

Sales proposals vary greatly in length and sophistication. Some are a page or two written by one person, others are many pages written collaboratively by several people, and still others are hundreds of pages written by a proposal-writing team. A short sales proposal might bid for painting the outside of a single-family home, a sales proposal of moderate length might bid for the installation of a network operating system for a small company, and a very long sales proposal might bid for the construction of a multimillion-dollar shopping center or sports complex. Short sales proposals are often written on standardized forms that are available within word-processing programs under Forms Templates, as well as on the Web from business-form template sites. They are also available from office-supply and stationery stores.

Your first task in writing a sales proposal is to find out exactly what your prospective customer needs. Then determine whether your organization can satisfy that customer's needs. If appropriate, compare your company's strengths with those of competing firms, determine your advantages over them, and emphasize those advantages in your proposal. For example, say a small biotechnology company is bidding for the contract to supply several types of medical test kits to a hospital. The proposal writer who believes that the company has a better-qualified staff than its competitors might include the résumés of the key people who would be involved in the project as a way of emphasizing that advantage.

Although the simple sales proposal typically follows the introduction-body-conclusion pattern, the long sales proposal contains more parts to accommodate the increased variety of information that it must present. The long sales proposal may include some or all of the following sections:

- Cover, or transmittal, letter (Figure 13–19 on page 474)
- Title page
- Executive or project summary (Figure 13–20 on page 475)
- General description of products (Figure 13–21 on page 476)
- Detailed solution or rationale (Figure 13–22 on page 477)
- Cost analysis (Figure 13–23 on page 478)
- Delivery schedule or work plan (Figure 13–23 on page 479)
- Site-preparation description (Figure 13–24 on page 480)
- Training requirements (Figure 13–25 on page 481)
- Statement of responsibilities (Figure 13–26 on page 482)
- Description of vendor (Figure 13–27 on page 483)
- Organizational sales pitch (optional) (Figure 13–27 on page 483)
- Conclusion (optional) (Figure 13–28 on page 484)
- Appendixes (optional)

Optional sections may be included at the discretion of the proposal-writing team. A conclusion, for example, may be added to a very long proposal as a

convenience to the reader, but it is not mandatory. A site-preparation section, however, is essential if the work proposed requires construction, remodeling, or such preparatory work as facility rewiring before equipment can be installed.

A long sales proposal begins with a cover letter—sometimes called a *transmittal letter*—that expresses your appreciation for the opportunity to submit your proposal and for any assistance you may have received in studying the customer's requirements. The letter should acknowledge any previous positive association with the customer. Then it should summarize the recommendations offered in the proposal and express your confidence that they will satisfy the customer's needs. Figure 13–19 shows the cover letter for the proposal illustrated in Figures 13–20 through 13–28—a proposal that the Waters Corporation of Tampa provide a computer system for the Cookson's chain of retail stores.

A title page and an executive summary—sometimes called a *project summary*—follow the cover letter. The title page contains the title of the proposal, the date of submission, the company to which it is being submitted, your company's name, and any symbol or logo that identifies your company. The executive summary is addressed to the executive who will ultimately accept or reject the proposal and should summarize in nontechnical language how you plan to approach the work. Figure 13–20 on page 475 shows the executive summary of the Waters Corporation proposal.

If your proposal offers products as well as services, it should include a general description of the products, as shown in Figure 13–21 on page 476. In many cases, product descriptions will already exist in other company publications; be sure to check your company's files or server before drafting a description from scratch.

Following the executive summary and the general description, explain exactly how you plan to do what you are proposing. This section, called the *detailed solution*, or *rationale*, will be read by specialists who can understand and evaluate your plan, so you can feel free to use technical language and discuss complicated concepts. Figure 13–22 on page 477 shows one part of the detailed solution appearing in the Waters Corporation proposal, which included several other applications in addition to the payroll application. Notice that the detailed solution, like the discussion in an unsolicited sales proposal, begins with a statement of the customer's problem, follows with a statement of the solution, and concludes with a statement of the benefits to the customer. In some proposals, the headings "Problem" and "Solution" are used for this section.

