

Bid Alchemy Best Practice Guide



The Proposition Play Book.

How to use the playbook to test and improve your win strategy and proposition so that you are positioned to win.

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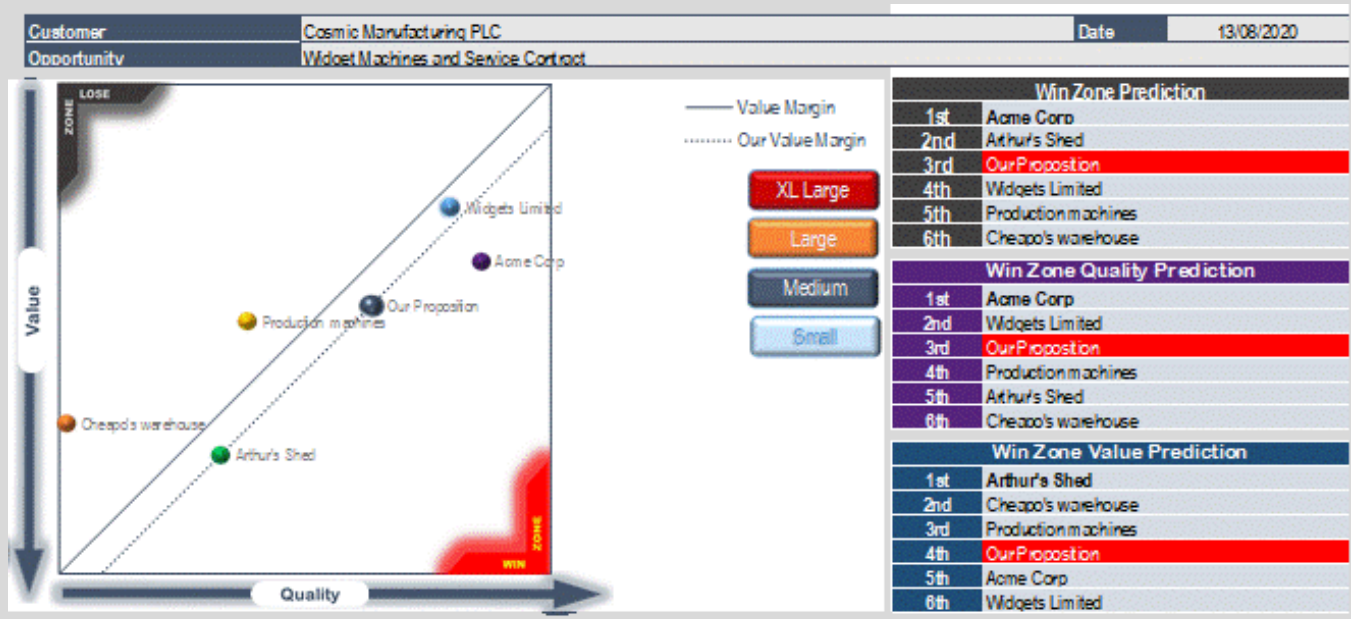


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1. Starting at the beginning, a good place to start.

The Alchemy Proposition Playbook is a Microsoft Excel spreadsheet. It contains a few macros that enable you to resize the charts appropriately. When you load the spreadsheet, depending on how your PC is setup, you may be asked whether to allow the macros to operate or not. Operating without allowing the macros does not affect the performance of the playbook but will mean you are unable to resize the charts.

Alchemy Proposition Playbook Criteria.														BID ALCHEMY	
Customer										Date					
Opportunity															
		Quality Buying Criteria		Our Proposition		Competitors									
Weight		Compel	Rating	Compel	Rating	Compel	Rating	Compel	Rating	Compel	Rating	Compel	Rating		
1															
2															
3															
4															
5	100														

Enter the names of the competitors

		Value Buying Criteria		Our Proposition									
Weight		Compel	Rating	Compel	Rating	Compel	Rating	Compel	Rating	Compel	Rating	Compel	Rating
1													
2													
3													
4													
5	100												

The customer is evaluating 50% on Quality and 50% on Value.

A clean version of the playbook, ready for you to being.

When you wish to use the playbook on a new opportunity (bid), always open a clean version, the master version. This will ensure that you do not inadvertently use scoring for another bid.

1.1. Setting Up the Playbook

Click on the “Criteria” Tab.

Enter the Customer and Opportunity name and include the date for your workshop (or when you are going to build the playbook). Please save it with a new name now. This saved version is the one you should open each time you wish to review or amend the playbook. You will find that the more comfortable you become with this approach, the more you will use the playbook to mark progress and react to changes.

