

Asia Pacific Business Development, Tender and Proposal Survey 2011

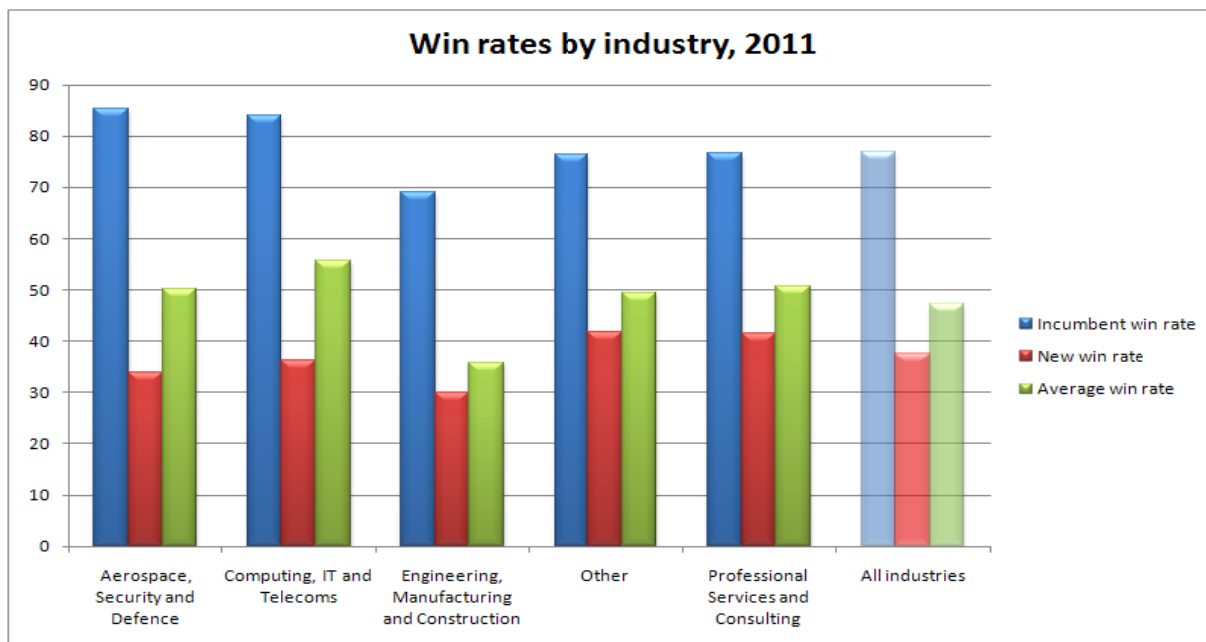
Summary

This is the third Apac Tender and Proposal survey run by Shipley. Some clear implications are visible from the results.

Measure	Result	Implication
Incumbent win rate across all responses	Win rates for incumbents are over 70%	This is borne out by other Shipley research; the implication is that if you are not the incumbent, you should have a good reason for thinking that you can win before you decide to bid
Non-incumbent win rate and client contact	Those who had responded to an RFT without meeting the customer had a lower non-incumbent win rate	Adjust your BD process so that you never respond to an RFT from a customer you have not met. Implement an opportunity planning process that identifies customers you should be dealing with, and contact them before they release their next RFT.
Win rates by industry	Non-incumbent win rates range from 30% to just over 40%; incumbent win rates range from just under 70% to nearly 85%	Check your win rates against your industry and implement urgent corrective action if yours is below the industry average.

Win Rates

One of the key questions that we asked was regarding win rates:

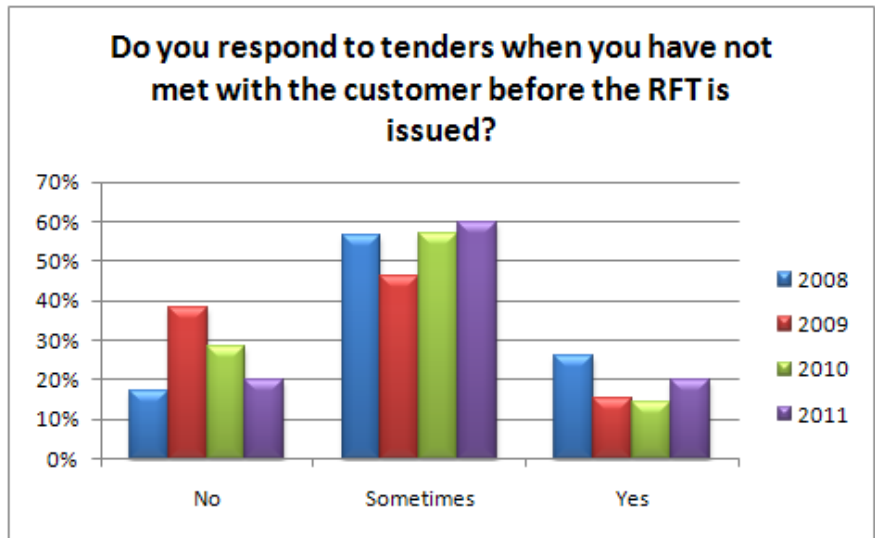


The graph shows data from 2011 only. Significant results are:

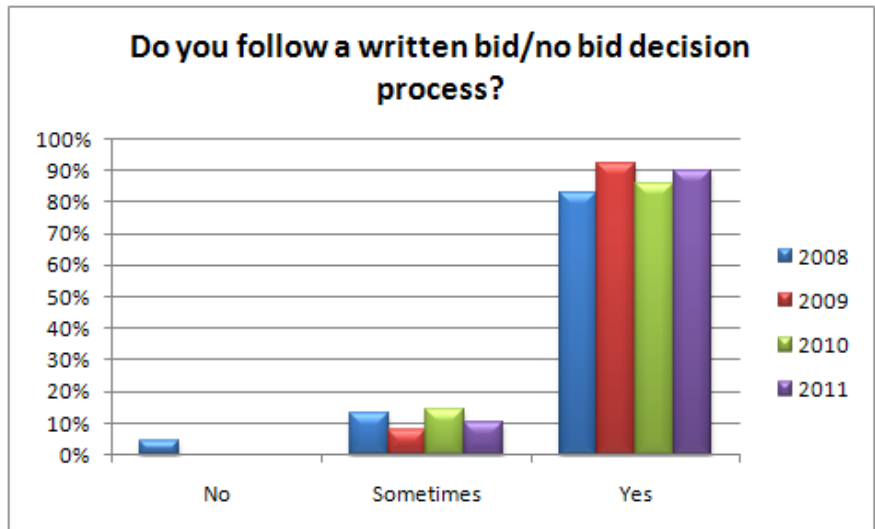
- average incumbent win rates are 70-85% across all industries
- average new business win rates are significantly lower than incumbent win rates, and vary markedly by industry

