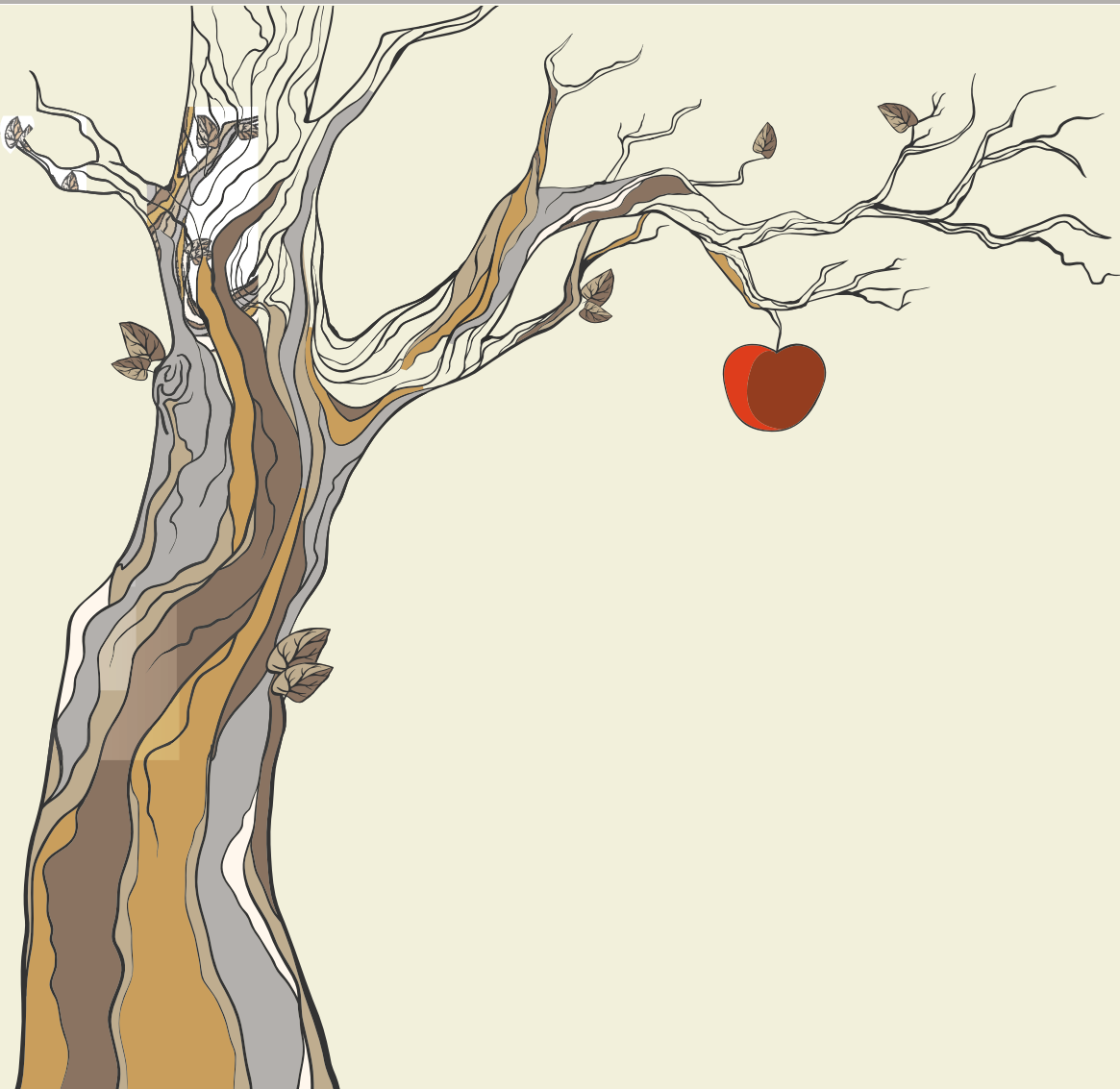


# 7 DEADLY SINS OF PROPOSAL WRITING

How to Write Proposals that Help Win Deals





# INTRODUCTION: THE SNAPSHOT

Sales proposals are an integral part of complex sales processes. A poorly executed proposal can undercut months of excellent sales effort. Unfortunately, most sales training ignores them completely.

