

# Bidder Guide:

5 steps to better bidding

Insight from the global experts in strategic procurement

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"As I hurtled through space, one thought kept crossing my mind – every part of this rocket was supplied by the lowest bidder."

> John Glenn NASA Astronaut





# Introduction: Why should you review your current processes?

The average difference between a winning and losing bid sits at just 1%: a small change to your approach can have a big impact on each of your bidding outcomes.

Bidders who are still using traditional methods are now finding it increasingly difficult to predict and forecast bid outcomes, a factor that is ultimately impacting their overall bottom line. We're seeing a real need to step away from traditional approaches and take advantage of the latest best practice.

With 20 years' experience supporting public sector buyers in optimising their procurement processes, we know the industry inside out, and are able to offer best practice guidance to bidders. We've developed an in-depth understanding of what Authorities are looking for, their processes and challenges. We're here to support bidders to prepare a bid that has their very best chance of winning, so that the Authority can award their contract to a supplier that ticks all their boxes.

In this guide we'll take you through our 5 steps to optimising a bid.



This document sets out our 5 top tips, based on our first hand experience from working with public sector procurement teams and bidders from across the globe:





### **Position to Win**



As a bidder, you face a diverse range of challenges – and one that we come across frequently is the pressure on teams, often from executives, to price bids within a certain range. Whilst this ensures that solutions are in line with budget projections and competitor pricing, it's questionable whether this pressure is in fact conducive to producing a winning or effective bid.

Most winning bids aren't actually the cheapest, but are those that offer the greatest value - shown conclusively by the work Commerce Decisions has done to support buying authorities worldwide. Moreover, procuring Authorities are now refining their approach to the market in order to reduce the chances of their procurement being negatively 'gamed'. This is also negating the effectiveness of Pricing to Win strategies.

For example, our UK MOD team notes that the typical CAT A - C (£20M - £400+M) MOD procurement competition favours technical marks over price. The MOD generally does not want to receive bids that are scrambling for the lowest possible price. Despite this, many of the bid teams we talk to continue to focus primarily on the pricing.



How can these conflicting buyer and bidder strategies co-exist? The fact is that often they don't. Bidding with a heavy-handed focus on price is no longer a proven route to success and can often cause discord between bidder and buyer. As we mention above, statistics from the buy-side of the Commerce Decisions business reveal that most MOD competitions are won by bids that are not the cheapest. This would indicate that Pricing to Win is most certainly not the best strategy to ensure success every time.

So then, as a bidder, what can you do to ensure that you're considering all your wider options to increase your chances of success? The answer: Positioning to Win.

In a nutshell, by Positioning to Win bidders can:

- Swiftly identify solution approaches that help bidders maximise their team's chances of winning their next bid
- Focus the bid team on how to win, and inform stakeholders of the win strategy
- Enable bid teams to identify and manage both internal and external risks early

By Positioning to Win, you can gain an understanding of what the buyer is looking to achieve, and the impact of the selected Value for Money (VfM) methodology being used to score the bid. Once understood, this can be used to analyse the criteria one by one, and you'll then be able to fully understand how to score most effectively to establish a winning position. It helps you beat the competition by helping to decipher points of differentiation. The ability to adjust key elements of the bid and price positioning enables a far greater chance of success which has been proven within the MOD. It's a data-led approach, based on hard facts and a thorough understanding of the implications of the available data.

Successful implementation of a best practice Positioning to Win process first requires full recognition of the benefits and buy-in at a senior level. Support at this level is essential in ensuring bidding practices are contemporary and take advantage of the latest intelligence. To counter this, we recommend (and can provide) a pre-bid Executive Level briefing where the benefits of Position to Win analysis (and more besides) are presented to Finance/Sales/Operations Executives pre-bid, to create greater understanding across the board.

Procurers are looking for value and value does not equal lowest possible price. The correct combination of quality, solution and price are the key and proven factors to success in today's procurement and bidding landscape.

Leading bidding organisations that are embracing Positioning to Win have gone through a fundamental shift in approach as they recognise the importance of taking a much more 'data-led' strategy to gain competitive advantage. As a result, they are now much better equipped to understand and respond to some

of the latest thinking incorporated into procurement evaluation schemes by the Authority – these include factors such as VfM and Social Value. It's allowing them to start to pull away from the pack in terms of their overall percentage win, as they instil Position to Win across the entire business, making it part of their everyday culture.





Gain a different perspective



### Focus on what the customer really values, not what you think they should.

When you're heavily involved and invested in something, it's not uncommon (as the familiar saying goes) that 'you can't see the wood for the trees.' An outsider is likely to spot things that others have not - whether it's due to their experience and knowledge, or simply having a different outlook/vantage point.