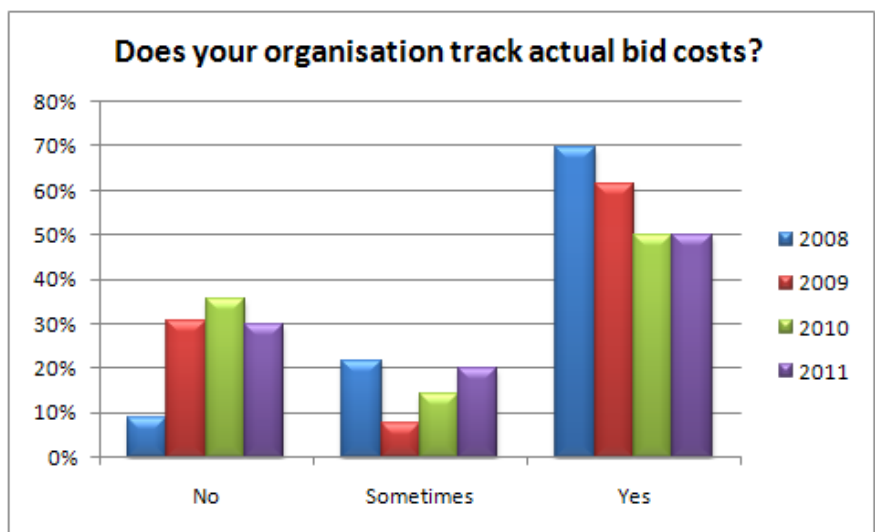
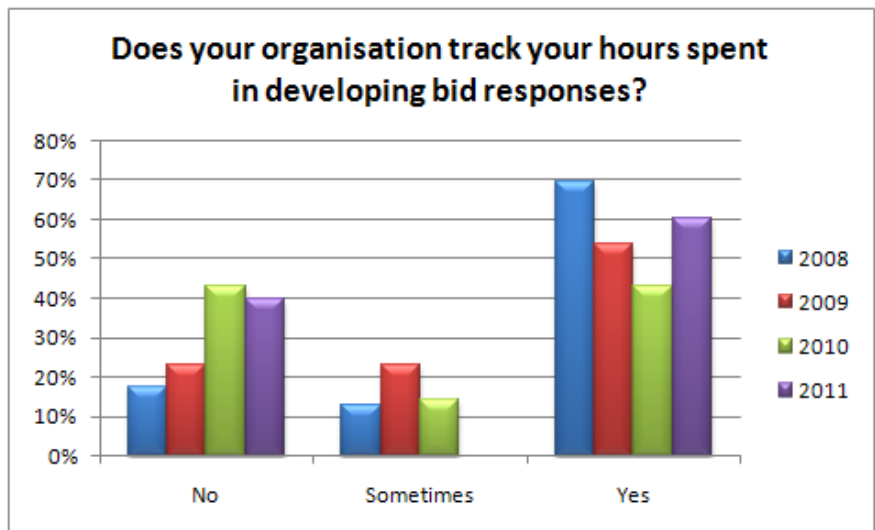
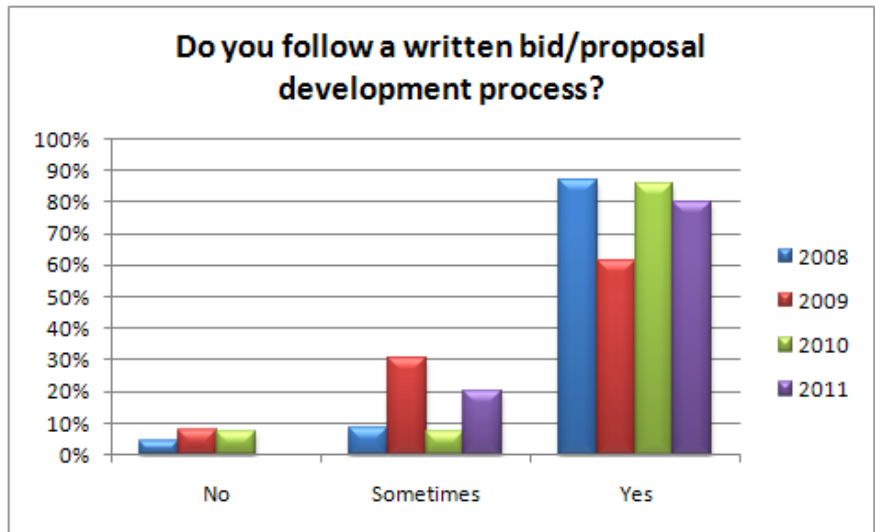
Process Implementation - Aerospace, Security and Defence

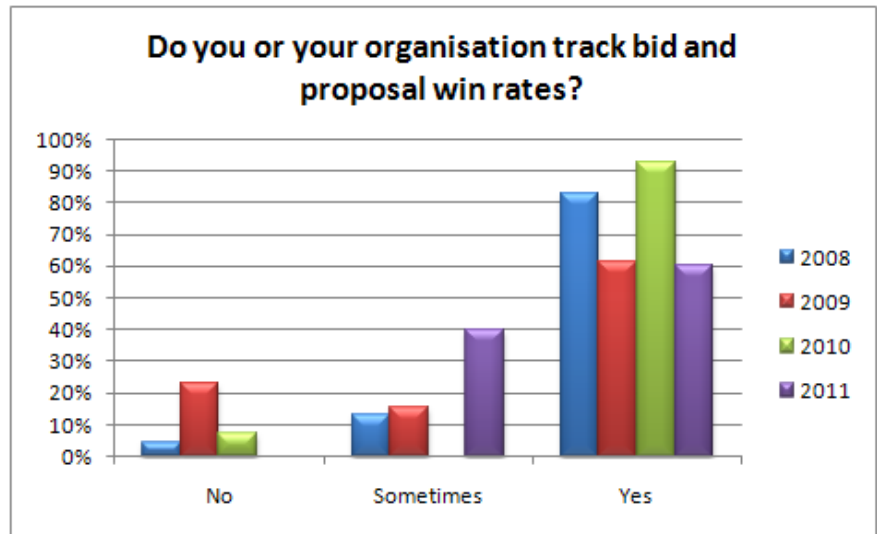
We asked a number of questions around implementation of key processes within BD; results for this industry were as follows:



Given the industry and the small number of customers, this is a surprising result: there are still a significant number of respondents who don't have sufficient customer contact.

