buyers need to demonstrate similar positive behaviours.</p> <p>Sellers should <b>ensure that all elements of the buyer’s requests are clearly addressed</b>, as buyers do not wish to spend their time clarifying elements of each and every bid because the sellers have not spent sufficient time or diligence in its preparation; to a buyer this would send a clear signal that the seller is not that interested in the business.</p>
<p>Director, procurement services provider</p>	<p><b>The proposal is often a way to cut down the number of potential suppliers to a few that can then be assessed in detail.</b> But the real answer depends on what is being sold, the number of suppliers in the market, whether you are the incumbent supplier and your existing/ potential relationship with the decision maker(s).</p> <p>Some examples:</p> <ul style="list-style-type: none"> <li>• If the sale relies heavily on value add, relationships, etc., then you could argue that <b>unless you have a relationship with the decision maker, don't bother wasting your time on the proposal</b> - if you can't get that relationship going, then bow out gracefully.</li> <li>• If it's a pure commodity, and there are many suppliers – it's going to come down to <b>which supplier meets the base criteria and is offering the best value.</b> In this case, there is a base level of quality of proposal, below which you cannot go. But once the base level is achieved, then the document's value starts to diminish, and the importance switches to your ability to understand the company and individual you are dealing with, and make sure your offering is <b>tailored sufficiently to their needs and the circumstances.</b></li> <li>• If you are the incumbent supplier and are delivering a great service at good value, and the cost of change is high - you will probably get away with an average quality of proposal.</li> </ul> <p>In all instances, <b>clearly the proposal has to be good enough to get you to the second stage.</b> Once there, it's all about the relationship building, understanding the person/ company you are dealing with and their issues/ concerns, and what language you use, etc.</p>
<p>Procurement director UK, insurance</p>	<p><b>Very important</b> as I’m not a fan of mechanical e-based approaches. I’m the lowest user of e-sourcing in the group, and am under constant pressure to increase usage, yet deliver five times more savings than any other country through intelligent usage of RFP type processes.</p>
<p>Director of procurement,</p>	<p>In a well thought out and executed procurement process <b>the written proposal is the primary means by which information is communicated</b></p>

<p>construction sector</p>	<p><b>between the buying and selling organisations.</b></p> <p>The buyer should have:</p> <ul style="list-style-type: none"> <li>• converted business needs into a supplier capability profile</li> <li>• determined how they will evaluate suppliers for capability;</li> <li>• identified the information needs to allow such an evaluation;</li> <li>• framed a request for proposal in such a way as to solicit that information from the supplier in a format that facilitates like for like comparisons.</li> </ul> <p>The seller’s proposal then is his <b>initial opportunity to demonstrate capability and sets the scene</b>. If the seller can demonstrate that he has the right capabilities by giving the buyer the information he requires in the format he requires it, he stands a chance of securing the business.</p> <p>I however would never rely simply upon a proposal as the key decision making criteria. <b>I always would want to ‘Kick the tyres’</b> so to speak, to ensure that the company indeed had the capability it claimed. I would also want to be absolutely clear that I and my colleagues could indeed work with the proposing company and its staff. During the ‘sales/buying process’, I would want to <b>meet real operational people with whom we would be working. I would not be happy if all I saw were the business development team.</b></p> <p>In my experience formal procurement regimes tend to put more emphasis on written proposals than those that are less formal. I am thinking here of ‘institutionalised’ procurement regimes e.g. Central and Local Government where the need for audit trail is high e.g. to comply with EU legislation.</p> <p>As I now operate, I would <b>put much more emphasis upon a supplier evaluation undertaken on the suppliers and a supplier’s customer’s premises that on the written word</b> (using something like an Order Winning Criteria Process.)</p> <p>In summary I suppose that the import of the written proposal is contextual, shaped by the governance needs of the buying organisation, clarity of the actual total procurement process and the skills/preferences of the lead buyer. <b>A good written proposal, in itself, might not win you business but a badly conceived and written one may put you out of the race.</b></p>
<p>Capital and construction director, public sector</p>	<p>It depends on the level of contracting. I break the function into a three tier pyramid with <i>Purchasing</i> (of commercial off the shelf goods and services) at the bottom but accounting for about 70% of the total, <i>Procurement</i> (of customized goods and services) in the middle, and at the top <i>Acquisition</i> (the integration of many contracts and self performance over an extended period of time).</p> <p>By way of example, buying food and uniforms for a submarine's crew is <i>Purchasing</i>, buying a unique propeller for a submarine is <i>Procurement</i> and buying a seaborne nuclear deterrent is <i>Acquisition</i> where torpedoes, steel, dry docks, nuclear fuel, sonars, crew hiring, training, repairing, paint, crew housing ashore, and a place to bury the reactor when the ship is decommissioned would constitute the systems acquisition or programme.</p> <p>Having said that, a written proposal for <i>Purchasing</i> is not very important because it is price that generally dictates source selection. If other factors are considered it would be binary: yes or no. Is the source qualified? The</p>

