

The B2B selling environment has changed. Customers are savvier, better informed and (think they) know what they want. Rather than accepting advice from the salesperson, they now specify their desired solution long before the seller is involved. They also embrace a more rigorous approach to purchasing, often with a very restrictive bidding process - where procurement departments threaten sellers with disqualification if they contact the client decision makers.

In this new restrictive bidding environment, many dominant, market leading companies report feeling powerless, as they are unable to influence the specification, highlight their differentiators or demonstrate added value.

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So what should a salesperson do?

As always, Huthwaite likes to design real-world research projects to identify what the successful companies are doing differently. We recently reviewed 262 case studies for major bids (> £20 million) and found that access to executive decision makers was blocked an incredible 83% of the time.

Based upon the 262 case studies, when sellers have no prior client executive contact and access to key decision makers is blocked, the win rates are typically less than 1%. However, when sellers managed to create access to

key decision makers, win rates were as high as 78%.

So to improve the chance of success, should sellers ignore the rules and circumvent procurement to access decision makers?

The Huthwaite research project found that rather than 'covertly' sneaking around the back of procurement, the successful companies convinced the procurement team to grant 'overt' access to the client stakeholders. In other words, the sellers challenged procurement's rules using a compelling and valid reason of why they should be given access. While the exact conversations varied, the successful sellers all said something like:

"Previous experience shows that without executive access our success rate is near to zero, therefore we cannot proceed with this bid unless you grant us access."

It is a bold and audacious move to say, "we need executive access otherwise we will qualify out this opportunity." But every time the seller used this approach, they were granted full access. It seems that the threat of walking away is sufficient to eliminate the blockage. Of course, when you're bidding on a large deal your natural instinct is to be compliant and follow the client's process. However, before deciding that it's too risky to challenge the rules, take a moment to consider what the incumbent

supplier will be doing in this situation. Will they be slavishly following the process? No. They will be leveraging every single point of contact to try to influence the specification and the decision criteria. The new procurement world does not create a 'level playing field' between competing suppliers.

Challenging the procurement process may seem to be a controversial and high-risk option - but if success rates are below 1% for companies that do nothing, then blindly following the process is the riskier option.

If you'd like to learn more about what else successful sellers are doing differently to increase their win rates when dealing with aggressive procurement tools, then log on to our website www.huthwaite.co.uk/research

We'd certainly welcome both feedback and suggestions for future issues. Perhaps you'd like to write an article for us or there's a certain topic you'd like us to explore?

Whatever your thoughts, please share them with us: info@huthwaite.co.uk or on +44 (0) 1709 710081.

DEALING WITH A DIFFICULT PROCUREMENT PROCESS

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