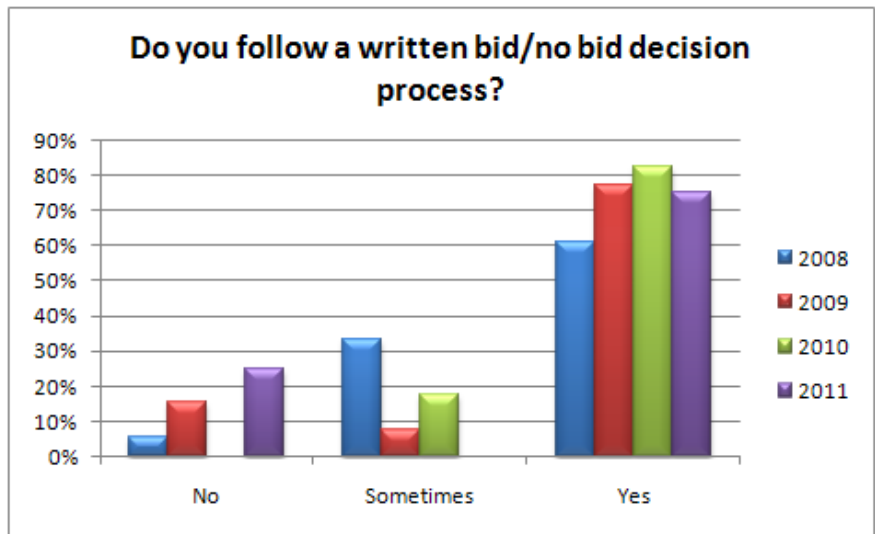
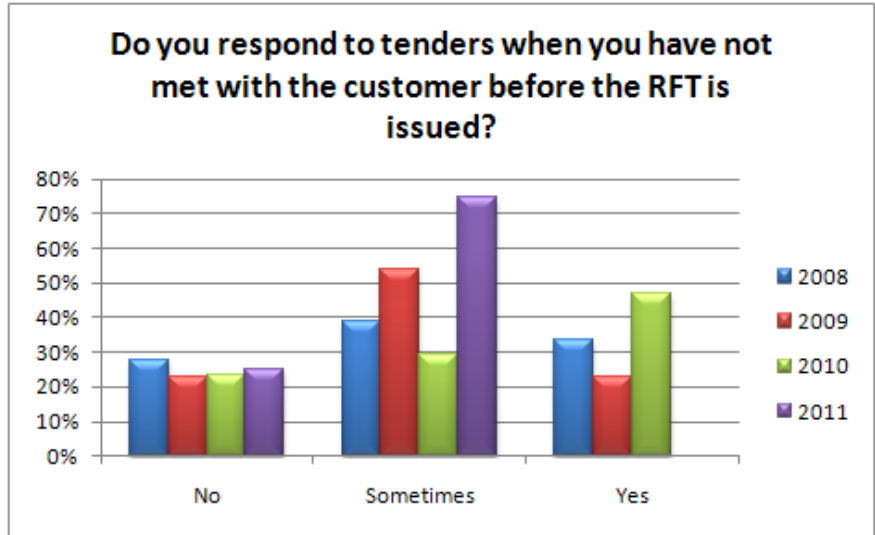


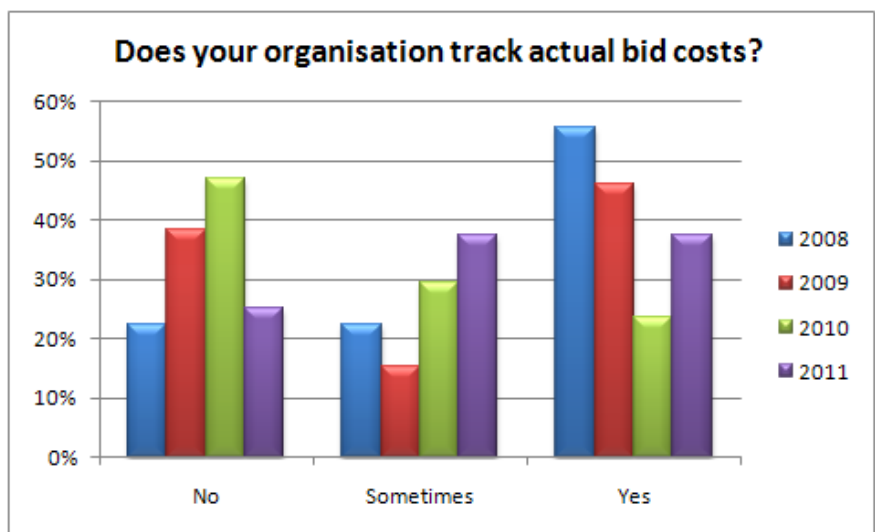
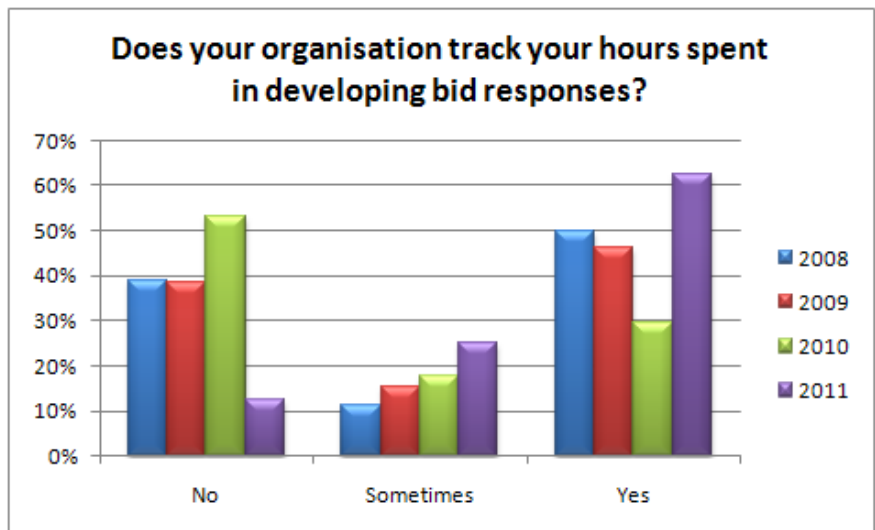
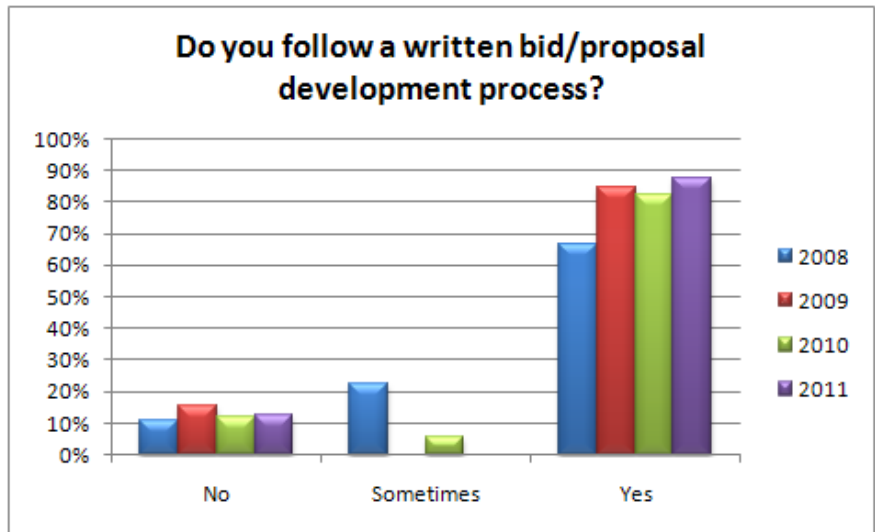