	<p>lowest priced technically qualified source. In the <i>Purchasing</i> space, just make sure you answer all the questions completely...and liberally. Modesty or caveats do not help.</p> <p>In the <i>Procurement</i> space, the written proposal is very important. Usually, cost and other factors are considered with other than the low bidder often winning. Salesmanship is important in the proposal but facts are all that really matters. A good Source Evaluation Board member comes armed with a yellow outliner. <b>When reading many proposals, the task of the evaluator is to make the complex simple and boil down the points of distinction between the proposals. Proposal writers should make it easy for them.</b></p> <p>Use of summary boxes, headlines, bold type, bullet points, etc. are very useful. Even write the killer argument statement for the evaluator! "Brand X is the one competitor who ...."</p> <p>In my world, <b>the experience of the proposed team, the innovation of the approach, the explanation how risk will be mitigated are my most important factors.</b> Fatal is to miss a required bit of information. Some evaluators simply score the missing bit with a zero. Others might ask for "clarification" as a prompt but they are not required to do so. Not all good proposals win but no bad proposal wins.</p> <p>In the <i>Acquisition</i> space, the proposal is very very important in setting the competitive range but after that, it is all about the oral presentation and the responses to the requests for "clarification". Big acquisitions require rehearsal, careful orchestration, and critiques by third parties. I have seen good proposals wiped out by confused oral presentations, inconsistent responses, or arrogance.</p> <p>The purpose of the oral presentation is to determine if the buyer can work with the competitor. Selecting key employees is important. Homework about who will be on the contractor-facing team needs to be done. Key employees are worth their weight in gold! <b>Presentation material must be catchy, consistent, professional and cogent.</b> Like the Procurement level proposal, the presentation material should make the case for why pick "me". <b>It is never enough to say "I'm qualified." So is everyone else. The point is "Pick me because I'm different."</b> In the end, the competitor must give the contracting officer an excuse to pick them over everyone else.</p>
<p>Head of IT procurement, leading retailer</p>	<p><b>The written proposal is extremely important.</b> It documents the thought process of the bidders and the ability to translate this in writing can be the only opportunity an organisation gets to demonstrate their USP. Often you can pick up attention to detail, and if the supplier understands the question and indeed your organisation.</p>
<p>Group procurement director, telecoms</p>	<p><b>The written proposal is very important in order to establish if the seller really understands what products/services are required by the buying organization</b> and to be able to see how the seller intends to address/solve the issues involved.</p>
<p>Group purchasing director, FMCG</p>	<p>A lot depends on whether you are talking about RFP specifically or RFQ. For me, an RFP offers the seller the opportunity to be very specific around what they will offer to satisfy the buyer request but also allow <b>an element of creativity which may well differentiate the seller from their competition.</b></p> <p>It is unlikely my team would request written proposals from say more than five companies as the resource time to wade through them would not make this viable. Therefore you can assume <b>we will scrutinise the few pretty</b></p>

