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*Writing That Means Business*

*The 7 Habits of Highly Effective  
Proposals*

# The 7 Habits of Highly Effective Proposals

Because putting together a business proposal is so resource-intensive, many companies have worked hard at “streamlining” the process. Unfortunately, streamlining usually comes with its own steep price: a larger percentage of proposals being rejected early in the review process. Highly effective proposals are those that accomplish two things: (1) they **don’t** give reviewers an easy reason to reject them in the early rounds, and (2) they **do** give reviewers lots of reasons to choose them in the closing rounds.

Over the course of a career frequently punctuated by both proposal writing and proposal evaluation, I’ve come to realize that those highly effective proposals have a set of “habits” in common:

## HABIT 1

### **They show you are listening.**

The number one reason given by reviewers for rejecting proposals early in the review process is that they don’t directly respond to the RFP (if there was one), or don’t specifically address a pressing problem their company needs to resolve.

Effective proposals start by reflecting the prospect’s concerns and problems back to them in convincing detail. This assures them that your proposal is actually relevant to their company, and not just another marketing piece. Proposals that are, by contrast, simply compilations of product descriptions and features without specifically tying them to the prospect’s desired outcomes generally don’t make it out of the first round.

For example, suppose you have a marketing materials software system that allows purchasers to manage all their marketing

***Successful proposals are professional enough to survive the early rounds of review, and rich enough to win in the end.***

***The number one reason proposals get rejected early?***

***“Failure to listen.”***

***If you listen, your prospect will tell you how to succeed in getting their business.***

materials and campaigns through a nifty web portal. You can submit a proposal containing splendidly detailed specifications for your truly wonderful system, and chances are the prospect will say “so what” and toss it. Suppose instead you start off your proposal describing your prospect company’s current marketing programs and the specific headaches your prospect is (probably) having managing them, and then, headache-by-headache, show how your system can relieve those headaches. Now you’re talking the prospect’s language, and she or he will read on.

Hint: if the word “boilerplate” appears anywhere in your proposal procedures, you are probably experiencing more than your fair share of early exits from the evaluation process for this reason alone. Worst offender? The boilerplate cover letter.

*Winning proposals are prospect-centric, and start by showing that you are listening to them.*

## HABIT 2

### **They offer customized solutions.**

No matter how off-the-shelf your product or service may be, write every paragraph of the proposal as if your product or service was developed specifically for the prospect’s current problem or opportunity.

Practicing this habit means resisting the tendency to (a) realize that your standard offering will meet the client’s needs and then some, and then (b) going down your product brochure describing every terrific feature of your product or service in turn. Your prospect will realize that you are throwing the kitchen sink (however stunning) at them, and return the favor by throwing your proposal into the same stack as the ones that break Habit #1.

To customize your solution, develop the habit of starting with the prospect’s detailed list of requirements. Then, as you go down their list, describe which feature of your product or service meets that requirement or solves that problem (and how). When you get to the end of their list, stop. End of story.

***No boilerplate!***

***Every proposal should look and feel like it’s offering a solution that’s tailored specifically for the prospect’s problem.***

What about all the wonderful features of your product or service that were left over? You can include them as well, but before you do, I recommend that you:

- Be sure that they address an important prospect concern or problem (“Note: If you are experiencing . . . ., then our system. . . .”) as opposed to a generic “nice to have.”
- Are clear in presenting them as an added but valuable benefit of selecting your solution, not a substitute for some requirement you couldn’t meet.
- Describe them in a section visually separate from the main body of proposal text, like a sidebar or text box.

***Got extras? Add them, but don’t clutter your proposal with them.***

No matter what your product or services looks like from your side of the fence, describe it the way you want your prospect to see it. And what they usually want is the “baby bear” solution — not too much, not too little. Just right.

*Winning proposals are prospect-centric, and show this by offering customized solutions to prospect problems.*

### **HABIT 3**

#### **They address the big picture.**

Effective proposals go beyond your solution to the prospect’s immediate problem and demonstrate that your solution also benefits the prospect in a strategic context. You show this by explicitly identifying what broader opportunities the prospect will enjoy by solving the problem at hand. This discussion belongs in both the cover letter and the executive summary.

For example, if the prospect’s stated objective is to reduce costs in their product delivery system, show them that your solution will not only reduce delivery costs, but the resulting efficiencies will also work to improve customer loyalty, add to their competitive advantage, and keep them current with industry best practices.

***Show you are thinking about your solution in context. Their context.***

These may be obvious inferences, but state them anyway so that they know that you know. And if you can, back your strategic assertions with your own or third-party experience.

Knowledge of your prospect's big-picture context can come from the prospect company itself, from your own experience in the field, from research that you conduct, or preferably from all three:

- **From the prospect.** Most RFP's will supply some of the strategic context explicitly, or somewhat indirectly by describing long- and short-term goals. If you have any questions, have a strategically minded representative from your team ask the prospect's project team about the overall context.
- **From your own experience.** No matter how comprehensive the prospect's information is, brainstorm with your internal experts in the prospect's field. If you can come up with opportunities they haven't even thought of, you'll position yourself as a valuable partner rather than just a vendor.
- **From research.** Even if the first two steps are successful, conduct a little outside research into the prospect company and its industry. You might get valuable insights into the current competitive situation, emerging market trends, and, if nothing else, improve your ability to talk their talk.

*Here's where a little research can go a long way in creating a winning proposal.*

*Winning proposals are prospect-centric, and show this by focusing intelligently on their opportunities as well as their problems.*

## HABIT 4

### **They specifically connect to customer outcomes.**

Effective proposals draw a clear and explicit line between each part of the solution they are offering and a specific and highly desirable prospect outcome. In marketing terms, this is the equivalent of focusing on benefits, not just features.