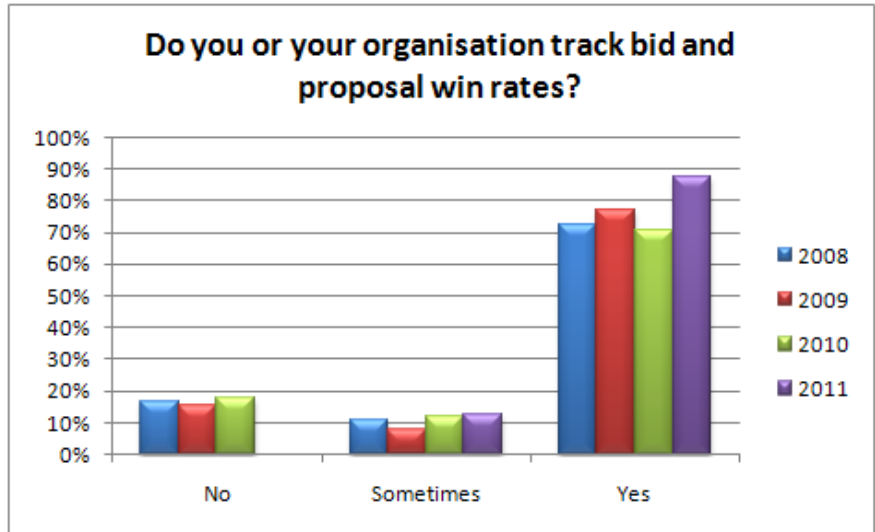
Process Implementation - Computing, IT and Telecomms

We asked a number of questions around implementation of key processes within BD; results for this industry were as follows:



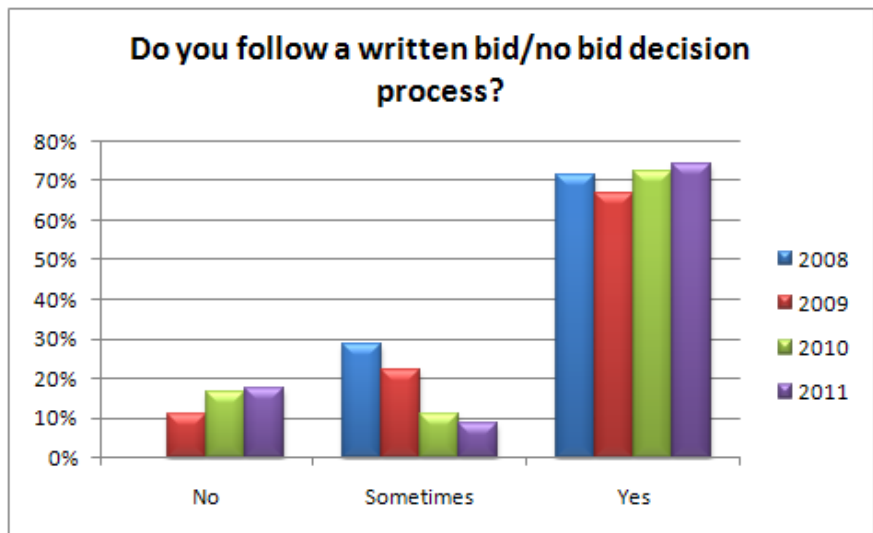
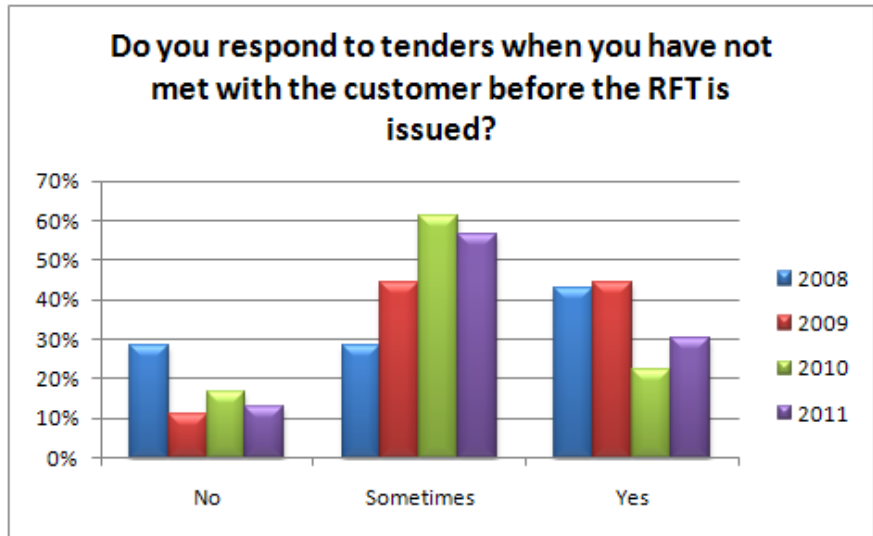