	<p><b>closely.</b> This adds to the importance of the written proposal if it is say an RFQ because we are asking for a precise answer to a particular specification. If they don't follow the instruction on the invitation then we wouldn't be impressed.</p> <p><b>The easier the seller makes it for us the better for them.</b> If we are prompted to go back and forwards for clarity we will quickly arrive at the "they don't get it" phase.</p>
Group purchasing director, banking	<p><b>I think the written proposal is very important as it forms the objective fact based assessment on which to make an element of the procurement decision.</b></p> <p>Important also to note public sector vs private sector: <b>in the public sector (above a threshold – not necessarily OJEU) it is everything.</b></p>
Procurement director, insurance services	<p><b>Very important</b> particularly where it is linked into the contracting process.</p>
Acting head of procurement, IT OEM	<p><b>Increasingly so. It seems more than ever that buyers are evaluating bids based on the quality of the written submission,</b> perhaps at the expense of spending less effort in the 'due diligence' phase of evaluating bidders and 'face-to-face discussions'. <b>The 'desktop evaluation' is perhaps reflective of buyers who are under intense time pressures, with multiple stakeholders to consider.</b></p> <p>Not recommending it as best-practice, but the trend appears to be in this direction.</p>
Head of procurement, pharmaceuticals	<p><b>Very – the written proposal provides the facts and data that will be analysed and compared with selection criteria and competitors data.</b> So it needs to cover the request and to differentiate to clearly show additional value beyond the expectations if possible.</p> <p>The value add may be a rich vein of possibilities but the proposer will need to understand the customer needs to do this well.</p>
Programme director – procurement, telecoms	<p><b>Very important.</b> Firstly, it lets me know <b>how well supplier understands business needs...</b> both at high level and more importantly at practical implementation level.</p> <p>Secondly, <b>the response clearly sets tone of both professionalism and commitment to the work</b> based on quality of input.</p>
Senior procurement manager, government agency	<p>Critical. Many public sector procurements do not involve any face to face discussion until after proposals are received, <b>so if your written proposal does not hit the spot then you are not shortlisted.</b></p> <p>Also, given the requirement in the public sector to be even handed with suppliers, <b>it is often only the written word that can be considered.</b> For example, often <b>we may be aware that a supplier's capability is better than is stated in their tender but we cannot allow this information to be considered because it could be construed as unfair to other bidders.</b> Good buyers find pragmatic ways around this issue, but you won't always be dealing with good buyers.</p>
Director of procurement – indirect, telecoms	<p><b>Increasingly... particularly driven through rigour in on line tools.</b></p> <p>Third party validation (SOX etc) also means buyers need to demonstrate sound decision making.</p> <p>All this said I would always drive inter personal relationships. <b>Research indicates emotion outweighing logic</b> in most decision making.</p>

<p>Head of IT procurement, banking</p>	<p>I believe that <b>in relation to new/unknown suppliers, the success of any proposal will heavily depend upon the written document.</b></p> <p>There is a particular requirement these days to ensure that CSR and Environmental credentials are properly articulated and presented, so as to ensure that these align to the client company's expectations. I think that <b>known or existing suppliers may be able to short-circuit some of this stuff but this would be a risky philosophy if they came up against a particularly well prepared written proposal.</b></p> <p>In summary I am sure that <b>a poorly presented proposal would heavily count against, regardless of the pricing or track record.</b></p>
<p>Director of group procurement, mobile telecoms</p>	<p>Begs another question: who really is the buyer? Is it the person with the title, their boss, the technical / budget owner, other senior individuals, a committee / steering group etc. etc.? Of course, if it's an important bid, the seller should know all of the above, and have engaged them in a "WIFM" [what's in it for me] fashion.</p> <p>From a practical point of view, however, it is the formal proposal and the seller must expect to be judged upon its contents, even if there is evidence that other factors/relationships are important. (This is particularly true of public sector processes). <b>It can also, however, be the last opportunity to differentiate and reinforce previous influencing / conditioning.</b></p>
<p>Chief purchasing officer, telecoms</p>	<p>Depends on what selection process is being used, but if it's a response to an ITT or an RFI it's pretty important as <b>you will be “marked” on what you write down!</b></p> <p><b>If it's an unsolicited proposal then the quality of the proposal will dictate whether any further follow up is going to happen.</b> So all in all it's very important to do a good written proposal.</p>
<p>Group procurement director, financial services</p>	<p>Whilst it is the content that is important, <b>if the written proposal is poorly presented, that has an impact in my mind on the potential quality of their other deliverables were they to be successful with the business.</b></p> <p>Some elements of poor presentation (e.g. spelling mistakes) actually are completely unacceptable although where English isn't the first language, concessions are given.</p> <p>Interestingly <b>the standard "blurb" on the company responding can be annoying</b> as it can demonstrate little thinking of what is useful to the customer in each particular situation (although I am sure much easier for suppliers to complete!). I do though believe that some elements of responses could be reduced where it is a current supplier - although not all buyers think that way.</p>
<p>Senior procurement executive, local council</p>	<p>This is as important for me as preparation before the meeting and seeing if they can write something coherent, which takes into account my requirements. It should <b>ensure that all the key issues are addressed</b> showing a <b>well-structured</b> proposal, <b>with a clear plan of how the results will be achieved.</b></p> <p>It should include a range of pricing options, prices for goods / services which may have to be bought on demand. Ideally, it should <b>exclude all sales pitch type stuff</b> (include in appendix if they have to and make it relevant instead of including the standard slides).</p>
<p>Director of group procurement, insurance</p>	<p>This is <b>crucially important</b> as it <b>gives the buyer an appreciation of the depth to which the proposer understands the requirement, how it is to be fulfilled and delivered and what the seller is prepared to commit to contractually.</b></p>

