

# Bidders' view of buyers

SURVEY RESULTS

An essential read for all those involved in buying and selling processes that use requests for proposal, invitations to tender, or other formal purchasing approaches.

StrategicProposals

December 2017

## Executive summary

### A climate of mediocrity pervades the RFP process.

You might expect bidders to whinge. But the quality of many RFPs is clearly very poor. That's resulting in many buyers paying more, and receiving poorer quality solutions, than they need to.

Aligned with poor initial engagement and a sense that most RFP processes are just going through the motions to validate the selection of an already-preferred supplier, we have to ask: **is the RFP process in crisis?**

For procurement teams, the improvement agenda is clear and pressing. If you're using RFPs in your buying process, there's an urgent need to up your game.

**Perhaps, for many, it's a case of getting back to basics...**

It's time to look at the role of the RFP in the procurement process, and how this aligns to your vendors' sales processes to make sure you're extracting the best value. It's time to look at the structure and content of your RFPs: are they written to draw out the best possible responses, or as an exam that many will fail: are you aiming for the best of a bad bunch, or to choose between the best possible offers?

Indeed, is it time to fundamentally look at your processes for crafting compelling RFPs that extract excellence from the market - and the skills and roles associated with this?

Enjoy reading the results of the survey in more detail and the views of procurement specialist Steve Mullins at the end of this document.

It's time to look at the structure and content of your RFPs: are they written to draw out the best possible responses?

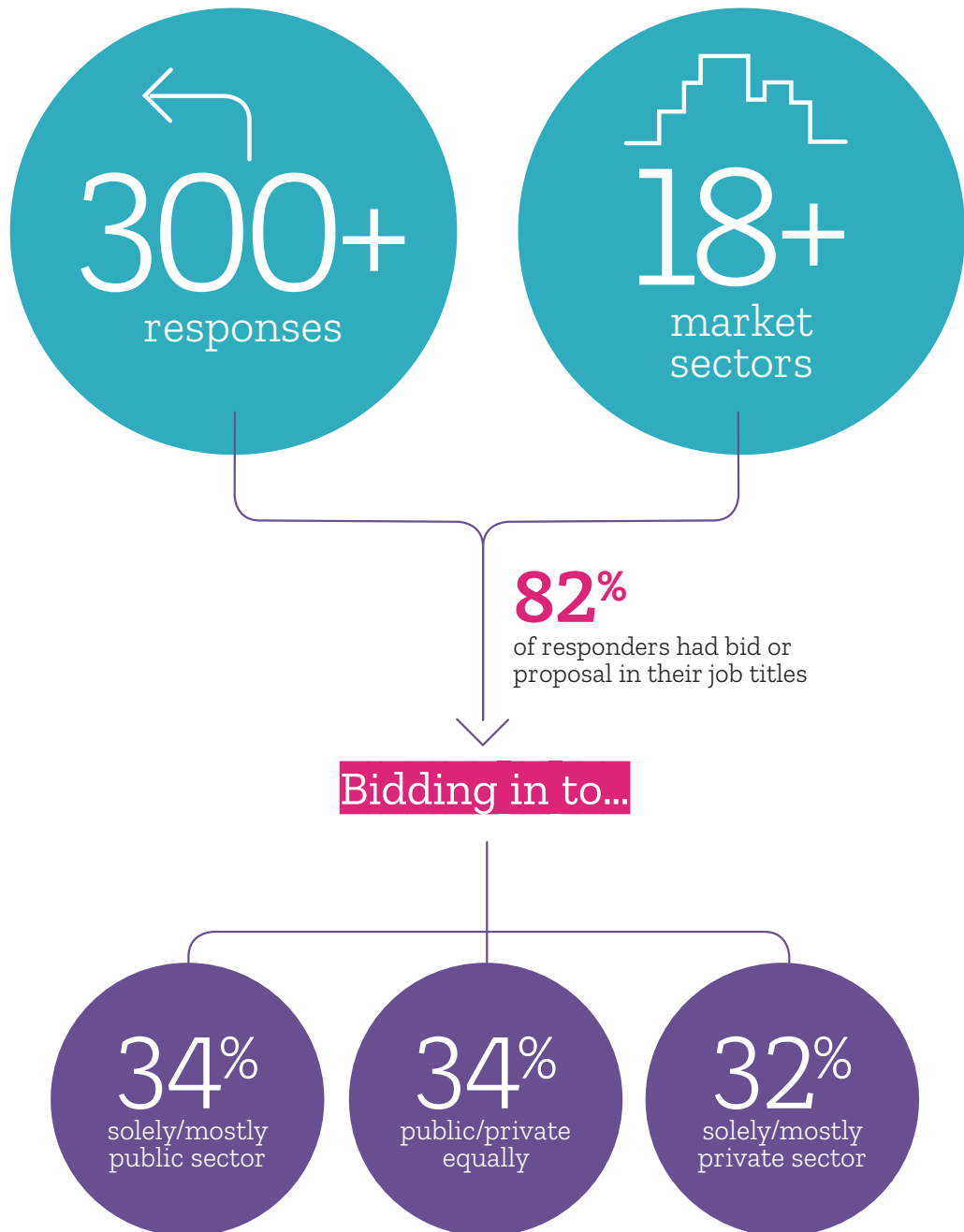
The quality of many RFPs is clearly very poor

There's an urgent need to up your game



## Introduction

This summer we issued a survey to our contacts and via a variety of industry forums. The intention was to capture insights on what bidders thought about their customer's procurement processes. We were pleased with the volume of responses and the range of market sectors in which they are operating.