A cost analysis and delivery schedule are essential to any sales proposal. The cost analysis, or budget, itemizes the estimated cost of all the products and services that you are offering; the delivery schedule—also called a *work plan*—commits you to a specific timetable for providing those products and services. Figure 13–23 on page 478 shows the cost analysis and delivery schedule of the Waters Corporation proposal.

If your recommendations include modifying your customer's physical facilities, you would include a site-preparation description that details the modifications required. In some proposals, the headings "Facilities" and "Equipment" are used for this section. Figure 13–24 on page 480 shows the site-preparation section.

◆ For additional guidance on writing cover letters and transmittals, see page 314 in Chapter 9, *Writing Business Correspondence*, and page 381 in Chapter 11, *Writing Formal Reports*.

◆ For more advice on preparing a title page, see pages 382–383 in Chapter 11, *Writing Formal Reports*.

◆ For a discussion of executive summaries, see pages 391–393 in Chapter 11, *Writing Formal Reports*.

The Waters Corporation

17 North Waterloo Blvd., Tampa, Florida 33607
Phone: (813) 919-1213 Fax: (813) 919-4411
waterscorp.com

September 2, 2013

Mr. John Yeung, General Manager
Cookson's Retail Stores, Inc.
101 Longuer Street
Savannah, Georgia 31399

Dear Mr. Yeung:

Opening expresses appreciation for chance to bid on the project and stresses success of past working relationship

The Waters Corporation appreciates the opportunity to respond to Cookson's Request for Proposal dated July 26, 2013. We would like to thank Mr. Becklight, Director of your Management Information Systems Department, for his invaluable contributions to the study of your operations before we prepared our proposal. Waters's close working relationship with Cookson's has resulted in a clear understanding of your philosophy and needs.

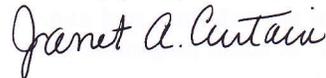
Body describes purpose of work proposed and belief in its success in meeting the customer's need

Our proposal describes a Waters Interactive Terminal/Retail Processor System designed to meet Cookson's network and processing needs. It will provide all of your required capabilities, from the point-of-sale operational requirements at the store terminals to the host processor. The system is easily installed without extensive customer reprogramming and is compatible with much of Cookson's present equipment. It will provide the flexibility to add new features and products in the future. The system's unique hardware modularity, microprocessor design, and flexible programming capability greatly reduce the risk of obsolescence.

Ending assures customer of company's commitment to success

Thank you for the opportunity to present this proposal. We will use all the resources available to the Waters Corporation to ensure the successful implementation of the new system.

Sincerely yours,



Janet A. Curtain
Executive Account Manager
General Merchandise Systems
jcurtain@waters.com

Enclosure: Cookson's Proposal

Figure 13-19 Cover Letter for a Sales Proposal

The Waters Proposal

September 2, 2013

EXECUTIVE SUMMARY

The Waters 319 Interactive Terminal/615 Retail Processor System will provide your management with the tools necessary to manage people and equipment more profitably with procedures that will yield more cost-effective business controls for Cookson's.

Opens with overview of the proposed system

The equipment and applications proposed for Cookson's were selected through the combined effort of Waters and Cookson's Management Information Systems Director, Mr. Becklight. The architecture of the system will respond to your current requirements and allow for future expansion.

The features and hardware in the system were determined from data acquired through the comprehensive survey we conducted at your stores in February of this year. The total of 71 Interactive Terminals proposed to service your four store locations is based on the number of terminals currently in use and on the average number of transactions processed during normal and peak periods. The planned remodeling of all four stores was also considered, and the suggested terminal placement has been incorporated into the working floor plan. The proposed equipment configuration and software applications have been simulated to determine system performance based on the volumes and anticipated growth rates of the Cookson's stores.

Summarizes scope of system proposed

The information from the survey was also used in the cost justification, which was checked and verified by your controller, Mr. Deitering. The cost effectiveness of the Waters 319 Interactive Terminal/615 Retail Processor System is apparent. Expected savings, such as the projected 46 percent reduction in sales audit expenses, are realistic projections based on Waters's experience with other installations of this type.