	<p><b>If it’s not written down its probably not worth anything at all.</b> In a competitive situation this is where the sellers USP’s and differentiation can be demonstrated.</p>
<p>Procurement director, IT sector</p>	<p>Written proposals are <b>very important</b>, even in files with high informal influencing.</p> <p>It is important that the formats and templates requested by buyers are complied with, even if not in line with the sales organization. Alternates can be suggested, but usually a buying organization will request compliance first.</p>
<p>Director, purchasing consultancy (formerly purchasing director, telecoms)</p>	<p>In most buying organisations, it is an important document, which formalises the seller’s proposal and <b>serves as a starting point of further selection and negotiation.</b></p>

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**How good, bad or indifferent are the written proposals you typically receive from suppliers?**

<p>Director, procurement consultancy</p>	<p>They range from both ends of the spectrum - there is <b>a surprising amount of poor / average quality stuff out there</b> and <b>a good proposal really does stand out and can position a supplier well.</b></p>
<p>Director of procurement, high-street retailer</p>	<p><b>Some have been very high quality, answer all the questions and take you on the next step towards a contract. Others were not worth the paper they were written on</b> and it would have been better if the supplier had taken more time to understand what was being asked for, or if they were not really bothered about the business or it was not their key business area then they should have explained and declined.</p> <p>It’s always good to have all the questions required answered by the supplier, as this helps the evaluation process and timescale. <b>I also like suppliers to be creative as well</b> so that you really get their specialist knowledge and skill on offer.</p> <p><b>Less is more.</b> Some proposals are padded out with all sorts of unwanted detail, whereas for me the more focused and concise the better</p> <p>I would always prefer an open dialogue with the suppliers as you progress rather than a stilted process.</p>
<p>Director of purchasing, leading IT supplier</p>	<p>We see it all! <b>The worst is when you can see it is “lifted” from something else</b> not even remotely for what we want, or even shows a different co name (for example). Clearly this shows us how much they care about our business, or not.</p>
<p>Senior manager, procurement, major bank</p>	<p>There are as many variations in proposal quality as there are people in the world, <b>ranging from the very focused to the inevitable 'back of the fag packet'</b>. In my opinion <b>the key to a successful proposal is similar to the key to a successful job interview, the development of an effective business to business and buyer to seller relationship.</b></p> <p>This means that irrespective of previous dealings and relationship histories, the majority of new engagements should start with a fresh outlook. Whilst this may same to be a slightly controversial statement; in many cases the people involved in delivering the new relationship and managing it, will not be the same people who established previous relationships. It would therefore be inequitable to unduly influence any future relationship. This is not to say that performance history should not be taken into consideration during the evaluation, but it should not be allowed to cloud the RFI / RFP stage of a new piece of work.</p> <p>As outlined above a written proposal reflects the interest of the seller and reflects the potential of the seller. It is at this stage that <b>the seller must really look to grab the buyer’s attention</b>, and ensure that they would like to see and hear more. The document whether undertaken electronically or paper based should be <b>clearly structured, error free and professionally presented.</b></p> <p>It should highlight but the positive elements of the proposal and should also clearly identify areas where there would be a need for further discussion, this final point is about <b>generating a level of trust and openness between the parties; and not leaving the buyer to chance upon a particular issue buried deep in the seller response document.</b></p>