# ABOUT THIS SURVEY

We have been working on proposals for 30 years and have extensive experience of formal procurement processes. We're also well-known for the research that we undertake to help develop and share understanding and best practices within the bidding community. We've used the know-how we have accumulated over the years to provide commentary on each of the areas of the survey included within this document.

For more information on Strategic Proposals see below, or visit [www.strategicproposals.com](http://www.strategicproposals.com)

# ABOUT STRATEGIC PROPOSALS



89% capture rate in the 12 months



Proven processes and tools



understanding of buyers



supporting clients in the UK



Recognised thought leaders

Over 20 highly experienced professionals



Numerous industry awards

Passionate about winning



secured for UK clients in 24 months

100% scores for quality in many evaluation processes

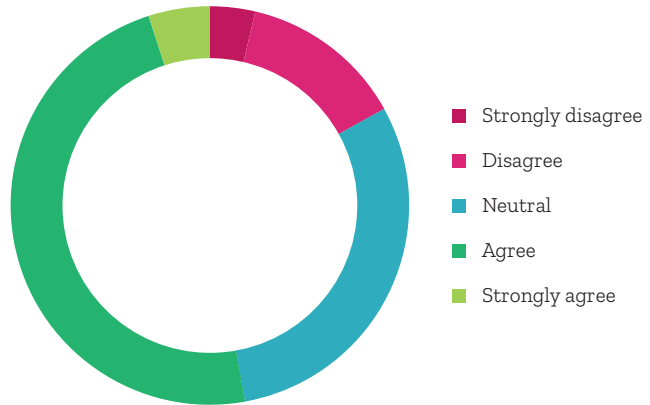


# The findings and our views

**Q1.** Buyers usually know which bidder they'll select before issuing the RFP (Request For Proposal)

>50%

THINK THE BUYING PROCESS IS A STITCH UP



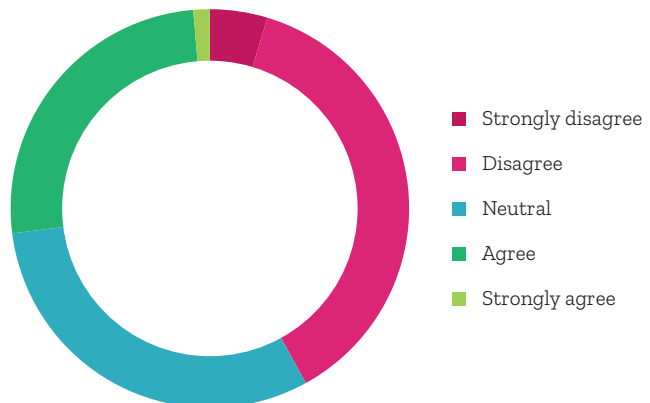
Over half of suppliers think that bid processes are a fait accompli, with the winner already decided. Buyers will be disappointed that bidders are thinking like this.

Buyers need to do more to convince bidders that it's a level playing field. And bidders need to qualify hard to make sure they've a fair shot at the RFP and that they aren't just making up the numbers.

**Q2.** We get sufficient notice from the customer about the RFPs they send us

42%

DON'T GET ENOUGH ADVANCED NOTICE OF THE RFP



Bidders often report being on the back foot, with only 27% receiving sufficient notice from their customers. Insufficient notice almost inevitably results in poorer proposals.

Is this part of the buyers march towards faster procurement processes - perhaps by using more automation and portals? Possibly so... read more in question 7.

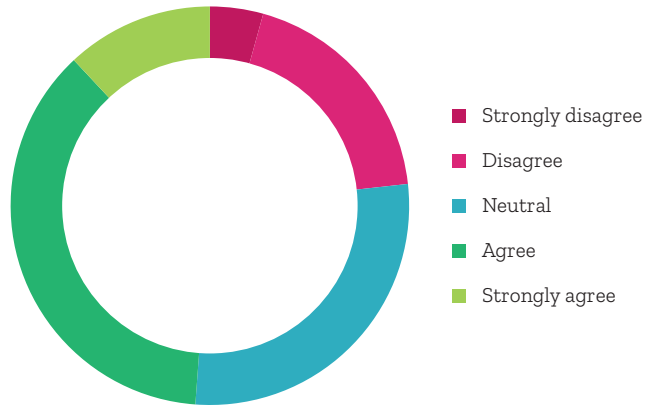
More positive is that over a quarter of bidders feel that they do get sufficient notice. So clearly some buyers are flagging their intent to go to market earlier.

About a third of our respondents deal solely or mostly with the public sector. With the typical longer cycles and Supplier Questionnaire processes, that may account for many responders saying that they receive adequate notice.

**Q3.** We're likely to "no bid" if the RFP is poor or lands "out of the blue"

>50%

**BIDDERS SAY  
THEY'LL 'NO BID' IF  
THE RFP IS POOR**



Nearly half of bidders say they will no bid if the RFP is poor, which for procurement could mean missing out on the best vendors participating in the process.

However in our experience, we're not sure bidders are always quite as bold as the survey suggests.