In this document, we look at **seven key factors that can spell the difference between success and failure in your proposal writing efforts:**

1. Qualify the opportunity
2. Focus on what the client cares about
3. Organize the message for maximum impact
4. Differentiate your offer and your company
5. Articulate a compelling value proposition
6. Make the proposal clear and easy to use
7. Remove all potential distractions and credibility killers



# THE GROWING ROLE OF SALES PROFESSIONALS

Customers are more likely to require proposals than ever before. Even fairly simple deals that in previous generations would have required nothing more than a handshake now require a detailed sales proposal.

There are several reasons for this phenomenon. The solutions being offered in a business-to-business environment are **more complex**, the **buying process typically involves a committee** rather than an individual, and customers are **adamant about seeing a compelling argument based on value** before they move forward.

Even simple services—office cleaning, for example—may require a detailed analysis of return on investment before the prospect will agree to move forward.


Unfortunately, many sales people continue to tell themselves that proposals don't matter. They believe that as long as they have sold their deals effectively, the proposal is just an opportunity for the client to rubber stamp what they've already decided. In fact, some of the more popular sales training

methodologies actually make that claim: "follow the method being taught and you will never need to write a proposal again."

In today's economy, that claim is simply false. The proposal is as integral a part of the contemporary business-to-business sales process as is the product demo.

While great proposals are not likely to win deals by themselves, bad proposals can quickly derail an opportunity.

Sales professionals, their managers, and the support teams that work with them all need to know what it takes to write winning proposals and what mistakes to avoid.



**In the following pages, we discuss the "Seven Deadly Sins of Proposal Writing," explaining why they cause chaos and how to avoid them.**



# THE FIRST DEADLY SIN: FAILING TO QUALIFY THE DEAL

As Tom Amrhein, one of the most successful proposal writers of all time, once said, *"The fastest way to improve your win ratio is to stop bidding on things you can't win."*

That sounds obvious, yet sales people spend thousands of hours every year writing proposals for so-called opportunities that never had a chance.

One of the most frequent examples of this kind of behavior occurs when a Request for Proposal (RFP) shows up in a sales person's inbox unannounced. The sales professional has never spoken to the company soliciting a proposal, has no insight into their needs or issues, and does not know what kind of results they seek.

On the other hand, it's an opportunity! Why not go for it? The answer is because you probably won't win. Statistically, you have one chance in 20 of winning any business in that situation. Or to put it another way, you have a 95 percent certainty of losing!

The conclusion we can draw from these statistics: **hope is a terrible sales strategy.**

Closing a complex deal requires careful use of limited resources, deep engagement, and

strategic alignment of what we have with what the client needs. If you don't know what they need, how can you align your products or services effectively? If you've never spoken to them, how can you be deeply engaged with the client? And if you are responding to an RFP where you have no chance of winning, how can you possibly believe that you are using your time and resources wisely?

## 1. Do we know enough?

Before you can qualify an opportunity, you have to know something about it. At a minimum you need to be able to answer: What is their buying process? Who is the incumbent? Are they happy with the current provider? What are the business drivers that lie behind this RFP? Why do they matter? What results does the prospect hope to achieve? Of the various results they might want to achieve, which is most important?

Sales is knowledge work, and nowhere is this more obvious than in the task of qualifying opportunities. **The less you know, the less likely it is that you should pursue the opportunity.**

## 2. Is the customer serious about making a choice?

**Just because a business or government agency has issued an RFP does not mean they are serious about moving forward.**

Maybe they are hoping someone will submit a bid with a crazy, low-ball price they can use to beat up their current vendor. Or maybe they just want to put on a show of doing due diligence, even though they already know who will get the contract.

Indications that the customer is serious include having a compelling event or date in their future, having an acquisition team in place, and having set aside budget for the purchase.

## 3. Is our solution competitive?

Do we match their requirements technically? Contractually? In terms of management approach, schedule, or price?

The challenge in asking this question is applying your discernment to the issue of **what really matters to the client and what is of secondary importance.**

## 4. Can we win?

What will it take to win this deal? Do we have a strong champion on the decision team? Can we offer a competitive price and still make a reasonable profit?