<p>Director, procurement services provider</p>	<p><b>We see all sorts of quality from suppliers. The average is not great. The ones that stand out are those that are tailored - look unique to the situation. The trouble is, however, often tenders are constructed in such a way that they stifle any creativity/ tailoring.</b></p> <p><b>We do see some shockers - down to the company name spelt wrong - or even completely wrong as if the cut and paste hasn't gone to plan!</b></p> <p><b>Those that win are typically above average. However, sometimes very poor ones win as an incumbent supplier usually has an unfair advantage.</b></p>
<p>Procurement director UK, insurance</p>	<p><b>Huge variation from one extreme to another – some are articulate, really have got under my skin, are really convincing - whereas others look mechanical, dull, pre-written and could have been meant for anyone.</b></p> <p>Given we're talking about [a company our size] here, that's really amazing isn't it!</p>
<p>Director of procurement, construction sector</p>	<p><b>The more I think about what I want</b> from suppliers' proposals and the more I make this clear to them in procurement briefing sessions and the RFP documentation, <b>the better proposals I tend to get.</b></p> <p>However you will nearly always get someone who just did not listen and whose proposal reflects that.</p>
<p>Capital and construction director, public sector</p>	<p><b>They vary widely. Big companies usually do a better job.</b> They have proposal mills with full time experts and an army of consultants to call upon. They don't use canned material but tailor-make their proposals for each client. Canned proposals are obvious and usually miss the point of the ITT. They say something bad about the competitor: I don't care much about you... you are just another of my many customers...you should conform to me.</p> <p><b>Good proposals are fact filled. Bad ones are brochures on capability and experience. Everyone has brochures.</b> Good ones show pictures but with cogent cutlines beneath them, making the point that will attract the lusted for "yellow outliner."</p> <p><b>Indifferent proposals are the ones that could be submitted to many buyers with little modification.</b></p> <p>But I would say that <b>most of my proposals are pretty good.</b> New entrants to my markets, however, are generally pretty weak... relying on canned material rather than material clearly aimed at us as buyer. I would recommend that folks hoping to enter a new market should hire an experienced advisor IN THAT MARKET.</p> <p>Either as a buyer or as a seller (I've been both), I have found a single pathfinder can make a huge difference in focusing in on the one or two points that would set the would be contractor apart from the competition.</p>
<p>Head of IT procurement, leading retailer</p>	<p>Of the proposals received, I would say <b>typically 5% are so bad they have just copied their sales blurb.</b> Some, <b>at least 15% do not actually answer the questions posed, and try and shoehorn a ready made answer to almost any question.</b></p> <p><b>The best proposals have answered the questions without the hard sell, but have woven into the bid , reasons why you want to do business with that organisation.</b></p>

Group procurement director, telecoms	<b>Most do not seem to address the real business needs of the buying organization</b> and look like they have been compiled by cut/pasting sections from other proposals.
Group purchasing director, FMCG	As ever <b>it varies</b> to be honest. The best companies understand the difference between a request for quotation (ie what does it cost for this) versus a request for proposal (give us your thoughts on how to solve this problem...). Others however do not and often mix the two up which then adds time to our sourcing process. If in doubt they should ask us. Just because we are in the middle of a process still key to communicate any concerns about our request.  <b>We also don't weigh the proposal and reward on how heavy or how thick the proposal is!!!!</b> Much rather a smart, slick proposal than a 1000 pager.
Group purchasing director, banking	<b>Few are very good.</b> In general I find <b>people don't answer the RFP questions concisely or directly.</b> They pad out the document with masses of superfluous detail.  <b>Few are expert enough to sell their USP subtly through the responses to the questions they are given.</b>  However having said this, I find the quality of proposals from purchasers is probably even worse!
Procurement director, insurance services	Mixed picture. <b>Not enough seem to focus on my own organisation's requirements</b> – and often too generic and supplier focussed.
Acting head of procurement, IT OEM	<b>Generally pretty average quality.</b> It seems some sellers think buyers are going to be impressed by 'dropping in' various corporate standards, accreditations and aspirations.  The bid teams need to get much <b>closer to the real needs and wants of the buyer.</b> They need to <b>cut through the generalisations</b> (e.g. 'we focus on the quality of our people' type statements) and provide specific, tangible benefits that the buyer will recognise and value. Each of these benefits need to be <b>backed up by evidence</b> of where this has been done before.  What we see is sellers putting up fairly <b>glib, unsupported claims that do little to impress the buyer.</b> If anything it <b>creates the ammunition for the critical buyer to pick holes in what is submitted</b> , rather than reinforce the value from the seller.
Head of procurement, pharmaceuticals	Varies - usually <b>the quality determines if the proposer makes it to next stage</b> – i.e. presentations. A poor proposal indicates lack of time or interest and for strategic business this is a disaster - in any case it's unprofessional.
Programme director – procurement, telecoms	<b>Most are horrible, frankly.</b> I believe [that] key to this is lack of proactive contact with buy-side to better understand business needs. This goes up exponentially as product/service to be purchased becomes more complex.
Senior procurement manager, government agency	They <b>vary enormously.</b> The good ones address the specific questions that need to be answered and understand what you are trying to achieve. The <b>bad ones give you a load of obviously off the shelf material where you have to work very hard to find what you need.</b>
Director of procurement – indirect, telecoms	Rather like reading O level papers... <b>often answer the wrong questions or questions people hope had been asked!</b>
Head of IT procurement, banking	These days I would say that suppliers understand the expectations of client requirements, which are very often spelt out very clearly within the RFP. Buyers also have a responsibility for ensuring that the 'playing field' is levelled in terms of supplier proposals. If suppliers don't get it, that is often