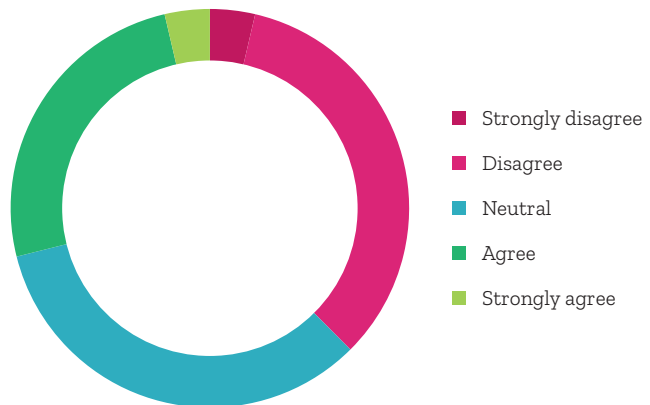
And buyers seem confident that bidders rarely decline.

Perhaps it's the case that bid and proposal managers understand the importance of strong qualification, but then the decision to bid isn't always down to them?

**Q4.** The RFPs that we receive are well-written and well-structured

<30%

**THINK RFPs ARE  
WELL-WRITTEN AND  
WELL-STRUCTURED**



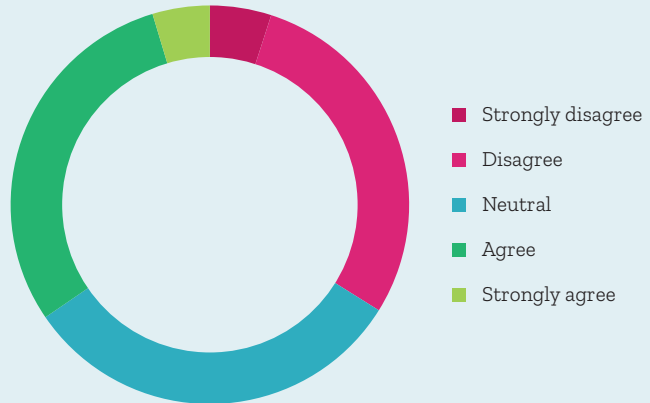
Only 29% of bidders believe that the RFPs they receive are well-written and well-structured. This question didn't generate a strong view either way.

However on the premise that 'rubbish in = rubbish out', buyers should take care to produce quality, well-written RFPs to allow bidders to put their best foot forward.

**"Is the RFP  
process in crisis?"**

## Q5. RFPs provide sufficient information regarding the customer's objectives / goals

### TACTICAL PROCUREMENT GONE MAD?



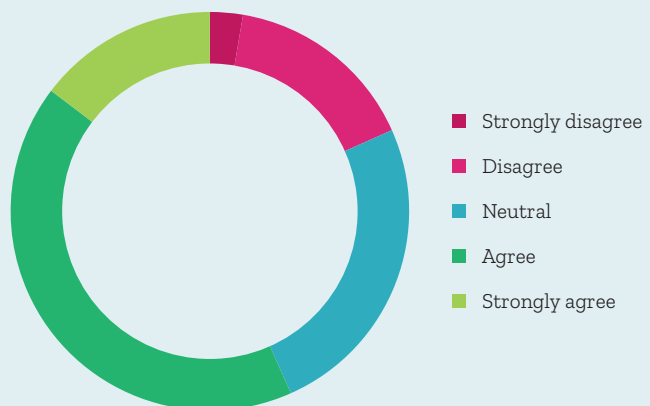
How are bidders supposed to submit propositions that really help clients to achieve the desired results when only 34% of RFPs provide sufficient information about the buyer's objectives / goals? If the buyer doesn't share this in the RFP (or beforehand) then what chance does the seller have in providing something that fits the bill?

Perhaps we shouldn't be too surprised, as when you look at it from the purchasing side, your typical purchasing manager often won't remotely understand the goals and objectives of the RFP either!

From a buyer's perspective, the only redress is for account/relationship managers to make sure their stakeholder maps are complete and that they're scheduling enough time early on to have the right conversations, rather than relying on the RFP documents to suddenly reveal all.

## Q6. RFPs include too many generic questions that are not relevant to the contract and/or services being procured

### 57% REPORT RFPs CONTAIN TOO MANY GENERIC QUESTIONS



Buyers rightly hate generic boilerplate responses. Yet all too often, RFPs also appear to be 'cut and paste'. With 57% reporting that too many irrelevant questions are being asked, there's clearly a problem and some frustration here.

So buyers take note: tailor your RFPs. And if a question seems generic and/or unrelated, take the time to explain why it's in there (even if it's just for compliance reasons) - it'll help bidders understand.

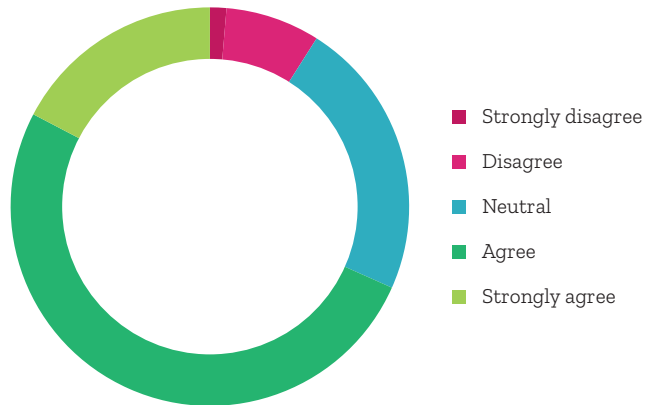


Generic RFPs are simply not giving the level of detail required to enable bidders to put forward compelling offers.