In the context of trying to craft a winning bid, an outsider's perspective can help unlock those marginal gains. Independent strategic resource is ideally placed to help find the best solution and to challenge thinking. For example, sometimes the best way to beat a competitor is to unlock technical capability that the customer values by increasing your price beyond that of your competitors.

Another area which our bid experts are often able to challenge is **Win Themes**. Done correctly, Win Themes craft a stand-out identity for your bid, are focused on areas of value to the customer, and help lead you to success.

For the Bid Manager and Author who know what they are trying to convey, their Win Themes can seem obvious or just a tick box exercise. All too often we find they are poorly defined and difficult to spot but Win Themes should be an integral part of your winning strategy. It's the power of independent review that again draws attention to the weaknesses in your bid, giving you time to address and perfect these, to increase your chances of winning.



An independent reviewer is often better placed to identify these nuances than a seasoned bid team member who knows their organisation's offerings inside out. Having the right independent expertise can help you to:

- Ensure you really understand the maths and the implications of the procurement rules set by the Authority. For example, do you really understand the relationship between quality and cost for this specific procurement given that the answer can vary significantly depending on the VfM method selected?
- Unlock actionable information in order to establish where the bid will be won or lost
- Provide insight on how the customer will behave and how their evaluators will score their bid
- Maximise first-hand intelligence on the potential impact of different tactics, depending on the evaluation method and overall procurement procedure selected by the Authority
- Challenge the status quo in order to get a much more 'truthful' reality of how they compare to their competitors i.e. do they understand who their real threat is and how they can put in a better bid?
- Take advantage of valuable knowledge and insights to provide absolute credibility to the process, helping unlock the marginal gains needed to make a genuine difference to the final outcome
- Interpret the data in order to make more informed and fundamentally more calculated strategic decisions as part of the bid process.

A different perspective isn't just about providing best practice advice for your bids - it can also be useful for spotting errors.

After the onerous task of writing a bid, spending further time proofing your document and checking for any mistakes can seem rather daunting - and often unrealistic given time pressures. Yet one error could be the difference between winning and losing, and so getting help to check back through your proposal could be critical.



# Having an independent viewpoint can be just as useful for looking back at why you did or didn't win as it can for looking ahead at winning.

Whilst it may be tempting to move swiftly onto the next project, looking back could uncover key learnings to help support future successes. Often overlooked, never underestimate the importance of reviewing what you submitted against the reality of the results and submissions of other bidders. Whether it's to highlight areas for improvement or where your strengths are, we really encourage this retrospective review to gain a true understanding of why you did or didn't win. And the best person to lead this review is someone who wasn't involved in the bid – an unbiased independent advisor.

### It's clear there's a lot to gain from getting a fresh perspective on your bid and that's echoed in the Red Team review.

This critical stage of the process is undertaken to evaluate the proposal for customer focus, completeness and clear communication of the win strategy. This is a 'red marker' quality review which provides best practice advice to help you assess the compliance of responses and scoring against the evaluation criteria. It's typically carried out by experts independent of the bid team who can offer an external perspective on whether your team has appropriately answered the questions as well as insight on the prospect's industry, competitors, the organisation, technology and approach.

The outcome of a red review usually leads to the development of an action plan designed to improve the overall quality of your bid and help you to present winning proposals. It's typically your final opportunity to review and improve your draft bid before it's submitted. Without this vital last chance to do a final moderation on the current answers and add any last minute improvements, how can you be completely confident of your final bid submission?

At Commerce Decisions, we also offer a retrospective review as an insightful lessons learned exercise post submission. It includes an analysis of key answers from an evaluator's perspective and the marking structure in AWARD®. Providing you with a greater understanding of the responses buyers were looking for, it gives valuable guidance for the future on the most effective answer structure and content – ensuring you are better placed to win your next bid.





**Put yourself in the Authority's shoes** 



How often do you really know what's most important to the Authority

– whether it's VfM, cost, or quality?

Do you understand the implications of the procurement rules they've set?



Understanding exactly what the Authority is looking for is likely to be very high on your list of priorities when preparing for a successful bid.

This crucial insight can give you that vital competitive edge, making that all-important difference between winning and losing your next bid.

An in-depth knowledge of what Authorities are looking to achieve as well as their processes and challenges can help you demystify and streamline the bidding process so, as a bidder, you stand the best chance of winning and the Authority can award their contract to a supplier that ticks all their boxes.