	<p>their stupidity or inexperience.</p> <p>Not sure that I can provide any specifics on this, but <b>salespeople need to ensure that their proposals can be delivered in reality, and are not simply driven by effective marketing bull-sh*t.</b> Good buyers will see right through that as if it were transparent.</p>
Director of group procurement, mobile telecoms	<p>My experience is very mixed; <b>often volume was prominent over differentiation or smart approaches to address needs and provide solutions.</b> Along with the volume often came the "corporate cut and paste" stuff purely puffing up the seller with no "bespoke" relevance to the buyer, and adding more low value bulk.</p>
Chief purchasing officer, telecoms	<p><b>They vary from excellent (rare) to awful (quite common), but most of them are mediocre.</b></p> <p>Often it is impossible to tell what exactly was being offered as they are full of motherhood and apple pie, are not specific enough and do not answer the questions that had been asked!</p>
Group procurement director, financial services	<p>Even today, <b>the quality from suppliers of all sectors varies enormously, even sometimes between different divisions of the same supplier.</b></p>
Senior procurement executive, local council	<p>These have <b>ranged in quality.</b> A recent one showed lots of hockey stick graphs with no explanation of what these were meant to be and <b>made me laugh out loud.</b></p>
Director of group procurement, insurance	<p>They vary greatly, however it's fair to say that <b>where a supplier has submitted a really high quality conformant (though not over-engineered) solution that shows insight and sound understanding, coupled with credible and documented plans, at the first round it is unlikely that they will ever be caught up by their competitors.</b> The value of the early confidence gained at round 1 of a bidding process is hard to under-estimate.</p>
Procurement director, IT sector	<p><b>Usually the written proposals received are of a high quality standard.</b></p>
Director, purchasing consultancy (formerly purchasing director, telecoms)	<p>How good or bad is <b>very much dependent on the quality of request from the buying organisation</b> (mostly via RFQ / RFP's).</p> <p>Next to that, the quality of the proposal serves for most buying organisation as an <b>indication of the quality (of services) of the selling organisation.</b></p> <p>In other words, <b>if the proposal is of bad quality, it will certainly have a negative effect in the selection process.</b> It also gives an <b>indication on how important the buyer is being viewed as a customer.</b></p> <p>This all of course under the proviso that the buying organisation is operating in the “tactical acquisition or tactical profit” area, meaning they have a “choice” - if you deal with a monopoly for example, the selling organisation can get away with almost anything (in the short term).</p>

3

**If you could offer one piece of advice to proposal managers, what would it be?**

Director, procurement consultancy	<b>Find out more about the client / situation before you respond to the proposal</b> - what do they need? What are the drivers behind the needs? Why have they approached you? Who else are they talking to? (In other words some good context that allows you to both pre-qualify and understand what the client wants to inform your proposal strategy / approach)
Head of procurement, major public sector corporation	The main advice I would offer is for suppliers to <b>thoroughly read instructions then answer - they should not make assumptions.</b>
Director of procurement, high-street retailer	<b>Understand the company’s/client’s culture and real needs, then get as close to the discussion and decision making process as possible in an open and helpful way.</b>
Procurement director UK, insurance	It’s not just about the written proposal. It’s about how you say what you need to say at the presentation, and making sure you have a heavyweight team there on the day who are well coordinated and prepared, and articulate fully and properly what’s been said in the proposal
Director of purchasing, leading IT supplier	<b>Make the proposal very relevant.</b> Whilst a standard template is important from the suppliers perspective it’s important to make it very specific to what is being asked for.  Also to <b>include some innovation</b> or for the reader to have an “ <b>oh - that’s clever</b> ” or “ <b>we didn’t think of that but it’s very good</b> ”...
Senior manager, procurement, major bank	So again, leading on from the final statement of the previous question, my one piece of advice that actually applies equally to both procurement professionals and sellers, is to build <b>proposals that build and engender trust based relationships</b> rather than looking for the edge or the opportunity at every turn.
Director, procurement services provider	Easy. <b>Build a relationship with the decision maker as fast and as deep as you can.</b>  Get to know them on three levels: 1) Their company; 2) Their own role and responsibilities - and their aspirations in the role; 3) Them personally - their likes, dislikes, what makes them tick, their frustrations, their personal life, etc.
Procurement director UK, insurance	<b>It’s not just about the written proposal. It’s about how you say what you need to say at the presentation, and making sure you have a heavyweight team there on the day who are well coordinated and prepared, and articulate fully and properly what’s been said in the proposal.</b>
Director of procurement, construction sector	<b>Submitting a proposal is like sitting and exam, you are demonstrating you corporate capability to meet the supply need.</b> It is vital therefore that you fully understand what you are being asked to demonstrate so read the documentation carefully and if in doubt ask for clarification.  Take note of any clarification that is provided that you did not ask for (sometime this is part of the process) it allows you to validate your understanding.  Once you are clear about what is required make sure that you provide the information requested. Create a check list and consistently validate your

