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WHY YOU'RE LOSING PROPOSALS

AVOID THESE COMMON MISTAKES TO
SECURE MORE CLIENT PROJECTS.





INTRODUCTION

WHY YOU'RE LOSING PROPOSALS

“ *Send me a proposal.*”

These words will send most agencies into a spin, working furiously to complete an insightful, in-depth document outlining what they can do for a client, how they can do it, and what it will cost.

The problem is that many agencies regard the proposal as the first phase in the sales process, when in fact, it should be one of the final steps.

A proposal is a document confirming previous discussions, not a conversation starter.

We could say you should stop writing proposals – only contracts – but that's just simply not possible for most firms. There is value in this document, but you have to understand its place in the sales cycle and how a proposal from your agency should be used to win a contract.

In this ebook, we'll outline the main reasons why you are losing proposals and what you can do to increase your closing percentage.

YOU FOCUS ON COST, NOT VALUE.

Do you understand where your true value lies?

If it's based on your pricing, then sure, make that the focus of your proposal. But most agencies don't want to just be the low-cost alternative.

They want to be a *partner*.

By focusing on a laundry list of items and what each costs, you are saying: This is how much time it takes us to complete this amount of work. This is how efficient we are, and this is what you will pay for our efficiency – or lack thereof.

And no one wins a new client with that attitude.

Focus on the value of your services. Emphasize the client's pain points, the challenges they have faced in meeting their goals, and your agency's track record for delivering great marketing campaigns and improving a client's overall business. How will you help the client acquire more customers? How can you reduce the cost of acquisition of those customers?

Most clients – the ones you want – look at marketing as an investment. That's a very different mindset from that of people who simply want to buy a product at the lowest cost possible. Make value the focus of your proposal.

YOU DIDN'T QUALIFY THE PROSPECT.

I've seen this multiple times: a CEO of an agency talks with a potential client, and the client seems interested. After that meeting, the CEO is fairly confident about what the client wants, and he assigns an account manager to put together a proposal.

The account manager writes up a document outlining a list of services (pretty much everything the agency offers) and backtracks his way from a grand total number to price out individual services. He saves the file and sends it over to the client.

The problem? The potential client has never worked with an agency, and he has no plans to partner with any agency until Q4. In addition, his budget is way below what the agency proposed. Immediately, he disregards the agency as an option – both now and when his budget increases by 50% next year.

Sometimes, a client will never be the right fit. And sometimes, it just isn't the right time. Don't ruin your chances by sending an unsolicited proposal that reveals your agency doesn't understand the client's current and future needs – including his financial constraints.

Besides business objectives and the current state of the company's marketing outreach, you should understand:

- What are the client's goals? What does success for the overall company look like?
- What is the timeframe for achieving those goals?
- Are there separate long-term and short-term goals? What specific metrics define success?
- How does he define success of an agency engagement?
- What challenges is the client currently facing?
- What value does he see in the services you provide?

YOU DIDN'T DEVELOP A RELATIONSHIP.

People want to do business with people they like.

It's that simple.

While we shouldn't have to emphasize this fact, people often forget that emotions drive our purchasing decisions, not logic.

Emotions cut through the clutter. They provide people with cues. They wake us up from our daily to-do lists.

Sending a proposal before you have any type of rapport with the potential client means your document will simply become another "to review" item on his list.

Start with a call or a coffee meeting. Find commonalities. Listen to his challenges. Show the person appreciation. Gain his trust.

Then, send the proposal with a personal note and a reminder of some shared moment.

YOU DON'T ACT LIKE A PARTNER.

The problem is that the client doesn't always know best – even if he thinks he does. And if you truly want to be a partner, not an order taker, you need to understand if what the client wants will get him the results he needs. These are obviously two very different things.

You need to challenge the client by showcasing not why he is wrong, but why another way is actually more efficient and effective.

This is also how your agency can stand out in competitive situations. If the potential client wants SEO and social media services, and you simply send a proposal outlining why you are the best agency for providing SEO and social, your document will be similar to every other agency's proposal – except for that one agency that considers why the client thinks he needs SEO and social and what actually makes sense for his goals, budget, and timeline.

You can stand out by taking a different approach.

YOU FRAME YOUR PRICING IN THE WRONG WAY.

You need confidence to make a sale – confidence in what you are selling, how it can help, and how you price your services.

Yet, most proposals are set up so that clients are given the bare-bones option first, and then the agency reveals what it can do for its Super Special, Super-Charged Retainer or its Everything You Ever Dreamed Of Marketing Package.

By using this order, you are cautiously approaching the client with the idea that they should spend more, not convincing them what the right package is and why.

Consider this: which of the following statements is most impactful?

You'll save \$1,000 if you buy marketing automation software.

You'll lose 100 clients if you don't buy marketing automation software.

People feel much stronger about the thought of losing something.