1.2. The Competition

Enter the competitors names. You can have up to 5 competitors, although the playbook is happy to run with less. If you have more than 5 competitors, then consider which you wish to include.

We design this limitation into the playbook as a feature. Less is more when you are creating a powerful proposition. If you were to consider too many competitors, you would need to spend a great deal of time doing so. You would also find it difficult to distinguish between certain types of competitors.

Often in bids, particularly early on, there can be many competitors. It would be impossible to build a strategy to defeat all of them, so I use the names of the competitors I consider to be the strongest (the ones we fear most) and collate the others into groups. For Example, I may take all the low-cost competitors who are unable to supply the quality of service, into one group. I will then name them “Low Cost” or something similar and include them as one, within the playbook.

As the bid progresses, the customer will shortlist and usually they wish to get down to between 3 and 5 candidates for serious consideration.

1.3. Buying Criteria

Once you have completed this, you need to enter the buying criteria. The customer may have supplied you with this, formally or you may have gathered it through intelligence within you wider team. Often the Sales Professional is in a good position to help or confirm this.

You need to decide whether each criterion is quality or value. We explain more about this within the Bid Alchemy **“How to measure and improve you proposition”** guide. Again, you may have more than 5 quality or 5 value criteria. For the same reasons as before, link similar ones together.

The customer may also provide you with weighting or is going to come from the team’s intelligence.

If you, alone, struggle with identifying the criteria and weighting, then this becomes an ideal first subject for the Proposition Development workshop. Have the debate as a team and come to a consensus. The Sales Professional may be able to take this to one or more of the buyers for confirmation.

Remember, you can amend the playbook at any time, so if you get better information later, all you need to do is update the playbook and review how this has affected your proposition strength.

Please save the playbook again. It is ready for your workshop.

2. Starting the workshop

Whilst it is possible to continue the development of the playbook on your own, it is always better if you can apply more minds to it. I recommend that you now continue the development within the workshop.

Next for consideration is the scoring. For each of the criteria, you need to decide how compelling it is (Excellent, Very Good, Good, Poor or Very Poor) and where you believe the customer will rank us (from 1st to 6th). I find it easiest to undertake the compelling scoring and then the rank for one criterium at a time. However, the playbook does not mind which order you do this. It also does not insist that you rank the competition and us from 1st to 6th. You are free to give the same ranking more than once and show gaps to reflect your assumptions.

You will find that there will be different opinions within your team, hence the value of workshoping this. Allow and encourage the debate. If, as a team you are unable to reach a consensus, the Bid Alchemy rule is to *be conservative on our scores and charitable on the competitors*. I am much happier to be surprised that we underscored ourselves than disappointed because we were too optimistic.

Remember, you do not have to be 100% correct on every score. You can amend it at any time and having a score in each box is far better than having none.

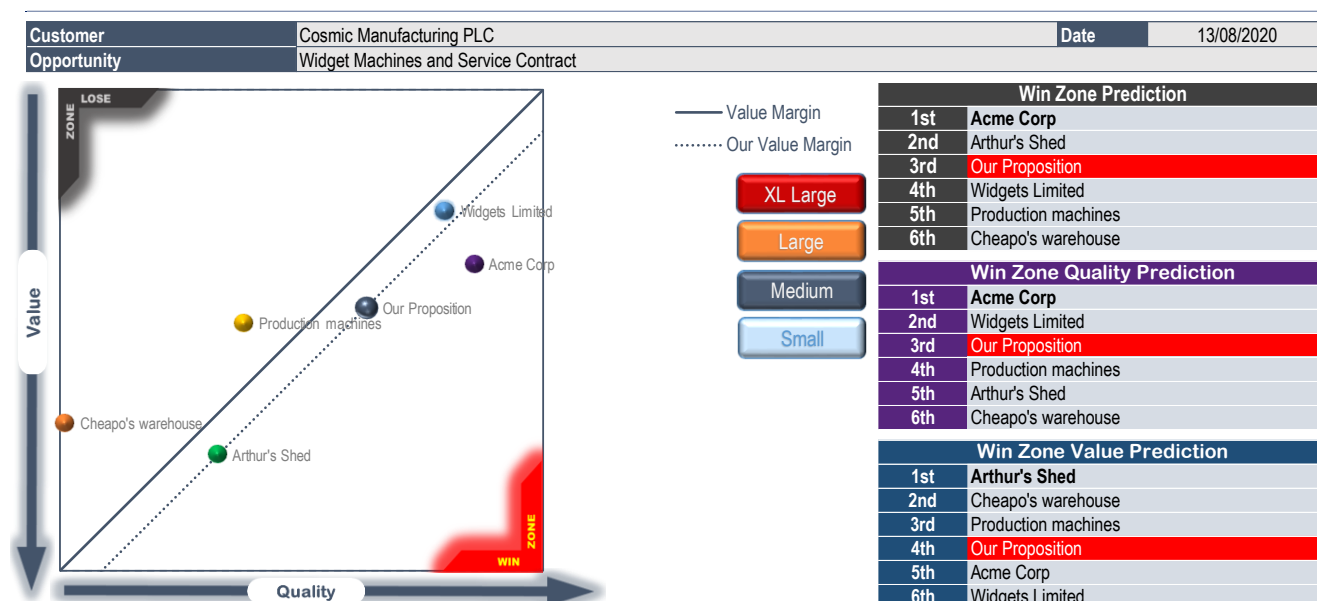
The only job left to do is to agree on the weighing between quality and value that will be in the customer's mind. This is likely to cause debate, so to help you there is a general set of guidelines in the guide.