**Can we offer a compelling value proposition, one that is strong enough to overcome the fact that we may not be the lowest price vendor?**



# THE SECOND DEADLY SIN: **NOT FOCUSING ON WHAT THE CUSTOMER CARES ABOUT**

**The most important part of any proposal is the executive summary, because it creates the vital first impression.**

If the executive summary is focused on the vendor—on their company history, on their products, or even on how pleased they are to respond—the initial impression will be negative. Self-centered content is never as appealing as content focused on the client. And yet, surprisingly, around 30 percent of all proposals start with a corporate overview or company history.

Instead, focus on what the customer cares about: The issues or problems they face and the potential for gain that will come from addressing those issues or solving those problems. This is vital in the executive summary, but even the cover letter and title page should focus on the content that matters to the decision maker.

Rather than titling the proposal “Proposal for Server Virtualization,” why not use the key outcome the client wants to achieve as the basis for the title: “Increasing Profitability and Throughput in the Data Center—A Recommendation for Server Virtualization.”

Research indicates that the first question buyers ask themselves when they are considering their options is, Are we getting what we need?

That should be the first item we address in our executive summary and even in our cover letter. The second question they ask is, Is this the best way to spend our time and resources?

As a result, we should focus second on the impact of solving their problems or meeting their needs.

By covering the client’s needs and desired outcomes first, we show that we are concerned with the same things they care about. This lowers anxiety in the buying process and helps increase the customer’s trust in us. Starting with our company history or an overview of our products does the exact opposite.



# THE THIRD DEADLY SIN: NOT STRUCTURING THE DOCUMENT PERSUASIVELY

**The brain is hardwired to look for specific kinds of content organized in a specific order.** What we look for is determined by the intentionality of the message.

If our intention in reading or listening to a message is to acquire and understand facts, the structure should be informative. It should start out with the most important facts first. But if our intention in reading a message is to make a decision, the structure should be persuasive.

**Persuasion is the flip side of decision making.**

As sales people we seek to help the customer make an informed decision, one that benefits both of us. As customers, we read proposals in an attempt to find what we need to make a decision quickly and confidently.

As a result, when writing a proposal we need to organize our content in an order that answers the key questions a person asks when he or she is trying to make a choice.

We have already noted that the first two questions address the customer's needs and the probable outcomes of taking action, but **the complete persuasive structure consists of four steps:**

1. Summarize your understanding of the customer's needs
2. Indicate the probable outcomes from taking action that make this worth doing
3. Recommend a solution that addresses the needs and delivers the results
4. Provide evidence that you can do the job on time and on budget and that there are reasons why you are the right choice

There are other patterns that help deliver the message persuasively in building case studies or in responding to RFP questions, but this four-step pattern is the most important part of writing persuasively.

# THE FOURTH DEADLY SIN: **NOT DIFFERENTIATING YOUR OFFER & YOUR COMPANY**



**The customer needs to see that there is a reason to choose you, based on something you do that is different and that adds value to the engagement.**

If there are no differentiators, the client will assume they are buying a commodity product or service and will look for the lowest price.

The strongest differentiators and those that are most likely to have impact over the long term are those that are related to the way you work—your methodology, your best practices, your systems and processes.

Also important is the way you manage projects—dealing with the unexpected, keeping projects on track and avoiding unpleasant surprises.





# THE FIFTH DEADLY SIN: NOT OFFERING A **COMPELLING** **VALUE PROPOSITION**

**A value proposition is a promise that we make to the client:** You will get more of the results you desire the most if you choose us.

Unfortunately, that promise is missing from the vast majority of proposals.

Smart buyers want to see positive impact in some area of business performance that they believe matters. They may want to see increased market share, lower operating costs, or higher profitability. They may want to automate something that is labor-intensive, achieve compliance with regulatory standards, or reduce their carbon footprint.

Whatever the client seeks, we need to show that they will get more of it by choosing us, primarily because of the differentiators that distinguish us.

Tying our differentiators to our ability to deliver superior value is a great way to bulletproof our proposal against competitors.

Value matters because research into economic decision making shows that people use what is called the “estimation heuristic” to select among multiple options.

