

HOW TO WIN MORE CONTRACTS

By Peter Bartram

When marketing agency jpmh was invited to pitch for a £3m contract by Kraft Foods, it found itself up against 17 other agencies.

And when Fresh, an events and video company, was invited by Matalan to bid for a £300,000 contract to run a conference, it discovered that nine other firms were also chasing the business.

Both companies' experience demonstrates just how tough it's becoming for directors who run businesses that have to pitch for new contracts against competitors.

Other firms find fewer competitors on long or short lists, but the financial stakes higher. When property developer Cathedral Group pitched to redevelop the railway station site in Lewisham, south-east London, it took on just three other firms – but the prize was a £50m contract.

The process of pitching can prove expensive and time-consuming. Jpmh had to go through three distinct stages in its hunt for the contract – a request for information, a test of whether it had the right chemistry with Kraft, and the pitch itself.

When PR agency, The Whiteoaks Consultancy, bid for a £140,000 contract from US IT company Pegasystems, its pitch team had to attend four meetings and convince a dozen individual “stakeholders”, recalls managing director James Kelliher.

In a world in which competition only gets tougher, it's not enough to have good products and services. Increasingly, it's vital to develop those skills which are necessary to win new contracts.

A study of 62 companies in a new book* shows that those companies which focus on the skills which are most important (see panel) are more likely to win contracts than those who rely solely on the intrinsic value of their products and services.

Not surprisingly, making a winning presentation comes out as the top skill. "You may have only one hour to prove yourself at interview, so adeptness at communication and ability to cut straight to the point is vital," says Richard Upton, chief executive of Cathedral Group.

Managing the relationship is also vital. "We were on Kraft Foods' marketing team's side from the start," recalls Phil Harvey, chairman of jpmh. "We worked with them to ensure we really understood the brief."

Adds Peter Gale, UK manager of Data Base Factory, which won an initial £85,000 telemarketing contract from ScottishPower: "I think the single most important skill in winning this contract was the ability to build rapport."

Finally, companies which can show a track record for delivery by pointing to previous successes also score. "The ability to draw on past achievements fosters belief in your company and backs up your talk with evidence of hard actions," says Nick Porter, director at Fresh.

- *How to Build a Winning Bid Team: Practical Advice to Improve Key Skills that Help you Win More Business* by Carol Kennedy and Peter Bartram is published by New Venture Publishing. You can read the first chapter free online at www.buildabidteam.co.uk

Boxout

Top 10 contract bidding skills

- 1 Making a winning presentation
- 2 Defining product value in customer's terms
- 3 Learning how customer buying centres work
- 4 Building or redesigning a bidding process
- 5 Completing tender documents successfully
- 6 Finding and using competitive intelligence
- 7 Drafting proposals
- 8 Developing key messages about company and products
- 9 Managing the prospect relationship
- 10 Identifying potential new customers

Source: How to Build a Winning Bid Team