You should now have a complete table. Remember to save all your good work.

Alchemy Proposition Playbook Criteria.													BID ALCHEMY		
Customer			Cosmic Manufacturing PLC									Date		13/08/2020	
Opportunity			Widget Machines and Service Contract												
			Competitors												
			Our Proposition		Acme Corp		Widgets Limited		Production machines		Arthur's Shed		Cheapo's warehouse		
	Weight	Quality Buying Criteria	Compel	Rating	Compel	Rating	Compel	Rating	Compel	Rating	Compel	Rating	Compel	Rating	
1	50	Speed of production from machine	Very Good	3rd Place	Excellent	1st Place	Very Good	2nd Place	Good	4th Place	Poor	6th Place	Poor	5th Place	
2	20	Reliability of machines	Very Good	3rd Place	Very Good	4th Place	Excellent	1st Place	Very Good	3rd Place	Excellent	1st Place	Good	6th Place	
3	15	Integration to current systems	Good	3rd Place	Excellent	2nd Place	Good	3rd Place	Good	5th Place	Excellent	1st Place	Poor	6th Place	
4	10	International Certification	Excellent	1st Place	Excellent	1st Place	Excellent	1st Place	Very Good	4th Place	Very Poor	5th Place	Non-Compliant	6th Place	
5	5	Ease of use	Very Good	2nd Place	Good	3rd Place	Excellent	1st Place	Poor	4th Place	Poor	4th Place	Poor	5th Place	
			Our Proposition		Acme Corp		Widgets Limited		Production machines		Arthur's Shed		Cheapo's warehouse		
	Weight	Value Buying Criteria	Compel	Rating	Compel	Rating	Compel	Rating	Compel	Rating	Compel	Rating	Compel	Rating	
1	50	Contract cost of machines	Good	4th Place	Good	5th Place	Good	4th Place	Very Good	3rd Place	Excellent	1st Place	Excellent	2nd Place	
2	25	Service costs	Good	3rd Place	Good	3rd Place	Poor	5th Place	Good	3rd Place	Very Good	2nd Place	Excellent	1st Place	
3	5	Depreciation Value at year 5	Very Good	3rd Place	Good	4th Place	Poor	5th Place	Very Good	2nd Place	Excellent	1st Place	Poor	6th Place	
4	10	Contract Flexibility	Very Good	2nd Place	Very Good	1st Place	Good	4th Place	Poor	6th Place	Very Good	3rd Place	Good	3rd Place	
5	10	Provision of additional value	Very Good	1st Place	Good	2nd Place	Good	3rd Place	Good	2nd Place	Very Poor	5th Place	Very Poor	5th Place	
The customer is evaluating			50%		on Quality and		50%		on Value.						

An example completed table; it is probably time for a break now.

2.1. Reviewing the picture.



The Playbook has computed your assessment and created a picture of the strength of your proposition.

When you move to the “Win Zone” tab and you should see a picture like above. If you cannot see all the competitors or if they are all compacted together, press the size buttons (XL, Large, Medium, and Small), to find the most appropriate scale for the chart.

You now need to interpret what the chart is showing you. You will become quite comfortable in doing this, but advice is given within the guide to aid your learning.

To the right, you will see tables that supply the computed prediction of Proposition Strength. You can use this to confirm your interpretation. The tables for Quality and Value show you who would have the strongest proposition if the customer were only to evaluate on that measure.