When you set up your proposal, emphasize the possible losses if the client does not take action now.

In addition, set up your proposal so that the right package is presented first. Then, if necessary, outline what a stripped down version of this would cost. Also, emphasize how much more difficult, time consuming, or unattainable achieving the client's goals will be if he chooses this version. You're not really changing anything about what you do. You're just reframing the conversation.

YOU DON'T HAVE A PROCESS

Every client's goals and challenges are different, but that doesn't mean you need to start from scratch with every proposal.

If you have a keen understanding of what you do, how you sell it, and how to package it, you should be able to create or customize an existing proposal template to fit your needs.

However, this relies on your agency having a *repeatable*, defined selling process, meaning that your team asks similar questions to every prospect. You need to know:

- The goals, plans, and challenges of the client
- Current customer metrics and key company information
- The cost to the client of not doing anything to meet its goals

From there, your proposal should include a few key items:

- Campaign goals
- Scope of services and benefits
- Reporting
- Success Metrics
- Timeline
- Budget
- Signature

With this framework in place and a defined process for gathering information, it will be much easier to put together a winning proposal and do so quickly.

YOU DON'T SET EXPECTATIONS.

Once you have confirmed that the prospect is good fit for your services and the client has requested a proposal, you need to detail what the proposal and contract phase looks like – if the client wants to work with your agency.

The proposal should be a step in the commitment process on the part of the client. It should confirm everything you have already spoken about – either by phone or in-person. It's not a magic trick for selling. There shouldn't be some big reveal. It's not a tool for convincing and impressing.

This has already been taken care of, right?

The proposal is a confirmation – in writing – of what your agency can do, how it will do it, when it will be completed, and why the client specifically needs your services.

It should be the final step prior to a contract being signed, and you and the client should both be confident that the contract will be signed – and soon.

YOU WEREN'T PERSISTENT.

Sending a proposal isn't the final step – obviously. You still need the potential client to sign.

But because many agencies don't like to think they are in the business of selling their services, they often fail to implement follow-up procedures that pay off. They give up after a few emails or calls.

Remember: persistence is key.

If you understand your buyer's journey, you know that this is all part of the decision-making process. Now, you just need to give potential clients the information they need to make the final leap.

Create a process for your typical sales cycle armed with information on average close rates and the time it takes to complete a deal. (With a CRM, you can define these stages and easily keep track of progress.)

Map out what information you will send and the type of contact (phone, email, LinkedIn, etc.) you will make at each part in the process. Consider creating an email series that checks in on the client every few weeks and reiterates how your agency can help. Send the proposal with an invitation for an in-person meeting the following week to continue the momentum of the conversations. Tweak the messaging of your emails to determine what resonates with prospects.

You've gotten this far. Don't fail at the follow-up.

YOU LACK CREDIBILITY.

Trust takes time. And when you are sending a proposal to a potential client, there just isn't always time to create a trusting relationship.

But there are things you can do to prove you are credible, which is a step in the right direction.

Good design inspires confidence in the viewer. Follow modern design standards and practices to create a clean, easy-to-read proposal. In addition, a document full of misspellings and poor grammar can be a red flag for clients. It says little for your agency's ability to pay attention to detail, and it reduces your credibility as a professional organization.

Finally, you need compelling case studies that showcase the results you deliver, the type of working relationships you have, and how you solved problems with creative solutions.



CREDITS

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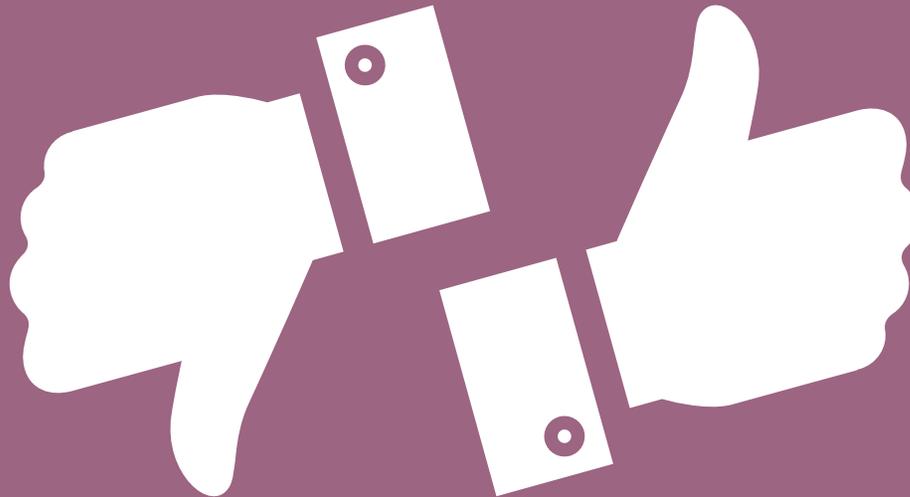
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