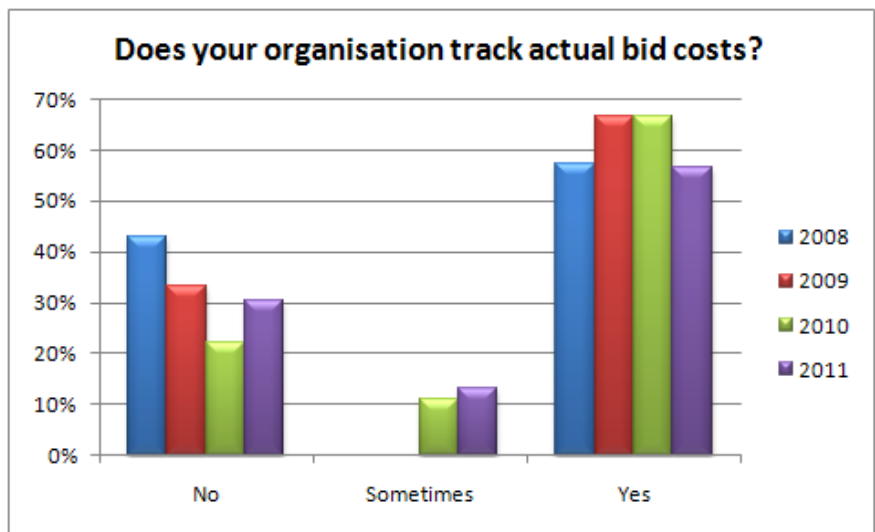
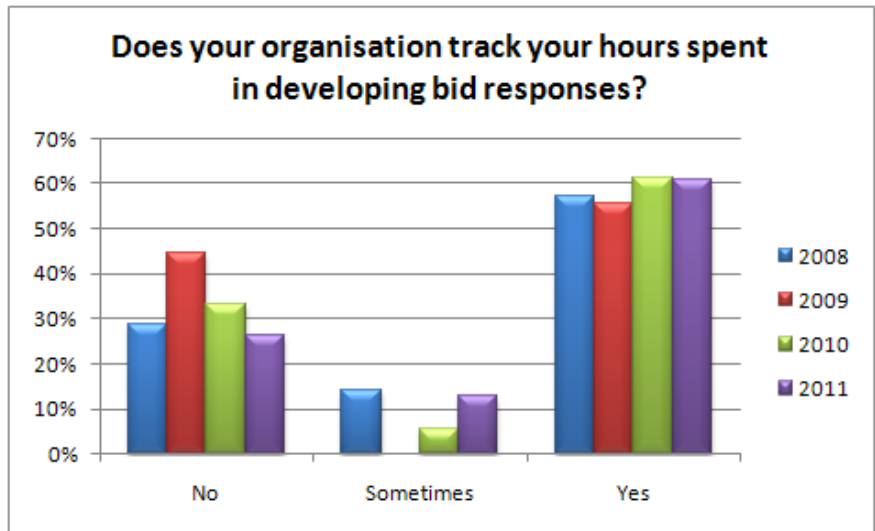
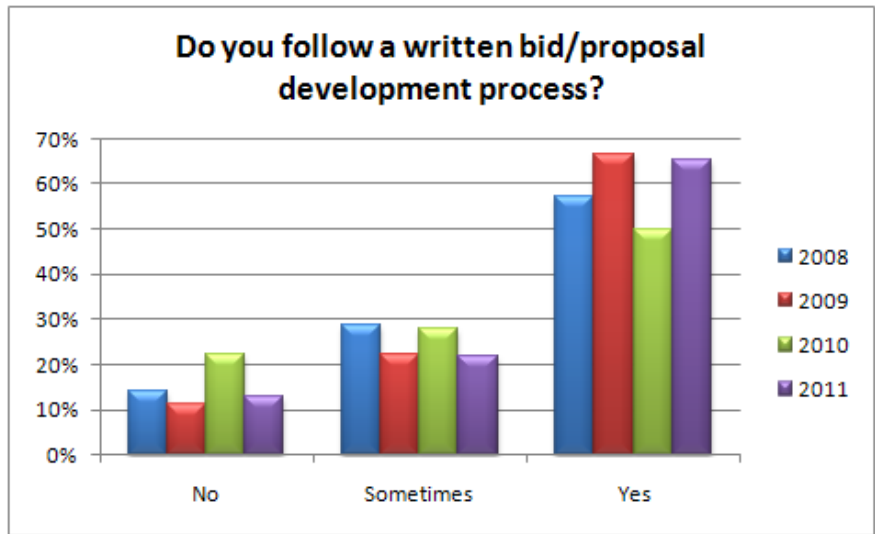
Given the significant numbers of formal bids generated in this industry (over 100 per year on average per company) it is surprising that costs and hours are not tracked.

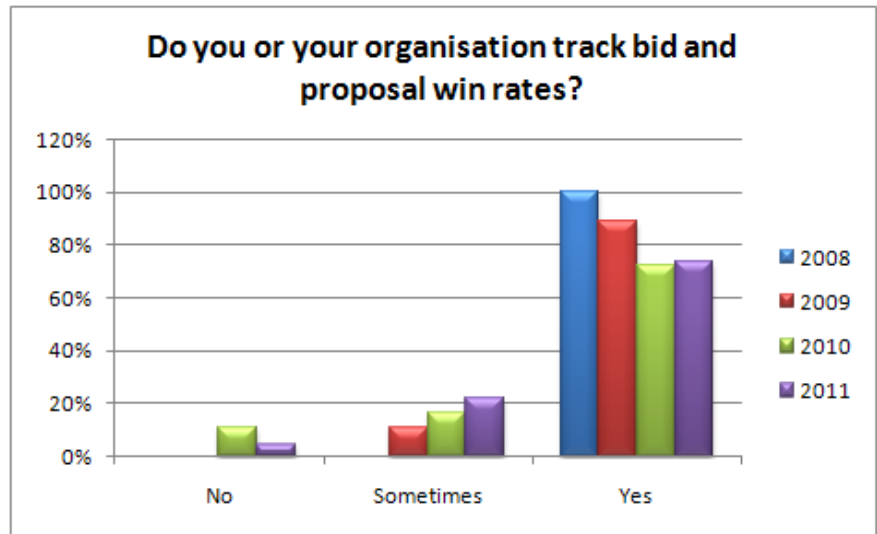


Process Implementation - Engineering, Manufacturing and Construction

We asked a number of questions around implementation of key processes within BD; results for this industry were as follows:

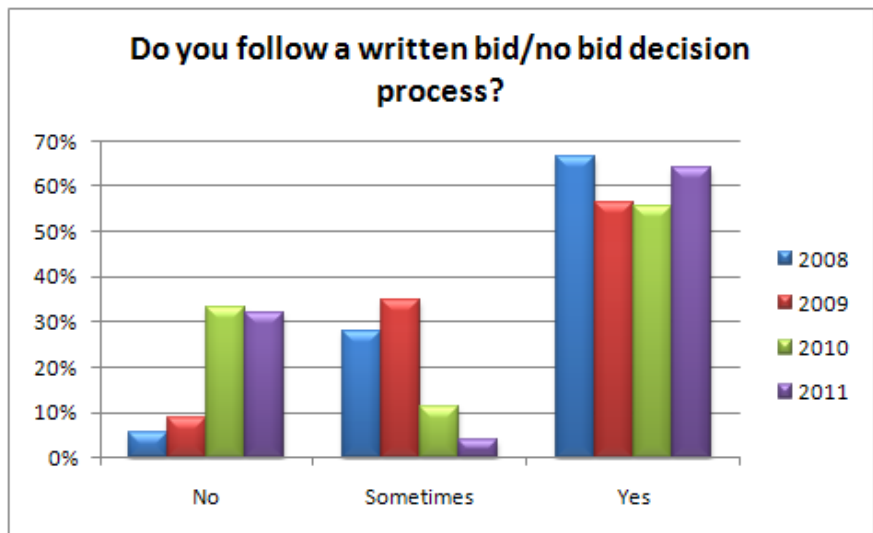
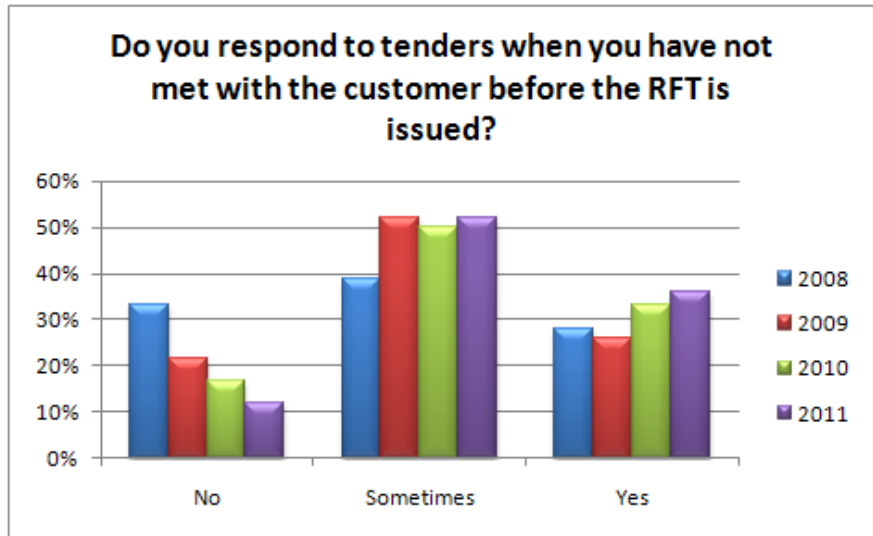


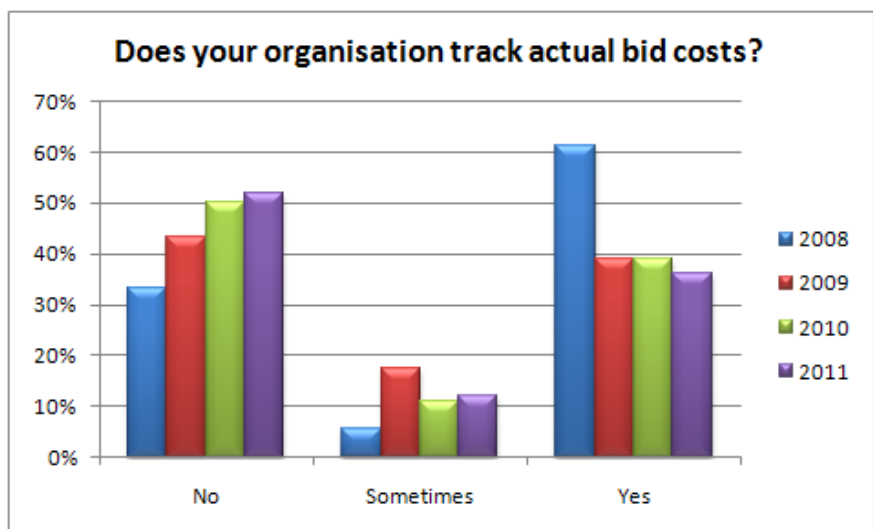
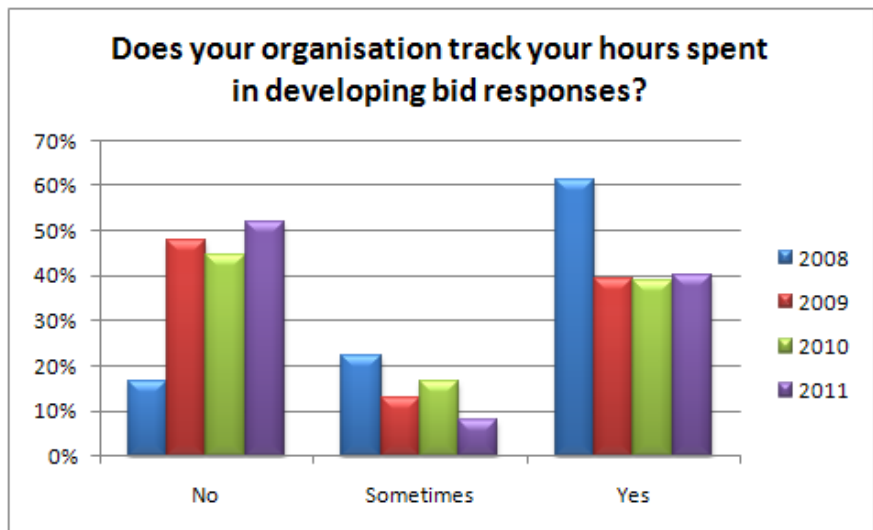
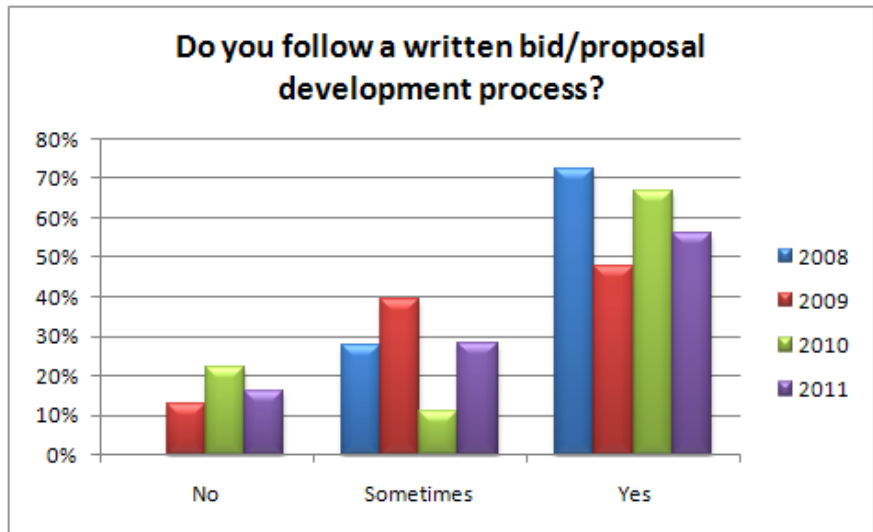