What you want is to be in 1st place at the top table, as this would mean that your proposition has the right mix of quality and value to be the most compelling to the customer. This does not mean you need to be in 1st place in the two other charts, but it does show you who you need to improve against to increase the compelling nature of your proposition.

If you are not in 1st place, do not let this dishearten you. It is by far better to see that now than for your customer to tell you that you have lost the bid.

In my experience, it is not common for a proposition to be confidently ahead of the competition at this stage. If I do see that, then I wonder whether we have been too optimistic or charitable in our scoring. If you think about it, why would your competitors be investing in this bid if they thought we were so far ahead?

3. What if, the best question in Proposition Development

Alchemy Proposition Playbook What If.

Customer		Cosmic Manufacturing PLC										Date		13/08/2020	
Opportunity		Widget Machines and Service Contract													
	Weight	Quality Buying Criteria	Our Proposition		Acme Corp		Widgets Limited		Production machines		Arthur's Shed		Cheapo's warehouse		
			Compel	Rating	Compel	Rating	Compel	Rating	Compel	Rating	Compel	Rating	Compel	Rating	
1	50	Speed of production from machine	Very Good	3rd Place	Excellent	1st Place	Very Good	2nd Place	Good	4th Place	Poor	6th Place	Poor	5th Place	
	40	Speed of production from machine	Very Good	3rd Place	Excellent	1st Place	Very Good	2nd Place	Good	4th Place	Poor	6th Place	Poor	5th Place	
2	20	Reliability of machines	Very Good	3rd Place	Very Good	4th Place	Excellent	1st Place	Very Good	3rd Place	Excellent	1st Place	Good	6th Place	
	30	Reliability of machines	Excellent	1st Place	Good	4th Place	Good	2nd Place	Very Good	3rd Place	Very Good	2nd Place	Very Poor	6th Place	
3	15	Integration to current systems	Good	3rd Place	Excellent	2nd Place	Good	3rd Place	Good	5th Place	Excellent	1st Place	Poor	6th Place	
	5	Integration to current systems	Good	3rd Place	Excellent	2nd Place	Good	3rd Place	Good	5th Place	Excellent	1st Place	Poor	6th Place	
4	10	International Certification	Excellent	1st Place	Excellent	1st Place	Excellent	1st Place	Very Good	4th Place	Very Poor	5th Place	Non-Compliant	6th Place	
	20	Independent feedback	Excellent	1st Place	Very Good	2nd Place	Good	3rd Place	Poor	4th Place	Very Poor	5th Place	Non-Compliant	6th Place	
5	5	Ease of use	Very Good	2nd Place	Good	3rd Place	Excellent	1st Place	Poor	4th Place	Poor	4th Place	Poor	5th Place	
	5	Ease of use	Very Good	2nd Place	Good	3rd Place	Excellent	1st Place	Poor	4th Place	Poor	4th Place	Poor	5th Place	

An example of the what if table, where you can amend any of your earlier work, without destroying the original.

Move to the “What if” tab and you will see a table like the first with added rows for each criterion. This now gives you the opportunity to change any of the criteria names, scoring or Quality: Value ratio.

As a team, ask how we can improve the proposition. Sometimes, we will want to improve the element that affects the criteria. For Example, we may decide to use a more reliable machine. By doing so our compelling score and our ranking may improve.

You may also wish to change the criteria. This will require us to teach the customer that they were wrong, and it becomes a tactic within the Win Strategy. One or more of the team should discuss this with the buyers and get them to realise that our view is better than the one they had. You also need to reflect on this; within the proposal you will provide. However, it is dangerous to just do this in the proposal within the earlier conversations with the buyers. In this example, we wanted to widen our International Certification to be Independent Feedback. We may explain to the buyers that all quality organisations hold the same certifications for these products, so it will be difficult for the customer to use as evaluation. However, if the customer widens this out to incorporate the certification and feedback from other customers, then they could see which of the products was viewed, independently, as performing best.

You can similarly want to teach the customer about changes to the weighting and the Quality: Value ratio.