In using this heuristic, they seek to define which course of action—which vendor—will yield the highest rate of return. Our goal is to give the customer the evidence they need to utilize the estimation heuristic so that they see we are the best choice.



## THE SIXTH DEADLY SIN:

### NOT MAKING IT EASY

## TO UNDERSTAND & USE

**Clarity is one of the essentials of persuasive communication.** When people don't understand what we are talking about, they usually don't shove piles of money at us. When they are confused or unsure of what they are getting, they delay the decision. They ask for additional presentations. They seek more input.

**What confuses them is the use of language that is inappropriate for their level of technical understanding.** Acronyms, jargon and product names are the chief offenders. Using them tends to create barriers between us and our potential customer, raising the level of what psychologists call cognitive dissonance.

**Another problem is the use of long, complex sentences and big words.** Although people sometimes think that kind of writing makes them sound intelligent, it actually just makes them incomprehensible. Long sentences and unfamiliar words overload the area of the brain called working memory, where we decode the language inputs we receive. When working memory is overloaded, the process breaks

down. Anyone who has had the experience of reading something difficult and confusing, only to stop in the middle, go back to the beginning and start again has experienced overload in working memory. When this happens to our customers, they tend to believe that what we are recommending is so complicated that it's not likely to be easy or even to work. As a result, they pull back from buying.

**The sixth sin also arises when proposals are poorly formatted.** Studies done by the Dartnell Institute found that most executives do not read the documents they receive. Instead, they skim them. The typical pattern was to look at the first page or two, to turn to the back to see if there is any pricing or any action steps there, and then to bounce around the rest of the document, looking for key points. The lesson: make your key points jump off the page. Format for eye appeal, using headings, subheadings, and graphics. Use floating text boxes, sidebars, and graphics. Focus the customer's eye on what you want them to remember. Otherwise they're likely to miss it completely.



## THE SEVENTH DEADLY SIN: NOT EDITING CAREFULLY TO REMOVE MISTAKES AND CREDIBILITY KILLERS

The final sin is probably the least serious of the seven, yet can still do major damage to our chances of winning.

**This is the sin of carelessness**—failing to correct the typos, misspellings, grammar mistakes, punctuation errors and other credibility killers that inevitably litter a first draft.

Perhaps the most serious of these errors is calling the client by the wrong name. The CEO of a direct marketing firm was distraught to find that his proposal to Microsoft for a three-year, \$10-million-a-year contract to communicate with the Microsoft partner channel was derailed because he had referred to them as “Oracle”. Even though this was obviously a cut-and-paste error, it was one that his prospective client could not overlook. It was a \$30-million typo.

Waiting until the last minute to edit the document means that you are not likely to see your own mistakes.

Because of a psychological phenomenon known as the Gestalt principle of completion of form, we don’t see our own mistakes.

Instead our brains overrule the input of our senses and we see what we expect to see, not what is actually there. Because we know the proposal is written for Microsoft, we are unable to see the name “Oracle” right in front of us.

Overcoming this problem is a combination of using pre-written text elements that use placeholders instead of client names and building enough time into the process to allow for thorough editing and review before the final document is published.

# IN SUMMARY

Sales proposals are an important and unavoidable part of business-to-business sales processes. Avoiding the seven worst mistakes can increase the likelihood that we will win.

In fact, a recent survey of Qvidian clients who have implemented these best practices showed that on average their win rate went up 28 percent.

Who knew that avoiding a few “sins” could produce such heavenly results?

# ABOUT QVIDIAN

Qvidian provides cloud-based sales execution solutions that enable companies to exceed quota targets, accelerate sales cycles, and win more business by closing the gap between strategy and execution. The company’s innovative software and advisory services offer real-time insight to ensure sales teams do what’s needed to win, by driving repeatable methodologies and making the sales organization more agile.

With over 1,200 global customers including Dell, Citi, ADP, CA, and Splunk, Qvidian is helping organizations significantly increase their profitable revenues while eliminating waste and reducing costs.

For more information, visit [www.qvidian.com](http://www.qvidian.com) or call 1-800-272-0047 or +44 (0) 870-734-7778.