	<p>response against the list to ensure that editing and drafting changes do not diminish your response.</p> <p><b>Your ability to do what is required of you at proposal stage reflects upon your ability to perform once in contract!</b></p>
Capital and construction director, public sector	<p><b>Buyers are not idiots They read good proposals thoroughly and they are not amused at fluff, being patronised, inconsistency, arrogance or shabby editing.</b></p> <p>They are <b>seeking a reasonable deal with low risk to themselves (oh yes, and their employer).</b></p> <p><b>Offered price is not the main thing... it’s final cost to the buyer. Changes, obvious omissions, etc. will be added on the proposed cost.</b></p> <p>Oh and one more thing....<b>past performance is very important.</b> A past contractor who was a pain to do business with, demanded lots of changes, delivered late, delivered poor quality, etc., is doomed. Put breathing space between a bad performance and a subsequent competition. And for goodness sake, don’t put the same people in front of a buyer. Whether a weight source selection criterion or not, past performance outweighs everything. Form a JV, drop to Tier 2, sell your company, change your name, good bankrupt and re-emerge as a Scottish company, but don’t try to poke out the eyes of a client and then expect him to be bound to “follow the rules.” <b>Contracting Officers get even.</b></p> <p>But the <b>very best path to winning is pre-ITT marketing where a competitor can influence what will go into the ITT.</b> What you really want is to get the ITT to look like it was written around your marketing pitch.</p>
Head of IT procurement, leading retailer	<p>Demonstrate in writing <b>how your organisation differentiates itself from competitors</b> using real words, i.e. no glossy sales pitch words, and <b>make your proposal personal</b> to that organisation.</p>
Group procurement director, telecoms	<p>Really <b>understand and articulate the real business needs of the buying organization</b> and then demonstrate how your products/services will address these needs.</p>
Group purchasing director, FMCG	<p><b>If in doubt ask for clarity!</b> Many companies vary in their approach and what they are looking for. If it is an RFQ follow the instructions on the invitation. If an RFP make sure you tick off the basic needs but then <b>illustrate what differentiates you from the rest</b> (your USP if you like!).</p>
Group purchasing director, banking	<p><b>Think about the assessment criteria</b> that will be applied to the procurement decision (criteria plus weighting factor) and make sure that your proposal matches these.</p>
Procurement director, insurance services	<p><b>Put yourself in the mind of the customer.</b></p>

Acting head of procurement, IT OEM	<p><b>Identify your closest competitor (e.g. XYZ) and then say to yourselves and your bid team 'why us and not XYZ?'</b></p> <p><b>This should sharpen up the real points of difference and help develop a high-impact proposition that is completely aligned to the buyers' requirement.</b></p>
Head of procurement, pharmaceuticals	<p><b>Be bold - give price breakdowns so that customer can see how unit price is influenced by cost factors that jointly you can impact. Margin at appropriate rate is a good thing and needs protecting but cost is a joint challenge and if shared openly can be reduced.</b></p> <p>Understanding cost allows for innovation that can deliver breakthrough results in perhaps even more critical areas like speed or quality. In pharmaceutical development speed - getting product to market quicker can mean the product having a possibility and sales worth \$10-100m's.</p>
Programme director – procurement, telecoms	<p><b>Clearly understand the problem to be solved. Then and only then can you provide the appropriate solution.</b></p>
Senior procurement manager, government agency	<p>Establish the evaluation criteria (they should be stated in the tender document) and <b>make sure that you provide the information required to show that you can excel</b> in these areas. Focus particularly on the areas that seem to be particularly important to that organisation e.g. sustainability issues.</p>
Director of procurement – indirect, telecoms	<p><b>Answer the question...succinctly!</b></p>
Head of IT procurement, banking	<p>Respond to the RFP by answering all the questions properly and carefully, and <b>don't overstate the waffle</b> (call it bullsh*t if you wish). <b>I have recently received proposals which repeat almost verbatim all the stuff I can read from the supplier's web-sites.</b></p>
Director of group procurement, mobile telecoms	<p><b>Know who are the most important prospects, who is important within these prospects and be clear of what you have to meet their needs (stated or inferred) - individual elevator pitches for different clients / individuals</b> (the CFO might have very different agendas from the CIO!).</p> <p>Conversely, plan to minimise time and effort on low hope / value possibilities.</p> <p>Also, buying organisations often want a highly structured response to ease the comparative analysis - this can make it difficult for the seller to stand out but I would always assume that, human nature being what it is, most buyers want to do the minimum work to get the maximum kudos - so <b>a formal response accompanied by a lean, simple summary/explanation of how you are meeting their needs, key differentiation/USPs, "free" extras, options and choices etc is time well spent.</b> Again, this is just as valid for public sector as private.</p>
Chief purchasing officer, telecoms	<p><b>Show how your offer is different from everyone else's.</b> What is your USP.</p>
Group procurement director, financial services	<p>Spend time to differentiate the whole product for the customer so <b>if the customer wants the responses written in quill, printed on papyrus with a bow around it, please conform. Comparing proposals that don't follow the templates requested is often a long and difficult task</b> (usually requiring additional effort from suppliers and buyers with follow up questions to clarify) <b>and does lower the tolerance levels of those marking.</b></p>

