

# DEVELOPING AND CREATING **proactive proposals**



Strategic Proposals

We all know the value of taking a proactive approach to sales and marketing strategy. But are you including proactive proposals in your thinking? A growing trend tells us that sellers that use proposal skills earlier in their buyer interactions are reaping the rewards.

Ten years ago, almost all of Strategic Proposals' business focused on conventional RFP and tender processes. Today, more than 25% of our projects involve helping clients in proactive sales processes. As well as writing proactive proposals, this includes producing branded bid collateral like handouts, invitations, slides, infographics and walk-through posters. These changing engagements reflect a wider transformation that's happening with some of our clients. But what triggered these changes?

Some of the answers can be found in the *The Challenger Sale*. Published in 2013, this landmark book analyses research from over 6,000 buyers. It concludes that the most effective sellers are those who challenge their customers' assumptions and methods. To do this, sellers need to truly understand their buyers' business and industry. And if they know this, the seller can control the conversation by sharing insights and making compelling suggestions. The book also highlights some other key trends:



Buyers are going to market later in their purchasing processes and so the chances of winning the cold RFP or tender is lower than ever



The involvement of more decision makers is a trend increasingly leading to 'the status quo' (i.e. no change) being the likely winner



The biggest influence on long-term customer loyalty is how positive the buyer's experience is during the sales process

## This is where proactive proposals brings real value.

Acting as a vehicle to articulate your insights, these increasingly-critical documents influence the buyer's thinking. Done well, they show the buyer you are serious about doing business with them. And it gives the 'coach' within the buyer something to share with other decision makers.

So smart sellers use a concise and impactful proactive proposal to gain a significant competitive advantage. But our white paper, *How The Best Win*, (available online in our [resource centre](#)) shows us that only the top 5% of proposal organisations work with their sales colleagues to do this. Why is this?

# Strategic Proposals' proposal capability maturity model

Data gathered from our free-of-charge online assessment tool – called the Proposal Benchmarker™ – shows that there are four distinct categories of capability that depict an organisation's maturity when it comes to proposals. Evidence shows that organisations that move to the right of this model win more. The organisations achieving the highest win rates, in the Strategic+ category, are highly proactive and have best relationships with their sales teams.

**Question: are organisations any good at putting together proactive proposals?**

## **AD-HOC** 15% of organisations

- Proposal responses produced by sales
- No proposal support function
- Poor quality proposals and pitches
- Low quality
- Low win rates

## **TACTICAL** 62% of organisations

- Proposal support = a back-office factory
- Focus on efficiency: "make life easier for sales"
- Most time spent responding to RFPs
- Chasing everything that moves
- Insufficient proposal resource to focus on quality
- Still relatively low win rates

## **STRATEGIC** 18% of organisations

- Defined process for proposal and pitch
- Dedicated proposal support function
- Defined qualification process
- Library of content, although not always up-to-date
- Good-quality output
- Still feels like a struggle to get buy-in
- Good win rates

## **STRATEGIC+** 5% of organisations

- Proposals and pitching are in the DNA of the business
- C-suite sponsorship
- Strong alignment to new business development & renewal pipeline
- Ruthless qualification
- Investment to be the best
- Exceptional output
- Highly proactive
- Very high win rates

Independent evidence shows that when it comes to proposals, only the top performing organisations have sales and proposal teams that work together to produce proactive proposals.

## Renewal proposals

A variant of the proactive proposal is what we term the 'renewal proposal'. Too many incumbents sit back and wait for an RFP to land – ending up in a competitive re-bid that could have been avoided, or at least wired in their favour.

The time to send the client a document outlining what the future could look like beyond the expiry of the current contract isn't when they line you up against your competitors. It's many months in advance – taking advantage of that bias towards the 'status quo'.

You understand how to make things work for them, at a practical level. You know how their requirements are evolving, and how you could help them deliver even-more-successful outcomes. There's little or no cost of change.

It's time to fix anything that needs fixing. To paint a picture of the additional value you could bring. To use your insights into their spend patterns to offer practical suggestions, benchmarked against data from other clients, to show where they could buy better.

If you don't take control and seek to play on your terms, you're giving away competitive advantage that simply doesn't need to be ceded. And if they do then come to market – or if they have to, to comply with their procurement rules – you'll at least have heavily influenced their view of the world, and established yourself as the clear front-runner.

**For more insights and perspectives read our [Buyers' Views of Bidders](#) white paper [here](#).**

## Buyers take renewal proposals seriously











would consider extending the contract of an incumbent supplier if they sent them a great proposal before the start of a formal procurement process



# Creating your own proactive proposal

So, given how important this is becoming as a source of competitive advantage, how do you go about developing great proactive proposals? What does a proactive proposal look like? What goes into it? Well it's certainly not rocket science and it's just like any proposal – so fundamentally it needs to tell a compelling story and be structured in a logical way. Here's a basic structure that will help you do that...

-  **Front cover:** a bespoke design that has a client-centric feel to it and an active title – the design then flows through the document
-  **A short foreword:** to say why you have provided this document and what the prospective buyer is going to read inside
-  **An executive summary:** one-side structured to summarise your understanding of them and their market, your insights and suggestions and why they should be working with you
-  **Transformation map:** a clear and concise demonstration of your understanding of the buyer and their environment today, plus your vision of what the future holds in their industry
-  **Your recommendations:** the capabilities, backed up by evidence with tangible benefits, that you can bring to the buyer to help them get to that future scenario
-  **Return on investment:** the investment that the buyer will need to make, with the potential return
-  **Credentials:** a short, tailored overview of your organisation to demonstrate you are the sort of organisation they should be working with, including examples
-  **Next steps:** a short concluding section with a clear set of follow ups that encourage recipient response

Check out an example Strategic Proposals' proactive proposal – our own Executive Brochure – available in the resource centre on our website [here](#). It's not client-specific, but you can get a feel for what a proactive proposal could look like.

In summary, an effective proactive proposal fits neatly within, and is fully supportive of, the Challenger approach. To produce an effective proactive proposal, sales teams need their proposal team's skills and experience. Done effectively, this combination will drive genuine competitive advantage for organisations willing to invest in proactive proposals.



In conclusion, the most successful organisations have sales and proposal teams that work collaboratively to produce winning proactive proposals that help address many of the changing behaviours of buying organisations.

If you have any questions or comments on this white paper, or if you want help embedding proactive proposals into your business development processes, then please don't hesitate to contact us:

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