

Improving Your Proposal Acceptance Rate

Question

What can I do to win more more my proposals? My acceptance rate has dropped.

Answer

I have heard this from many clients in a variety of markets: They are being asked to write proposals, but whereas they used to win 60%-80% of them, now only 30%-40% are being accepted. This phenomenon reflects several factors: continued economic uncertainty; price-shopping by clients whose budgets are still very tight; higher approval levels for new work, and thus delays in getting the go-ahead; and pent-up demand for projects by external service providers that is still not backed up by proper corporate budgets.

Many of these factors are outside your control. However, there are basic strategies you can follow to minimize the risk of wasting your time on proposals that aren't going to fly. Given the uncertainties listed above, these are especially important right now:

1. *Make sure you thoroughly understand your client's decision-making process.* What is the timeframe? Who will be involved? Who is the ultimate economic buyer or final decision-maker? Don't hesitate to forthrightly ask these questions—otherwise you'll be flying blind.
2. *Insist on meeting the economic buyer.* If you don't have a relationship with this person, or have not even met with him or her, you are in for a rough ride. Simply say, "It's important and necessary for both sides that I meet with the decision maker. I need to have his perspectives and understanding of the issue in order to write a proposal that is truly tailored to your needs; on the other hand, he needs to meet with the individual who will be leading this work—otherwise how could he make an informed decision?"
3. *Have a thorough discussion with the client about the value of the work.* The value is not the goal—a goal might be to grow share of wallet for key accounts, but the value might include specific things such as revenue increases and reduced sales force turnover. They are related but different.
4. *Don't commit to producing a written proposal—which is time consuming—until you have thoroughly reviewed an outline of it with your client.* Your written proposal should simply reflect what you've already agreed with the client.
5. *Don't submit a proposal without agreeing how and when you're going to discuss it with the client and get their reactions.* It's very easy for a client to ask, "Can you shoot me a proposal for this?" Put them on the hook to review it and get back to you. As you make a commitment at each step of the sales process, so should the client—then it's a peer relationship. Otherwise it's asymmetrical.