Ends with projected cost savings of interest to the executive reader

Figure 13-20 Executive Summary of a Sales Proposal

The Waters Proposal

September 2, 2013

GENERAL SYSTEM DESCRIPTION

The point-of-sale system that Waters is proposing for Cookson's includes two primary Waters products. These are the 319 Interactive Terminal and the 615 Retail Processor.

Waters 319 Interactive Terminal

The primary component in the proposed retail system is the 319 Interactive Terminal. It contains a full microprocessor, which gives it the flexibility that Cookson's has been looking for.

The 319 Interactive Terminal provides you with freedom in sequencing a transaction to suit your needs rather than limiting you to a preset list of available steps or transactions. The terminal program can be adapted to provide unique transaction sets, each designed with a logical sequence of entry and processing to accomplish required tasks. The 319 Interactive Terminal also functions as a credit-authorization device, either by using its own floor limits or by transmitting a credit inquiry to the 615 Retail Processor for authorization.

Data-collection formats have been simplified so that transaction editing and formatting are much more easily accomplished. The information systems manager has already been provided with documentation on these formats and has outlined all data-processing efforts that will be necessary to transmit the data to your current systems. These projections have been considered in the cost justification.

Waters 615 Retail Processor

The Waters 615 Retail Processor is a server-based system designed to support the Waters family of retail terminals. The processor will reside in your data center in Jacksonville. Operators already on your staff will be trained to initiate and monitor its activities.

Software

The Retail III software used with the system has been thoroughly tested and is operational in many Waters customer installations. The software provides the complete processing of the transaction, from the interaction with the operator on the sales floor through the data capture on disk in stores and in your data center.

Retail III provides a menu of modular applications for your selection. Parameters condition each of them to your hardware environment and operating requirements. The selection of hardware will be closely related to the selection of the software applications.

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Detailed breakdown of system components and functions essential for technical readers

Additional system details for technical specialists

Figure 13–21 General-Description-of-Products Section of a Sales Proposal

The Waters Proposal

September 2, 2013

PAYROLL APPLICATION

Current Procedure

Your current system of reporting time requires each hourly employee to sign a time sheet; the time sheet is reviewed by the department manager and sent to the Payroll Department on Friday evening. Because the week ends on Saturday, the employee must show the scheduled hours for Saturday and not the actual hours; therefore, the department manager must adjust the reported hours on the time sheet for employees who do not report on the scheduled Saturday or who do not work the number of hours scheduled.

A primary system feature described in problem-solution form

The Payroll Department employs a supervisor and three full-time clerks. To meet deadlines caused by an unbalanced work flow, an additional part-time clerk is used for 20 to 30 hours per week. The average wage for this clerk is \$10.31 per hour.

Advantage of the Waters System

The 319 Interactive Terminal can be programmed for entry of payroll data for each employee on Monday mornings by department managers, with the data reflecting actual hours worked. This system would eliminate the need for manual batching, controlling, and data input. The Payroll Department estimates conservatively that this work consumes 30 hours per week.