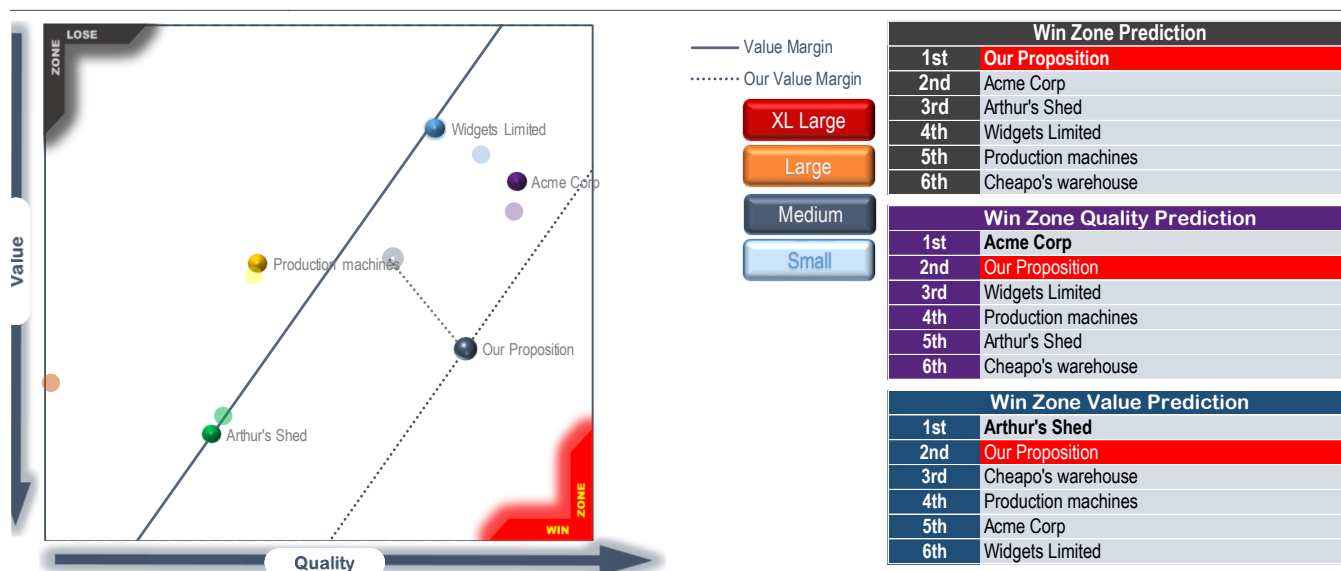
The customer was evaluating	50%	on Quality and	50%	on Value.
The customer is now evaluating	60%	on Quality and	40%	on Value.

What if Changes		
Change made	Affecting	Justification or notes
Weighting	Quality	Get customer to understand that reliability is as important as speed and use our new independent data to show we have the most reliable machines available.
Changed Compel and Rating Score	Quality	To reflect that we will provide the more reliable machines in market place. Change solution so that all machines are from that range.
Weighting	Quality	Integration. Change story to show that all machines operate to international standards so intergration is not a problem for any supplier. Leave some score for quality of integration team.
Changed Criteria	Quality	Change Certs to feedback. Propose that they should not buy from anyone without international certification. However, independent research and customer feedback is true measure.
Changed Compel and Rating Score	Quality	To reflect change in above criteria
Changed Compel and Rating Score	Value	For contract and service model. By reviewing and improving risk model to reduce contingency cost. Using new lower cost service model.
Changed Quality / Value Weighting	Quality & Value	Get customer to understand that quality is more important than costs, due to the costs associated with machines not operating ore service not being reliable. Aim for 60% Quality

It is important to document the changes and your rationale, so that later you can remember what you want to achieve and why.

At the end of this page, is a table for you to document the changes to your proposition that you have decided to make. It is important to document this as each change leads to action, and you will also need to remember the reasons why you made these changes to benefit other stakeholders in your bid, who are not in the workshop.

3.1. Where are we now



The What If Win Zone, depicts the effect of the changes and confirms whether they are the right ones.

By clicking on the “What If Win Zone” tab, you can see the effect of the changes you plan to make. The first few times you look at this, in the workshop, may not show that you are yet in the strong position you want to be. This is normal. It means we must do some more hard and smart thinking about what-if. You will find yourself flicking between these two tabs, until you have either reached a strong proposition that gives you confidence will win, or you will be questioning whether this is a bid that you should be pursuing.

As you can see from the example, we are now in a confident position of holding the most compelling proposition for the customer. Yet we neither have the more compelling proposition when measured purely by quality or value. It is the mix that is important.

This may seem like a hard slog the first few times you are using the playbook. Remember that you and your team are in learning and may be undertaking a thinking approach that you have not applied before.

It becomes 2nd nature, and you will find that you will become adept at finding ways of improving the proposition, both when using the playbook or when writing your proposal.

The hidden value to this approach is that all of what you are doing is invisible to the competitors. They cannot predict changes that you make. That makes you exceedingly difficult to compete against.

Congratulations on beginning this powerful learning journey.