

Advice on how to write a sales proposal

Overview

In most organisations, the conversion rate of proposals to sales is very poor. Yet you will find very little advice in the most popular and best books on selling about how to write a sales proposal. This article looks the problems with sales proposals, and provides advice on writing successful ones. It also looks at issues surrounding requests for tenders.

The information has come about as part of the process of us developing a sales proposal system for ourselves, and subsequently offering it as a solution to others. We have drawn upon the advice from the best sales books we could find, our experience as information designers, and from our studies into how other organisations deal with proposal writing.

The problems with proposals

In this section we look at some of most common problems we hear from organisations about proposals, and analyse some of the reasons for these.

They are time consuming and expensive to produce

Not only do sales proposals seem to take a long time to write, it seems like you have to re-invent the wheel for each proposal. Reviewers have to review the same content each time. We've experienced it ourselves in the past: wasting time trying to find information for tenders, such as the insurance cover, that already existed in previous proposals.

It is hard to be consistent and to make sure improvements are included in future proposals

In order to describe your proposed solution that best matches a particular buyer's situation and requirements, it's common to modify previous content.

For example, if you are proposing Freda Blogs for a Web-related project, you may provide additional information on her Web skills. You may also update the previously existing information at the same time. However, when someone needs to write a new proposal they may refer to the original proposal that now contains out of date information. If they refer to the new proposal they may include Web-related information that is irrelevant to the new prospect.

This is because organisations don't normally have a single, definitive and correct source to base each new proposal.

This causes even more problems:

- Your proposal may be unclear and incoherent.
- Buyers might receive completely different proposals depending on the salesman they are dealing with.
- Your information can be inconsistent across different documents and different media. For example, information on your Web site, in data sheets and in marketing brochures.
- It can be difficult to have more than one person writing the tender. Different versions of a proposal can be sent back and forth between the bid team as more complex bids develop.

- When sales proposals are proofread and checked, you can find you are changing the same sections each time. The same errors keep re-appearing.

Many proposals are unsuccessful

Most sales experts would argue that the low conversion rate is due to poor selling rather than a poor sales proposal. Whilst this is true, a poorly developed proposal can also sink a sale by showing the buyer that you neither understand their requirements nor have a solution that meets their needs.

What is the purpose of a sales proposal?

Apart from situations where you need to establish large amounts of technical or legal detail before you can present a final solution and price, your proposal should only be a written confirmation of what has already been agreed with the client. Indeed, sometimes a proposal isn't necessary at all: sometimes just a letter will do. For this reason, writing proposals is rarely covered in books on selling.

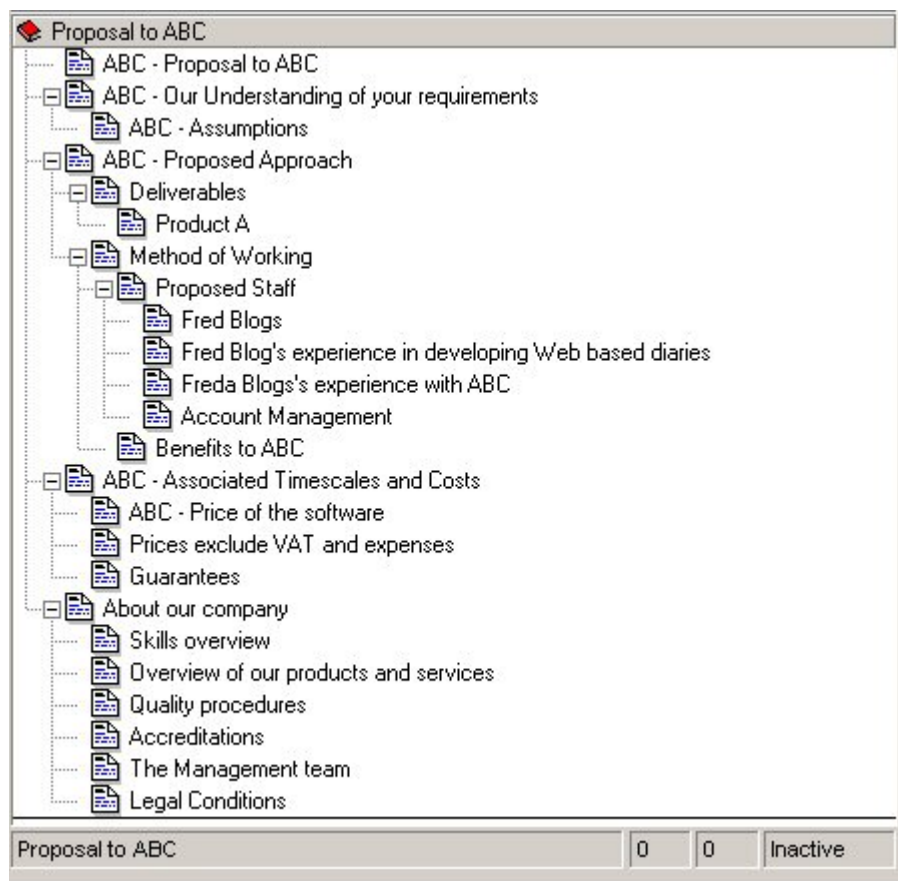
You can look on a proposal as a good way of documenting and reminding the buyer:

1. Of their need to change (the original problem).
2. How to deal with the consequences of buying.
3. Why they should buy from you (the value compared to the cost).
4. Why he should buy now.

What should go into a sales proposal?

A sales proposal can act as a checklist in your selling process, identifying gaps in your understanding of the clients needs or in your solution. You'll need to fill those gaps before you send out your tender. For strategic proposals, we recommend organising the content around the main steps in the selling process, using:

- Our understanding of your situation
- Method and approach (i.e. the solution and benefits)
- Associated timescales and costs
- Information about the company
- Terms and conditions



We'll look at each of these sections in more detail, below.

Our Understanding of your situation

The purpose of this section is to:

- Remind the client of their original problem.
- Spot any gaps in your selling process.
- Show you understand the client and that you are in alignment with them.

Method and approach

The purpose of this section is to show and prove how you will meet their requirement.

So you need to describe

- What will be delivered and how it meets the requirement.
- You can describe your project implementation plan, post training and support, plus any guarantees there may be.
- Any assumptions you have made.
- Why you are different and are the best value.
- Their input.

Benefits

The benefits can be covered in the method and approach section or can be a section in their own right.

Associated timescales and costs

In this section you should describe:

- The timescales and costs associated with this project
- The payback, if at all possible
- The key points concerning payment terms (such as VAT, currency and expenses)

Information about the company

By the time you are delivering a proposal to the buyer, you should have already established you and your company's credentials with him.

Executive summary

For longer proposals, you may need to include an executive summary at the front of the proposal. The purpose of this section is to:

- In general terms, tell the reader what he most wants to know, or needs to be told.
- Reiterate the issues important to the buyer and state your solutions to him.

One way of doing this is to use the overview sections from the main sections contained in the proposal.

Have a plan

It is important to have a plan so that you can ensure your proposal is ready in time and, if more than one person is involved, the responsibilities of each member of the team. You may wish to have a sign-off process. We suggest someone not involved in writing the proposal proofreads the proposal, and that you have a checklist.

Create a "skeleton" document

You can break your proposal down into chunks, organised around a skeleton of topic headings. These headings can be structured to form a storyboard that will guide the buyer through your proposal. These headings can help you to be consistent and to be complete.

Writing tips

Take care over the vocabulary you use

Here is some advice regarding the words you use:

- Keep your vocabulary simple to aid the buyer's understanding. For example, "use" is better than "utilise".
- Use the buyer's words and phrases, where possible.
- Be consistent with the terminology you use.
- Check your document for any spelling mistakes

Have a clear presentation format

As the proposal may be confirming what the buyer already knows, he is likely to scan the document. So it makes sense to help the buyer by having a clear presentation format with all the major sections labelled.

Use a pyramid style of writing

The pyramid style of writing, devised by RGI International, recommends you:

- Start every section with a summary statement to encourage people to read on.
- Follow this with the supporting details that justify your summary statement.
- Have an introductory sentence before every list, table and picture, so the buyers know what they relate to.
- Use the active voice ("we will...") to avoid being ambiguous.

Use the right tools

Unfortunately, the most commonly used tool that people use to write their proposals (Microsoft Word) doesn't help you address the problems listed in this article. With alternative solutions, such as those offered by Cherryleaf, it's now possible to create a system that can build the bulk of the document in a

matter of minutes, leaving the writer with the task of customising the information to suit the requirements of each particular situation. These systems can even include training videos and text to guide a writer through the process of developing a new document, as well as enforce consistency and standards.

Conclusion

In summary:

- Apart from situations where you need to establish large amounts of technical or legal detail before you can present a final solution and price, your proposal should only be a written confirmation of what has already been agreed with the client. Indeed, sometimes a proposal isn't necessary at all.
- Often sales proposals are presented at the wrong time in the buying/selling process or they are done instead of closing the sale verbally.
- A poorly developed proposal can also sink a sale by showing the buyer that you don't really understand their requirements nor have a solution that meets their needs.
- Remember, people buy from people not proposals.
- People buy for emotional reasons, but will justify their decision with rational reasons.

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