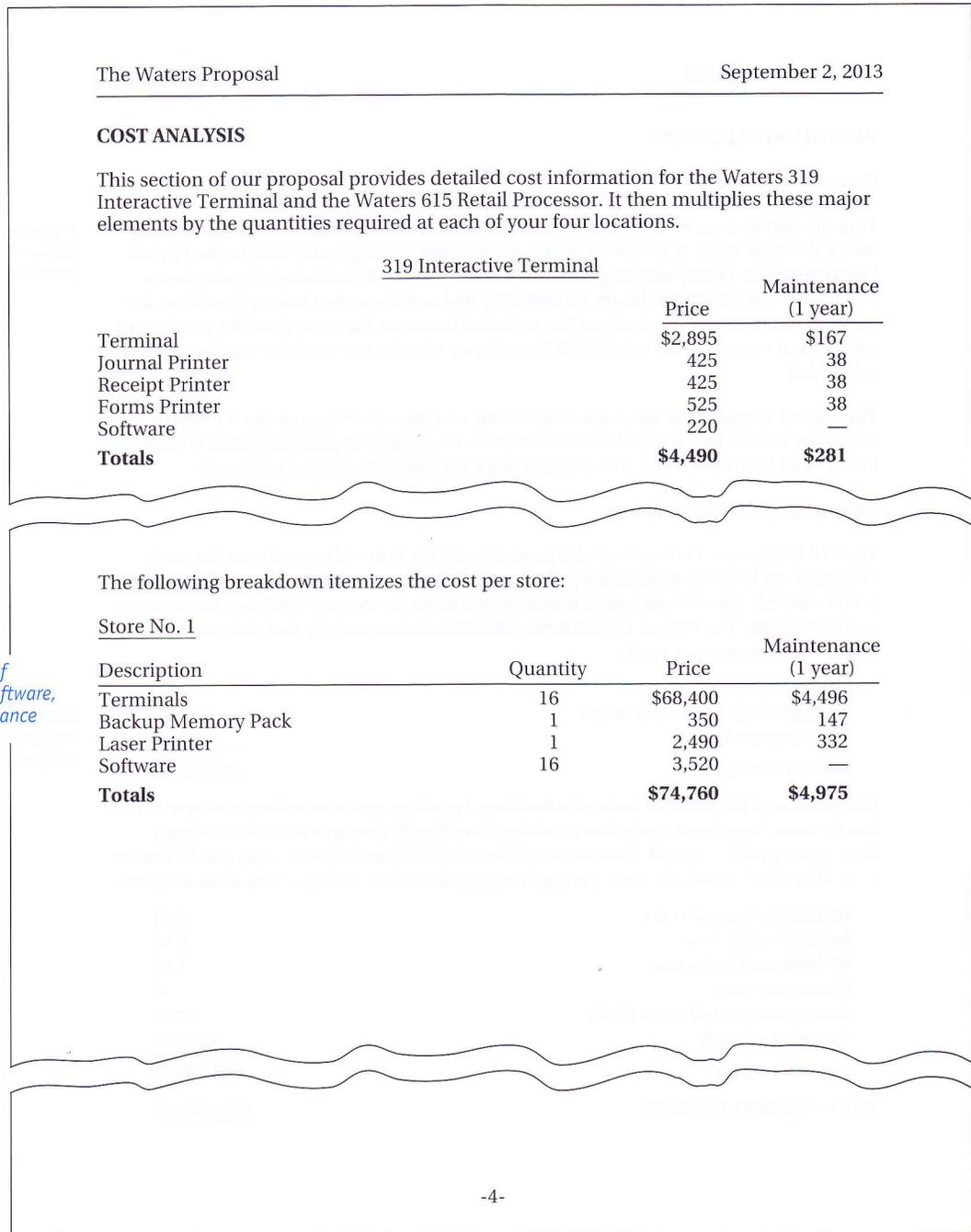
Hours per week	30
Average wage (part-time clerk)	× 10.31
Weekly payroll cost	<u>\$309.30</u>
Annual Savings	\$16,083.60

Supporting cost analysis illustrates company savings

Elimination of the manual tasks of tabulating, batching, and controlling can save 0.25 hourly units. Improved work flow resulting from timely data in the system without data-input processing will allow more efficient use of clerical hours. This would reduce payroll by the 0.50 hourly units currently required to meet weekly check disbursement.

Eliminate manual tasks	0.25
Improve work flow	0.50
40-hour unit reduction	<u>1.00</u>
Hours per week	40
Average wage (full-time clerk)	12.62
Savings per week	<u>\$509.80</u>
Annual Savings	\$26,509.60
TOTAL ANNUAL SAVINGS:	<u>\$42,593.20</u>

Figure 13-22 Detailed Solution of a Sales Proposal



Breakdown of hardware, software, and maintenance costs

Figure 13–23 Cost Analysis and Delivery Schedule of a Sales Proposal (continued)

The Waters Proposal		September 2, 2013	
The following summarizes all costs:			
Location	Hardware	Maintenance (1 year)	Software
Store No. 1	\$74,760	\$4,975	\$3,520
Store No. 2	89,190	6,099	4,400
Store No. 3	76,380	5,256	3,740
Store No. 4	80,650	5,537	3,960
Data Center	63,360	6,679	12,480
Subtotals	\$384,340	\$28,546	\$28,100
Total	\$440,986		
DELIVERY SCHEDULE			
Waters is normally able to deliver 319 Interactive Terminals and 615 Retail Processors within 90 days of the date of the contract. This can vary depending on the rate and size of incoming orders.			
All the software recommended in this proposal is available for immediate delivery. We do not anticipate any difficulty in meeting your tentative delivery schedule.			