## Q7. Buyers are giving us less time to respond to RFPs than they used to

SHORTER TIMESCALES ARE DRIVING LOWER QUALITY SUBMISSIONS AND POTENTIALLY MORE 'NO BIDS'



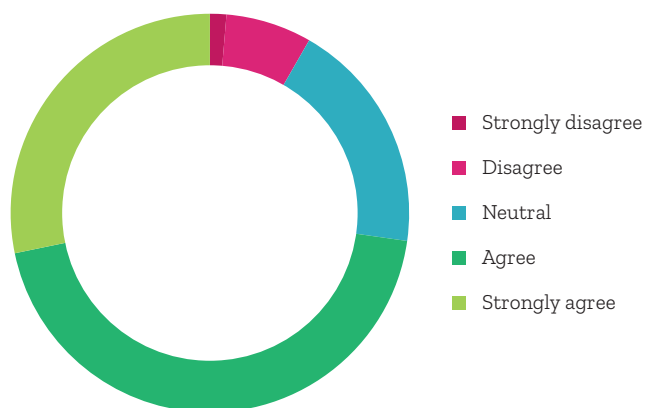
Timescales are getting tighter. Under 10% felt that buyers were giving the same or greater time to respond than they used to. Why? Possibly because buyers believe using technology makes it easier for bidders to respond - no formatting or graphics time required in a box filling e-procurement tool. However that wouldn't be a fair assumption as it can often take a long time to edit content down to within the word count, whilst not losing the key message.

Perhaps this is a result of buyers going to market later in their decision making process (almost 60% of the way through their process according to research by the CEB), and so are accelerating the RFP stage.

The impact of these contracted timescales? Inevitably it's reducing the ability of bidders to submit quality responses and may also result in more 'no-bids'.

## Q8. The more time we're given to respond, the better the solution we can offer

OVERWHELMING LINK BETWEEN TIME GIVEN TO RESPOND AND THE QUALITY OF THE SOLUTION OFFERED

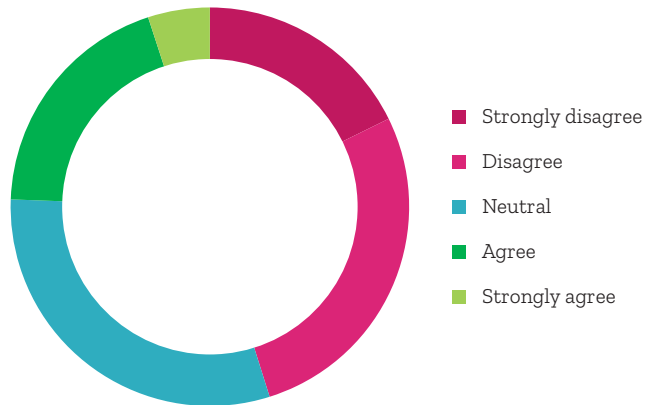


Building on the results of Q7, 73% of bidders agree that 'the more time we're given to respond, the better the solution we can offer'. Buyers - take note.

**Q9.** Customers would often get a better price from us if they went to e-auction without an RFP

---

**ONLY 24% BELIEVE E-AUCTIONS LEAD TO CHEAPER PRICES**



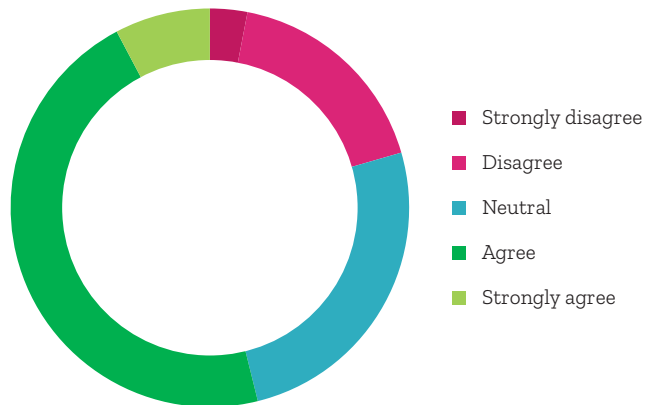
So, an e-auction will get the buyer a cheaper price, right? Such a fallacy! Three-quarters of bidders believe that e-auctions do not lead to the buyer getting a better price.

We suspect that the 24% agreeing with our statement probably operate in truly commoditised markets where e-auctions perhaps can be used successfully.

**Q10.** A poor RFP means we offer a worse solution at a higher price

---

**POOR RFPS LEAD TO POORER SOLUTIONS AND HIGHER PRICES**

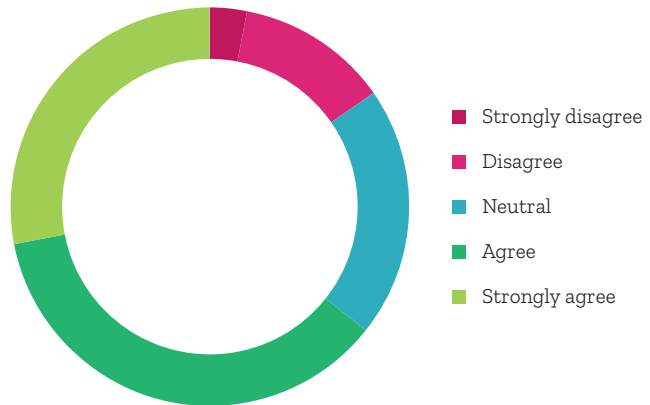


There's a direct correlation between the quality of the buyer's RFP and the results the procurement team achieve. 53% of buyers confirm that a poor RFP means they offer a worse solution at a higher price. Only 20% disagree. Enough said, we think.