	<p>Key for me is that our profession [purchasing] is very inconsistent across industries and sectors. Even within my team, there are varying styles to receive responses - from a maximum number of slides on PowerPoint, to only getting email responses through to getting the supplier to print copies to save the buyer printing costs. I also believe a lot of buyers create selection criteria after the requests have gone out thus a little of the scatter gun approach to what they actually need to begin with in terms of responses. It isn't always the suppliers fault, in other words!</p>
<p>Senior procurement executive, local council</p>	<p>Some of this is covered in 1 above. However having <b>an exec summary style</b>, e.g. a slide per topic to <b>outline the key points</b> (pictures and tables work well) with detailed in well-referenced appendices should be a good start. Also get someone else to proofread it before sending it.</p>
<p>Director of group procurement, insurance</p>	<p>Ensure that you qualify an opportunity thoroughly and that it is a good fit both strategically and capability wise. If your business really has the appetite to bid you must secure the right subject matter experts early in the process to <b>gain the early confidence and wow factor with the customer.</b></p> <p>Gaps in capability and a lack of insight and understanding of customer requirements from late arrivals to the bid team will really tell and only put you on the back foot with your customer, from which it will be hard to recover.</p>
<p>Procurement director, IT sector</p>	<p><b>a. Listen!</b></p> <p>If you are able to listen, customers will provide you with much more information and insight on the decision process, than the classical "hard-selling" process.</p> <p><b>b. Try to grasp the "procurement maturity" of the organization</b> and act upon it.</p> <p>Is there a structured approach towards procurement or only price slashing?</p> <p><b>c. Prior to entering into negotiations, make up a supply positioning / supplier prefencing exercise</b></p> <p>I used to play this game with every supplier I met by asking them 2 questions:</p> <ul style="list-style-type: none"> <li>• What is the strategic importance of our company as a customer to your organization?</li> <li>• What do you believe is the strategic importance of your company as a supplier for our organization?</li> </ul> <p>I never got a satisfying answer, even not from top people of world class organizations. They always said that the relationship is very important, but could never provide the underlying rationale.</p> <p>On the same subject, a few times I've carried out an analysis on how the sales budget is spent. I did this about ten times and only found one example where the rationale was clear. Usually the rationale is emotion.</p>
<p>Director, purchasing consultancy (formerly purchasing director, telecoms)</p>	<p><b>If you want to win the business, you need to make sure you make at least a good (first) impression, so make sure your proposals are of top quality.</b> This means that you need to invest a lot (time, resources, money, etc.).</p> <p>Therefore it is key to have a good qualification process in place, to make sure you bid for the “right” business with the “right” (potential) customers.</p>

## Authors of this white paper

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## About Strategic Proposals

Strategic Proposals is one of the world's leading proposal management consultancies and training organisations. We have offices in the US, UK and Netherlands - and partner companies covering Australia, Austria, Germany, South Africa and Switzerland.

For further information on how we can help you to improve your win rates, please visit our website ([www.strategicproposals.com](http://www.strategicproposals.com)) or contact us via [info@strategicproposals.com](mailto:info@strategicproposals.com).