Process Implementation - Professional Services and Consulting

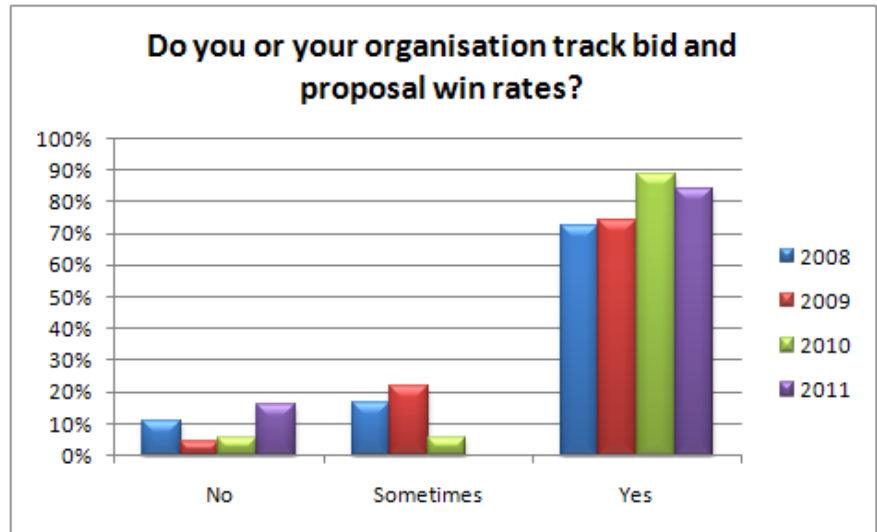
We asked a number of questions around implementation of key processes within BD; results for this industry were as follows:





This is a surprising result: in an industry where time tracking (and therefore cost tracking) forms the basis for billing, a significant

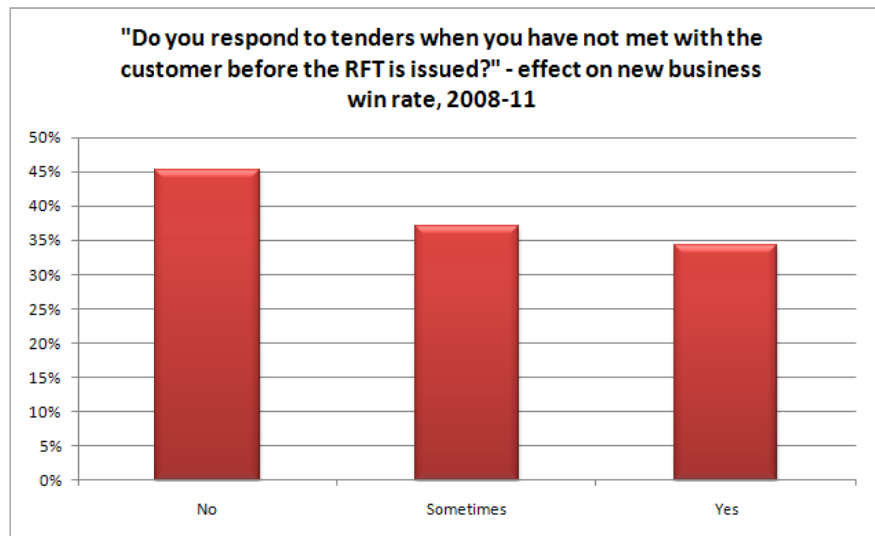
proportion of firms do not measure the time and cost involved in developing bids; and it seems to be getting worse.



Further Analysis

What Affects Win Rates?

One interesting correlation is between the answer to the question “Do you respond to tenders when you have not met with the customer before the RFT is issued?” and non-incumbent win rate (for only those respondents that actually nominated a rate):



The implication is clear: where you have not met the customer before RFT release, your probability of winning is lower. So to increase your win rate, either put more time and effort into researching and meeting clients before they get to the RFT stage, or decide to no-bid any RFT where you do not have a prior customer relationship.

It seems likely that this effect is a major contributor to the 70%+ win rate for incumbents.

Thank You

ShipleY Asia Pacific would like to thank all of those that took the time to respond to our survey, and congratulations to the winner of the ShipleY training credit - you know who you are!

Methodology

ShipleY has been in Apac since 2003 and during the past five years we have worked with most of the major players in the defence, IT&T, engineering and professional services industries, as well as a number of other major organisations in other industries.

In 2008, 2009 and 2010 we conducted a survey from our database on certain key performance indicators and published the results. On 14Nov2011 we conducted a fourth survey by emailing 4904 people from our database and asking them to respond by 15Dec2011 to a short online questionnaire on our web site:

ShipleY Asia Pacific 2011 Business Development survey

Thank you for participating in ShipleY Asia Pacific's Business Development, Tender and Proposal survey for 2011.

If you are the lucky survey respondent, we will give you a voucher for two free days of training, valued at \$3000, and redeemable at any of our public workshops.

The survey should take no more than two minutes of your time. Individual responses are strictly confidential - we will be releasing only summarised results. If you participated in the survey last year, you will notice that the questions are the same ... but please answer anyway, as this allows us to track year on year trends.