**Q11.** Most of my proposals are submitted electronically via portals these days

---

**TWO-THIRDS OF SUBMISSIONS ARE VIA PORTALS**



Portals are now the most common submission tool, with only 15% of bid teams sending in the majority of responses by email or as a hard copy.

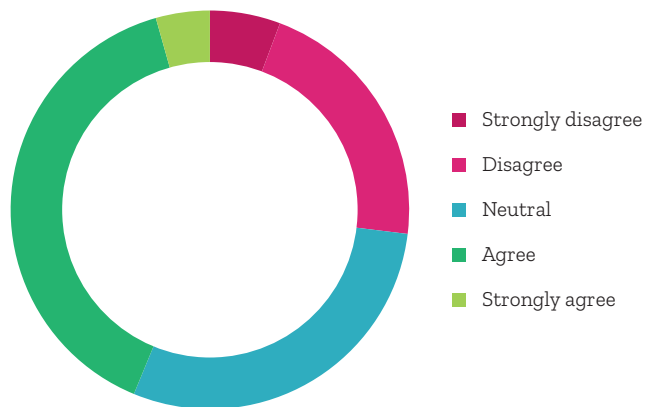
It's worth considering what effect this has on the bid process. As discussed earlier, portals (with their word count limits and restrictions on graphics) create a level playing field but limit bidders' creativity and can compromise the quality of their responses.

At present we see no letting up in buyer's ever-increasing use of e-procurement systems, so we recommend that bidders use their creativity in producing proactive proposals and presentations in advance of the RFP, and then again at the pitch stage.

**Q12.** Most of my customers base their final decision on evaluation criteria clearly listed in their RFP

---

**ONLY 27% OF RFPS SHOW CLEAR EVALUATION CRITERIA**



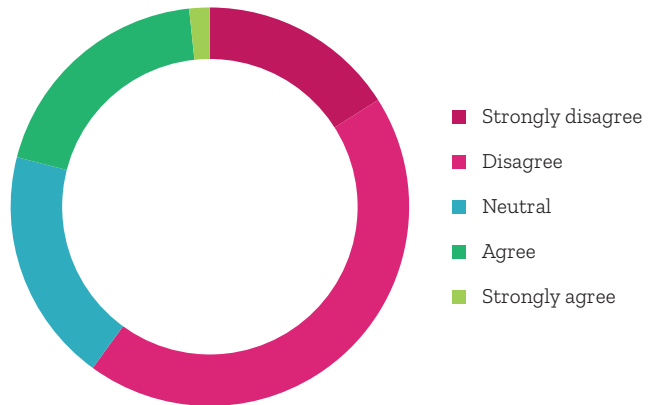
We were surprised by this result. If three-quarters of RFPs don't state clear evaluation criteria, this must be significantly impacting the quality of the responses. No wonder buyers complain about long proposals - as bidders are trying to cover all of the bases!

And in turn this could be driving buyers to use portals and bring in word count restrictions. A little more clarity and a few more clues from buyers would help halt this vicious circle and result in better proposals.

**Q13.** We can get away with a poorly written proposal if we then present well

---

**A FIFTH OF BIDDERS THINK THEY CAN WIN WITH A POOR PROPOSAL**



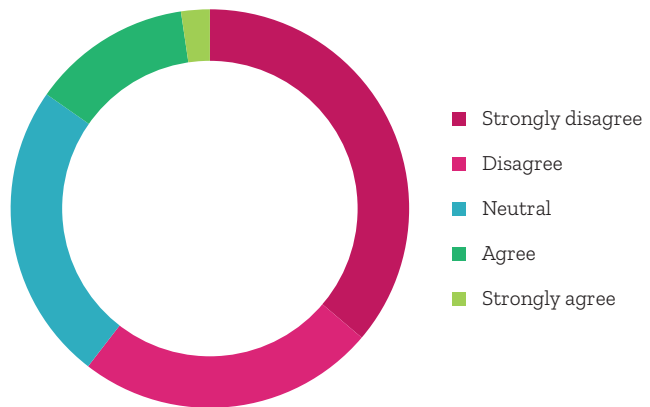
The good news is that when it comes to the proposal, most bidders are investing huge amounts of time and effort to develop a compelling submission. However, one in five say they believe that they can win even if they submit a poorly-written proposal.

That's a high percentage of people gambling it all on the pitch. Are buyers giving bidders the impression that the RFP process is no longer important? See Steve Mullins' interesting perspective on this at the back of this document.