Further cost breakdown and delivery schedule

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Figure 13-23 Cost Analysis and Delivery Schedule of a Sales Proposal (continued)

If the products and services you are proposing require training the customer's employees, your proposal should specify the required training and its cost. Figure 13-25 on page 481 shows the training-requirements section of the Waters proposal.

To prevent misunderstandings about what you and your customer's responsibilities will be, you should draw up a statement of responsibilities (Figure 13-26 on page 482), which usually appears toward the end of the proposal. Also toward the end of the proposal is a description of the vendor, which gives a profile of your company, its history, and its present position in the industry. The description-of-the-vendor section typically includes a list of people or subcontractors and the duties they will perform. The résumés of key personnel may also be placed here or in an appendix. Following this description, many proposals add what is known as an organizational sales pitch. To this point, the proposal has attempted to sell specific goods and services. The sales pitch, striking a somewhat different chord, is designed to sell the company and its general capability in the field. The sales pitch promotes the company and concludes the proposal on an upbeat note. Figure 13-27 on page 483 shows the vendor-description and sales-pitch sections of the Waters proposal.

Details of system requirements and division of responsibilities for the work

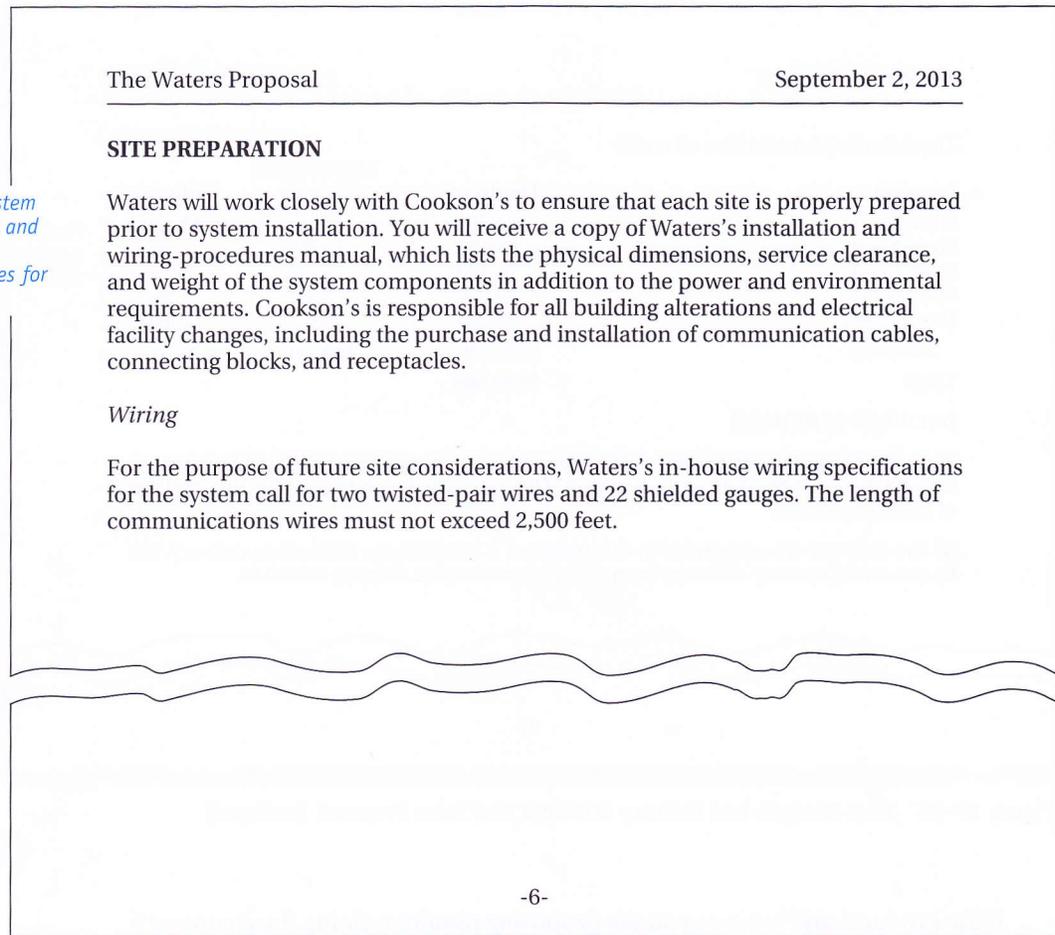


Figure 13-24 Site-Preparation Section of a Sales Proposal

ON THE WEB

For a complete, annotated version of the proposal shown in Figures 13-19 through 13-28, as well as the RFP to which the proposal responded, go to bedfordsmartins.com/writingthatworks and select *Model Documents Gallery*.

Some long sales proposals include a conclusion section that summarizes the proposal's salient points, stresses your company's strengths, and includes information about whom the potential client can contact for further information. It may also end with a request for the date the work will begin should the proposal be accepted. Figure 13-28 on page 484 shows the conclusion of the Waters proposal.

Depending on length and technical complexity, some proposals include appendixes made up of statistical analyses, maps, charts, tables, and résumés of the principal staff assigned to the project. Appendixes to proposals should contain only supplemental information; the primary information should appear in the body of the proposal.

The Waters Proposal

September 2, 2013

TRAINING

To ensure a successful installation, Waters offers the following training course for your operators.

Interactive Terminal/Retail Processor Operations

Course number: 8256

Length: three days

Tuition: \$500.00

Employee training costs and length