Part of 'putting yourself in the Authority's shoes' is carried out within the Positioning to Win process (outlined previously), but it's just as important to carry this approach through to each of your review stages. By modelling the scoring of your bid using the same mechanics as the Authority, you are able to achieve far greater accuracy for your score predictions. All too often, response documents are reviewed solely from a technical basis (i.e. focusing on the technical solution) rather than being reviewed and scored in accordance with the scoring guidance provided by the Authority. Without applying the same 'lens' as the Authority when scoring, it is unlikely that your predicted scores have any resemblance to the score that the Authority would give, and therefore your overall 'positioning' for your bid can be severely hampered.

Our Position to Win service is designed to help you fully understand the marking structure of a tender evaluation and the VfM methodologies buyers are using to select a winner. This valuable insight helps to bring much needed clarity and cohesion to an intrinsically complicated process. And equipped with the expertise you need to establish a winning position, you can plan how to achieve maximum marks and confidently submit the best possible bid.







## **Keep learning**



### Each of us, on an individual level, needs to constantly improve and learn in order to become our best selves.

Stephen Covey the author of 'The 7 Habits of Highly Effective People' refers to this as "Sharpening the Saw". Covey says that sharpening the saw:

means preserving and enhancing the greatest asset you have – you. It means having a balanced program for self-renewal in the four areas of your life: physical, social/emotional, mental, and spiritual."

Whether it's keeping up to date with regular training, signing up to relevant blog updates, or attending a webinar, your personal and professional development is extremely important. You never know what you might learn that can help change the way your projects run.

Certainly, within an ever-changing world it's important to always be learning. As the Positioning to Win section earlier in this guide shows, traditions do change, and it's those that stay ahead of the game that often gain that competitive edge.

Another area where continual learning is important is that of 'Competitive Intelligence'. Whenever you submit a bid, you should receive detailed feedback of your scoring and comparison to the winning bid (where you are not the preferred tenderer). Whilst most organisations run a 'lessons learned' session following a bid, it is often the case that these are merely 'lessons identified' as the information is rarely made use of in future opportunities.

One of the key lessons that you can take from the debrief information is to compare your Authority scores with the predictions you made following your review cycles, understand where the differences (if any) are, and how you can make use of this perspective for future bids. Additionally, tracking your competitors' behaviours across a wide range of bidding opportunities is also key to understanding, and more accurately predicting, the competitive landscape for your bids.

To conclude: whether it's learning from the latest best practice and upskilling your team, being alert to industry changes, or allowing for innovation from your suppliers, staying on your toes cannot only advance your own development, but also your project outcomes. Nothing gets better by staying the same.

# 5

Be ready to act quickly



Finally, since winning a bid starts long before the tender invitation is issued, our last tip is to act quickly and do the hard work upfront. If you're going to incorporate the above steps into your bid strategy, or want to explore your options, do it as soon as you can. Don't wait to discuss and review your current bid strategy, or explore external support when you're already working against the clock to write your bid.

Once the bid lands, and you're busy preparing a bid, every second counts. Right up until the submission deadline, you need to use your time wisely to support and craft a winning bid. In an ideal world, as much of the leg work as possible is done upfront before the tender documentation is published. Once the tender lands you are then confirming/tweaking your work rather than starting from scratch.

It's easier said than done – we know. And the average time spent preparing a bid is typically up to 30 days, during which you'll be juggling multiple other deadlines. Using your time wisely is key – which is why ideally, you'll have your expert bid support already lined up and ready to use.

Our team are used to acting quickly to support bid teams. For one client we stood up a team of 8 different reviewers at very short notice. We delivered 30 man days in less than two weeks to provide an experienced view for their bid.

It was a tough bid for the client – very requirements driven and very labour intensive. Our team were able to make the difference – providing the authority's view and changing their bid from being inward looking to benefit led. We were able to quickly step in, ease the pressure and turn things around so they qualified with a very good score.

As previously touched upon, we recommend optimising your Win Themes for better bidding and part of this process is to get early buy-in from Bid Authors. Following our approach ensures your Win Themes are woven into question responses by your authors early on in the bid preparation, saving you precious time by eliminating re-writes.

Deciding whether or not to bid is a decision that needs to be made quickly before you invest time, but also needs to be a smart and informed decision. When your pWin% is measured by the number of wins, one clear way to increase it is to bid less, and bid smart. This is sometimes the quickest way we help bidders – by identifying no bids. Utilising our Position to Win approach, and looking at where realistically you will score, where the price points are and where the competition sits, we expertly help you make that decision.





### **Unlock Every Mark. Win More Contracts.**

With over 20 years inside the public sector buying world, we know how evaluators think, how they score, and what it takes to craft a response that lands every available mark.

We've distilled this insider knowledge into our Position to Win service – a strategic, score-boosting approach that helps you respond to tenders with precision, confidence, and impact.

If you're tired of near misses, and ready to win the bids your business deserves, it's time to position yourself differently.

Together, we position you to win.

Book a discovery call to learn more:

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