**Q14.** My customers ask for our feedback on the quality of their RFPs

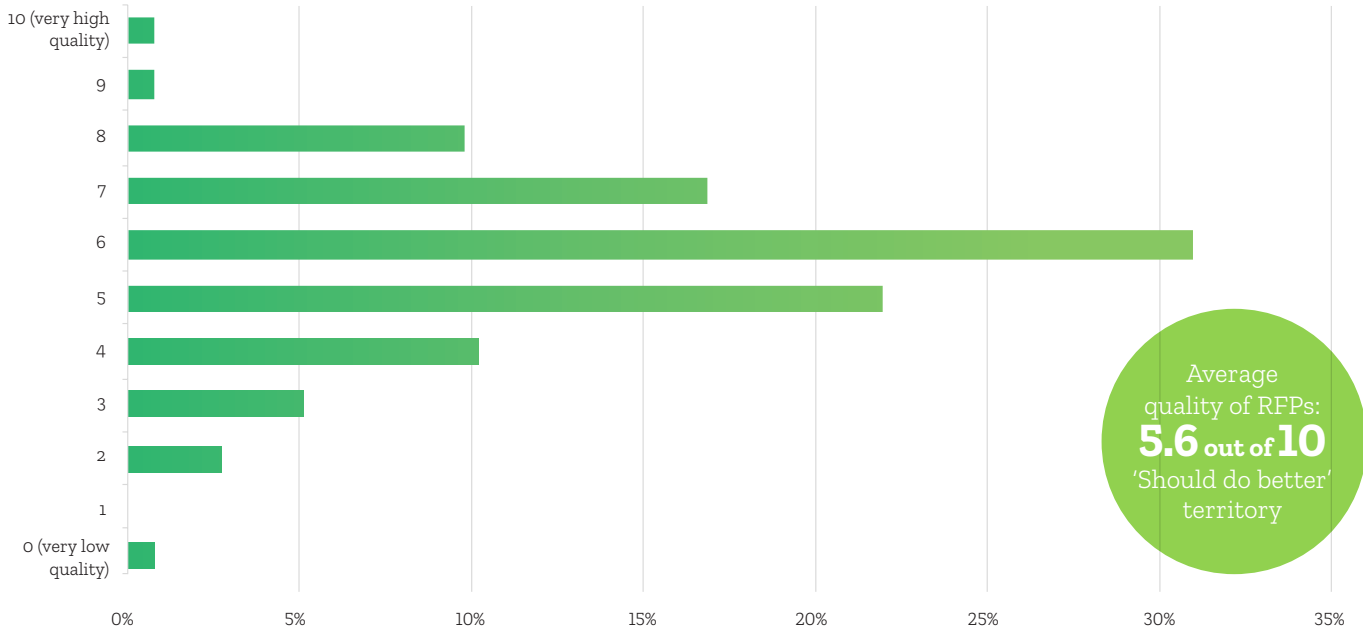
---

**ONLY 15% OF BUYERS ASK FOR FEEDBACK**



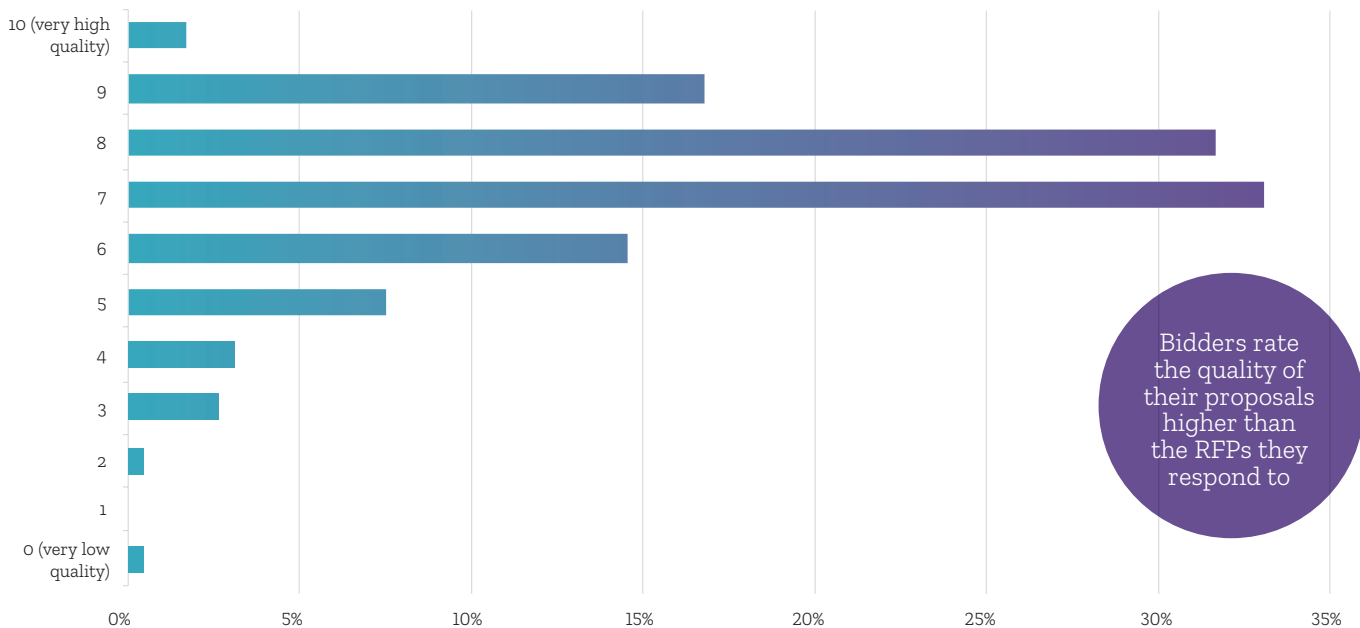
So only 15% of procurement teams ask for feedback on the quality of their RFPs. Given that there's a strong view that generally RFPs are not as good as they could be, this seems like a quick win for most procurement teams.