What industry do you work in?	
Industry:	<input type="text"/>
What is your job role?	
Job role:	<input type="text"/>
Do you respond to tenders when you have not met with the customer before the RFT is issued?	Choose: <input type="text"/>
Do you follow a written bid/no bid decision process?	Choose: <input type="text"/>
Do you follow a written bid/proposal development process?	Choose: <input type="text"/>
Does your organisation track your hours spent in developing bid responses?	Choose: <input type="text"/>

Does your organisation track actual bid costs?	Choose: <input type="button" value="v"/>
Do you or your organisation track bid and proposal win rates?	Choose: <input type="button" value="v"/>
How many tender responses do you do each year as an incumbent supplier?	<input type="text"/>
How many tender responses do you do each year where you are not incumbent?	<input type="text"/>
How many non-tender proposals do you do each year?	<input type="text"/>
When you are the incumbent supplier, what percentage of renewals do you win? If you don't know, just leave '?' in the answer.	? <input type="text"/>
When you are bidding for new work where you are not the incumbent, what percentage of bids do you win? If you don't know, just leave '?' in the answer.	? <input type="text"/>

If you would like to get feedback on the results of the survey, or if you'd like to go into the draw to receive the free workshop days, please fill in your details below:

Name

Organisation

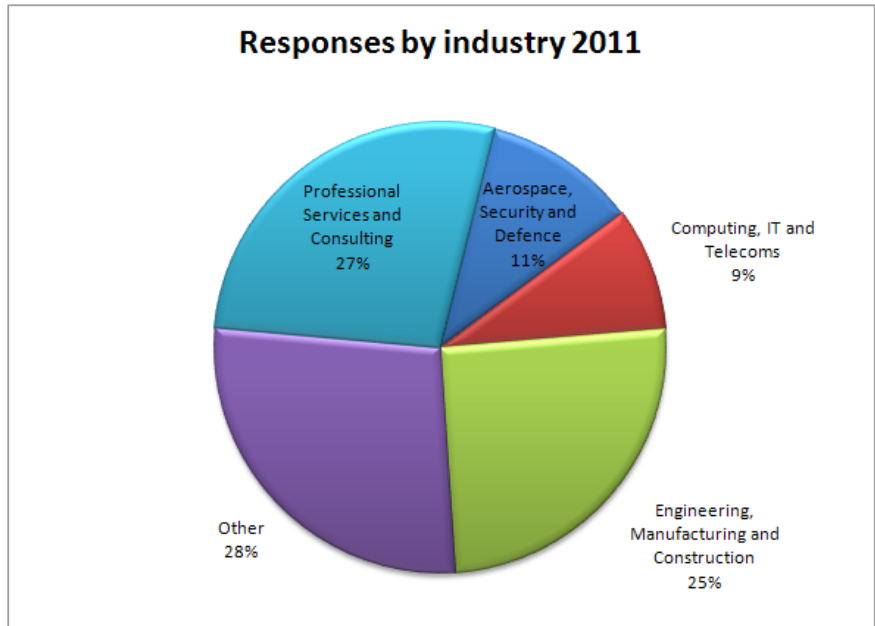
Email

Phone

Yes, please contact me with the results of the survey

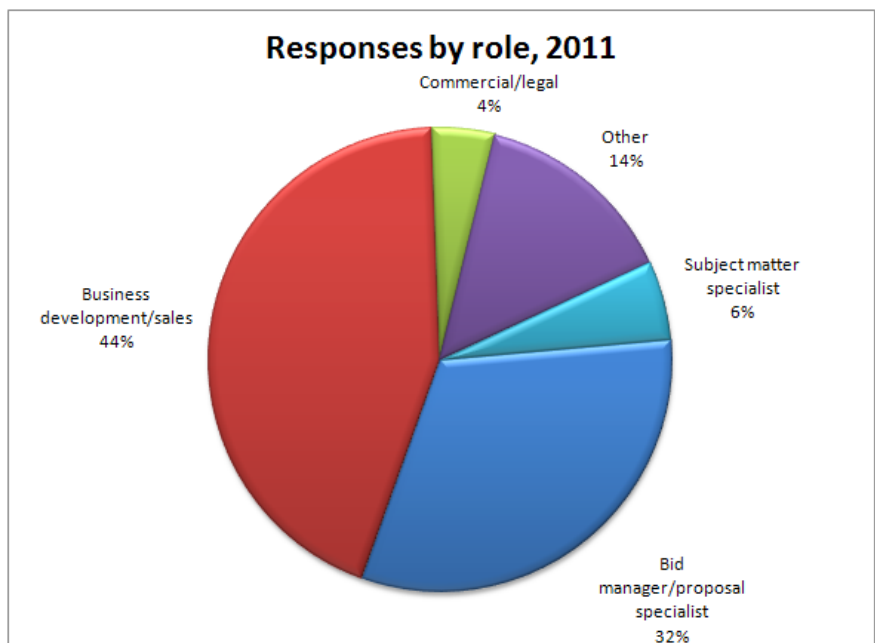
Responses

There were 91 responses (a 1.9% response rate) from 69 different organisations, with 19 anonymous. Responses were evenly split between the major industries that we support:



Responses had much the same distribution across industries as last year.

In general, the people who responded identified themselves as business developers and salespeople:



Job titles for respondents were similar to the previous year.

About Shipley

With a **proposal consulting win rate of 82%**, our "real-world" proposal managers, trainers, and process designers are recognized leaders in developing today's standards for proposal strategy and business acquisition. We offer a unique mix of consulting, training, and process implementation expertise tailored to meet each client's internal requirements.

Our clients include:

- **43** of the top **50** Fortune 500 companies worldwide
- **23** of the world's biggest **25** defence contractors

Shipley started in 1972 in the US, and now has significant offices in the UK and Europe, helping both local and international clients win business. Shipley Asia Pacific started in 2003, and has had significant successes with clients in **Australia, China, Japan, Malaysia, Singapore, India and Thailand.**

Proposal Consulting

Shipley has over 200 trained, experienced consultants available to meet our clients' needs. Many of them have already had long careers as senior Business Development executives or senior managers.

Over the past five years in Apac, Shipley has achieved a win rate of 100% where the client is an incumbent, and 64% for new business.

We also provide support roles such as writers, graphic artists and proposal production staff.

"Through Shipley's help, we have the ultimate resources to create proposal materials that support our sales people in winning business. We are now able to more effectively show the value of our products to potential clients."

Ross Dorras, Marketing Manager, Kodak

*"After training 80 pre-sales professionals, our win ratio for major bids has **risen to 70%**, from a significantly lower base the previous year"*

GM, Bids and BD, large Australian telecommunications company

Workshops

You will benefit from tailored 1-, 2- or 3-day workshops, the bulk of which are delivered in-house to match particular client needs.

Our workshops are highly experiential, and involve detailed worked case studies. Workshops are limited to 15 attendees.

Shipley workshops deliver the skills and tools you need to win more business.

Process Implementation

You will get most long-term benefit from the implementation of Shipley methods for all of the major proposals and bids that your organisation develops.

A permanent increase in win rate, and a permanent reduction in bid and proposal costs has a significant impact on your bottom line.