This habit is effective for two reasons. First, as the pace of technological growth and business adaptation continues to grow exponentially, features tend to even out and become less of a competitive advantage in and of themselves. Even if you have a to-die-for feature that no one else does, you have to show why the prospect should care. Because, and this is the second reason, in the end, your customer cares about outcomes, not features.

And not just any outcomes, but *prospect outcomes* that are *highly desirable*.

Prospect outcomes are those that the prospect cares about. Highly desirable ones are the ones the prospect cares most about. If you've got an RFP, their highly desirable outcomes should be easy to find within it. (If not, ask them!).

Focus on these.

Sounds obvious, but many companies find it all too tempting to focus on what they do best, or on what they think are the best features for the prospect, and stop there. Take it one step further and connect those things directly to specific prospect outcomes.

*Winning proposals are prospect-centric, and show this by focusing specifically on the (highly desirable) outcomes the prospect can expect.*

## HABIT 5

### **They answer the questions that were asked.**

This habit is similar to Habit 2, and is absolutely crucial when responding to a formal RFP. (But the same principle applies to unsolicited proposals that are the result of a sales person's conversation with the prospect). When responding to an RFP in particular, be sure that your proposal:

- Responds **directly** to every question being asked, and every concern being raised.
- Is formatted **exactly** as requested.

***Focus on the outcomes your prospect will enjoy when they adopt your solution.***

Failure to comply with these two rules is probably the number two reason why proposals get rejected early in the evaluation process.

So even if you think your prospect is asking the wrong questions, and even if the RFP response format makes a hash of your attempt to put together a response that builds a case, start by putting together a proposal that conforms to the RFP exactly. Better yet, include a table (called a “compliance matrix”) that lists every requested item and where you’ve responded to it. Comply and make the reviewer’s job easy.

Then get creative.

***If their entire premise is mistaken***, submit a separate proposal that responds to the “right” questions, and show how this alternative provides even more benefit to the prospect’s company while still addressing their stated problems and concerns. Naturally, be polite and courteous.

***If their required format*** doesn’t allow you to logically present your abilities, then build your business case in the executive summary and/or cover letter (which are usually allowed to be free-form) instead of the main body. In the response itself, add transition paragraphs that tie things together in the way you want them tied together.

*Winning proposals are prospect-centric, and show this by doing things the prospect’s way. At least at first.*

## HABIT 6

### **They market your company, not just the product or service.**

Always, always market your company along with the specific solution you are proposing. Answer the question, “Why you?” Especially in complex and/or expensive projects, how a solution will be implemented, and the kind of working relationship they can expect while the project is underway, is as or more important than the specifics of the “what.” The prospect isn’t just looking

***The number 2 reason proposals are rejected early?***

***“Failure to comply.”***

***Show yourself as a valued partner, not a vendor.***

for a product, but looking for a company they feel comfortable partnering with.

This is a senior management-type issue, so starting practicing this habit right away, in the cover letter and executive summary.

Note that many companies miss the boat on this one because they believe that proposals are “technical” and delegate the proposal to their technical departments. You can imagine how effective a proposal is that was written by an engineer and the parsed by a lawyer. (No offense - it’s just not their job!)

Effective proposals succeed by successfully marketing your company along with the product or service. Be sure your proposal’s approach, emphasis, and language reflect and build on your company’s “brand platform.” Sell not just on your company’s technical capabilities, but on the intangibles that make you the right company for the prospect to partner with.

This habit also includes the important task of reassuring the prospect that choosing you is a safe thing to do. Include the right mix of testimonials, case studies, references, certifications, and so on. Best: include those that speak not only to your abilities to perform on the current proposal, but on the next one as well.

Speaking of which, by marketing your company as a whole you’ve laid some terrific groundwork for the next project even if you don’t get this one.

*Winning proposals are prospect-centric, and show this by addressing their concerns about a company they might be partnering with.*

***Don’t overlook the intangible outcomes: they’re often what can sell one company over another!***

## **HABIT 7**

### **They’re personal.**

Over and above the various forms of customizing mentioned so far, make the proposal personal. The cover letter is a great way to start off: have it signed by a high-up person in your company, and have them personally commit your company to the prospect’s success.

In the executive summary and narrative, write in business-casual style, one professional to another. Be sure and use “personal” words like “you” and “we.”

And finally, try to know or discern something about the agenda of the decision-maker(s) at the prospect company. See if you can infer what problems they face in deciding whether to recommend your proposal, and directly (or subtly as appropriate) respond to those concerns. For example, if you know that they are considering you but also a company they’ve done business with for years, address this concern with constant assurances that choosing your company won’t put the outcomes (and their jobs!) in jeopardy.

*Winning proposals are prospect-centric, and show this by being addressed to a real person.*

## **BOTTOM LINE**

### **Highly Effective Proposals are Prospect-Centric**

Here’s a check to perform on the first draft:

*Count the number of times your company is mentioned (by name or by “We” and “Our”), then the number of times the prospect’s company is mentioned (by name or by “You” and “Your”)*

*What does comparing those two numbers tell you?*

Winning proposals are focused completely on the prospect, both by focusing on their problems and benefits, and by using prospect-oriented language.

Use these 7 habits to submit highly prospect-centric proposals, and you’re bound to see your conversion rate soar.

***Don’t address your proposal to the company. Address it to the real people who will be reading it.***

***If you’d like professional help with your next proposal, get in touch. The initial consultation is free and productive.***

***- Michael Kelberer***