**Q15.** What score out of ten would you give the average quality of the RFPs that you receive?



According to bidders, the average RFP is pretty average in terms of quality. The good news for buyers is that few are very low quality. Conversely, it will be disappointing to see such a small percentage of high quality RFPs. Work to be done here perhaps - maybe starting by asking for feedback from bidders?

**Q16.** What score out of ten would you give the average quality of the proposals that you submit?



Our other benchmarking data\* suggests that organisations are typically overly generous when rating the quality of their own proposals. And we suspect procurement people would rank the average proposal far lower. Perhaps this illustrates the gap in understanding and dialogue between the two sides.

\*See [www.proposalbenchmarker.co.uk](http://www.proposalbenchmarker.co.uk)

**Q17.** How many working days would you ideally need to respond professionally to a typical RFP?

**20 DAYS**

A request for 20 working days to respond to an RFP feels reasonable. We were actually slightly surprised that the average was as low as this (though answers ranged from 5 to 90 days).

That bidders only receive 65% of the time they need suggests that quality could be improved if buyers gave them a little more time to respond.



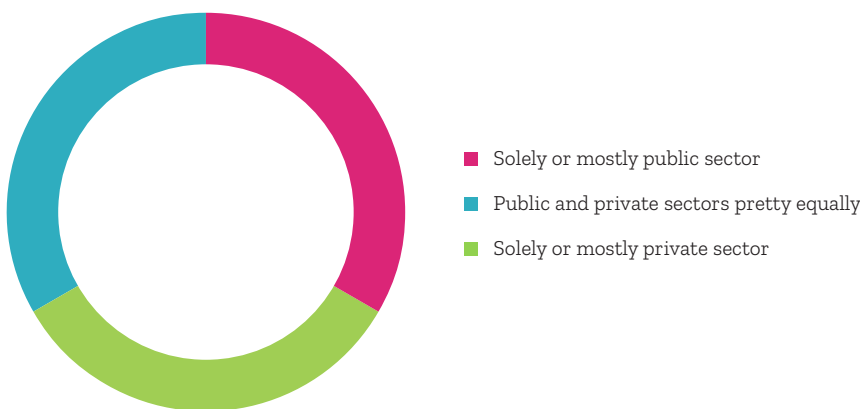
**Q18.** How many working days do you typically have to respond to an RFP from receipt to submission?

**13 DAYS**

With RFP release dates being notoriously inaccurate, many bidders simply don't put firm plans in place. Qualifying the opportunity and establishing a team to work on the response can take two working days. Allowing for two working days for approvals and finalising the response, leaves just nine working days to develop the solution, write the answers and develop the pricing.

Bidders are clearly asking buyers for more time to respond. The benefits to buyers: a better solution, better price, better proposal.

**Q19.** Which of the following best describes the sectors that you bid in to?



We received a fairly even split of responses from bidders working with buyers in the public and private sectors. Broadly, the sector being bid in to didn't influence the answers given. But there were some differences. For instance, the proportion of bidders thinking that buyers had already picked their winner before the RFP (Q1) was slightly lower when bidders were only tendering for public sector business.

The most noticeable difference was in the responses to Q2, where over half of public sector only bidders disagreed that they don't get enough notice.

## A view from a procurement expert

We asked purchasing guru Steve Mullins to share his thoughts on the results of our survey.

It's been very interesting to see the results of this survey. Some strong themes emerge, and I think buyers should read this paper carefully and take note. For me, there are three key messages...

### Firstly, bidders feel like buyers already know who is going to win.

Many buyers will think this old stereotype no longer rings true, that professional and corporate ethics standards have changed dramatically and this view is partly sour grapes from the 'losers' in the process.

My feeling is that it's most likely others involved in the buying process external to the purchasing team - the traditional gut-feel decision makers and budget holders - are muddying the view of the process and causing this suspicion for bidders.

Clearly buyers need to work harder to convince bidders that it's a level playing field and they're not just making up the numbers.

The view that many RFP processes are a fait accompli may explain why nearly half of bidders say they will no-bid if an RFP is poor or lands out of the blue. Bidders need to be brave and live up to this claim - because if 50% of bidders decline to participate in a process then it will be a real wake-up call to the procurement community.

The survey results suggest that many RFPs aren't well designed and don't contain enough salient information, so perhaps there is a complacency on the buyers' side that needs to be redressed. Buyers need to acknowledge bidders' suspicions, and make sure their processes are transparent and their RFPs give everyone the chance to put their best foot forward.

### Secondly, there's an evolution towards quicker, automated bidding processes... but is it achieving the desired effect?

Several areas of the survey link to the procurement process, in particular a contraction in timelines and a strong move towards e-procurement tools.

It seems that many buyers think the RFP process can become a machine to machine (M2M) routine, creating a quicker and more cost-effective solution. However, as experienced buying professionals will tell you, procurement is a behavioural art. A push towards M2M for purchasing will only work for commodity-type products or services. It limits bidder creativity and results in lower-quality responses.

Procurement need to reconsider this drift and think how they can get the best responses from their bidders.

And bidders need to recognise that if they're not selling a commodity and are faced with a highly-restrictive e-procurement system or e-auction, then they haven't managed to persuade the buyers that they are selling something more valuable.

**"Is it time to fundamentally look at the processes for crafting compelling RFPs that extract excellence from the market?"**





### Thirdly, winning with mediocrity.

A significant proportion of bidders think they can get away with a poorly-written proposal if they present well. There's no doubt that intentionally not putting your best foot forward is a big mistake. Failing to do so reduces your chances of reaching the pitch stage - let alone getting their in pole position, which still has to be the goal of the proposal. I wonder if this complacency stems from bidders relying on their contacts and advocates outside of the official procurement process, or whether it's market leaders who simply expect to make it to the final due to their reputation.

Either way, this is a risky strategy as transparency and auditability is increasingly important in the bidding process, and typically more people are involved on panels these days, so the strength of any advocacy or preconceptions becomes diluted.

My advice would be to take every step of the procurement process seriously as there's no guarantees or shortcuts. Complacency will likely result in failure.

---

The above areas call for action and I recommend that these are hot topics for debate at the buyer-bidder forum that SP is setting up on the back of this research. I hope you find reading the results of the survey as interesting as I did.

### Steve Mullins

35 years experience in the telecommunications, data centre, financial services, aviation, manufacturing and consulting sectors.

Senior executive positions in procurement & supply chain management, general management, strategy and operations.

Built and ran procurement teams in the following industries:

- Telecommunications
- Data centre colocation services
- International banking
- Private equity
- Aviation

Group Managing Director of one of Europe's largest strategic procurement consultancy firms.

Leading thinker and practitioner in the strategic purchasing field; for example a CIPS Fellow, and chair of CIPS' prestigious Centre for Procurement Leadership for several years.

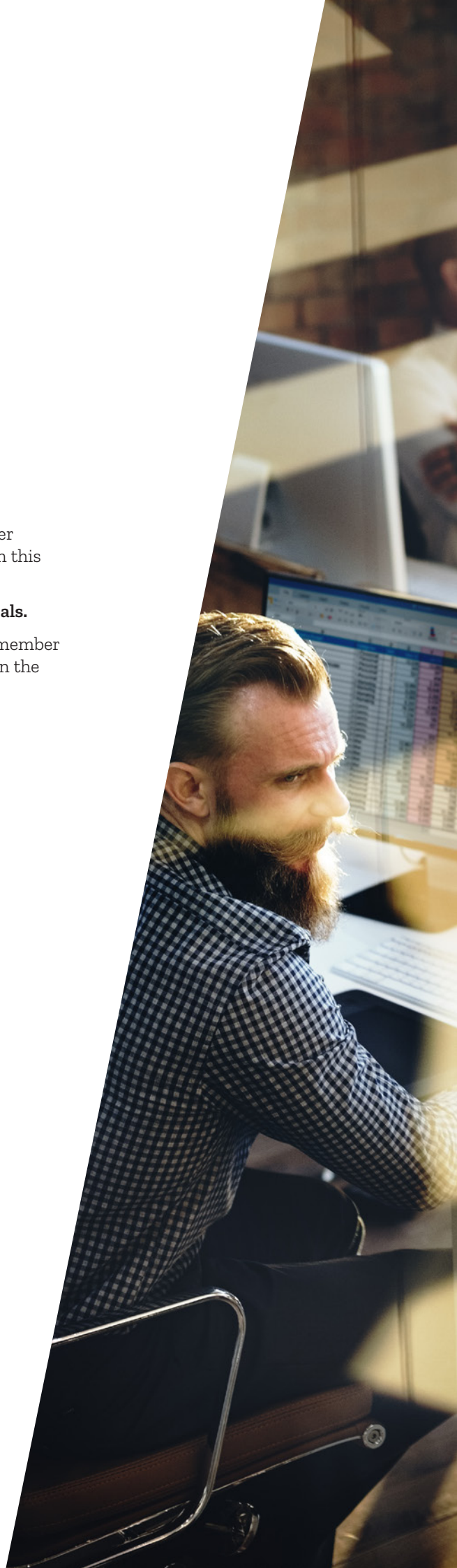
Oxford educated engineer by profession with subsequent business education at INSEAD.

## THANK YOU...

...to all of the people who took the time to respond to our survey. Respondees all have the chance to be invited to attend a buyer/bidder conference in the new year in London. Watch out for more details on this event in due course.

And look out for our next piece of research: **buyers' views of proposals.**

If you have any questions on this report or would like to speak to a member of our team, then please contact us via one the of channels shared on the back page of this report.





## HOW WE CAN HELP BUYERS...

**RFP writing services** – management of the process, writing the RFP, reviewing your RFP draft

**RFP writing training** – 1:1 coaching to formal, tailored training courses

"Buyers are paying more and receiving poorer quality solutions than they need to."

"If you're using RFPs in your buying process, there's an urgent need to up your game."

"It's time to look at the role of the RFP in the procurement process."

**Graham Ablett**  
lead author

**Jon Williams**  
**Steve Mullins**  
contributing authors

**Kim Panesar**  
graphic design

**Samantha Greene**  
editor

---

## StrategicProposals

 @ProposalsSP

 Strategic Proposals

Info@strategicproposals.com

0800 009 6800