This course provides the student with the skills, knowledge, and practice required to operate an Interactive Terminal/Retail Processor System. Online, clustered, and stand-alone environments are covered.

We recommend that students have a department-store background and that they have some knowledge of the system configuration with which they will be working.

Figure 13–25 Training-Requirements Section of a Sales Proposal

The Waters Proposal

September 2, 2013

RESPONSIBILITIES

Based on its years of experience in installing information-processing systems, Waters believes that a successful installation requires a clear understanding of certain responsibilities.

Waters's Responsibilities

Generally, it is Waters's responsibility to provide its users with needed assistance during the installation so that live processing can begin as soon thereafter as is practical.

- Provide operations documentation for each application that you acquire from Waters.
- Provide forms and other supplies as ordered.
- Provide specifications and technical guidance for proper site planning and installation.
- Provide adviser assistance in the conversion from your present system to the new system.

Customer's Responsibilities

Cookson's will be responsible for the suggested improvements described earlier, as well as the following:

- Identify an installation coordinator and a system operator.
- Provide supervisors and clerical personnel to perform conversion to the system.
- Establish reasonable time schedules for implementation.
- Ensure that the physical site requirements are met.
- Provide personnel to be trained as operators and ensure that other employees are trained as necessary.
- Assume the responsibility for implementing and operating the system.

*Division of tasks
between customer
and vendor*

Figure 13-26 Statement-of-Responsibilities Section of a Sales Proposal

The Waters Proposal

September 2, 2013

DESCRIPTION OF VENDOR

The Waters Corporation develops, manufactures, markets, installs, and services total business information-processing systems for selected markets. These markets are primarily in the retail, financial, commercial, industrial, health-care, education, and government sectors.

Statements of the vendor's history and commitment to its core business to highlight its experience and reputation

The Waters total-system concept encompasses one of the broadest hardware and software product lines in the industry. Waters computers range from small business systems to powerful general-purpose processors. Waters computers are supported by a complete spectrum of terminals, peripherals, and data-communication networks, as well as an extensive library of software products. Supplemental services and products include data centers, field service, systems engineering, and educational centers.

The Waters Corporation was founded in 1934 and presently has approximately 26,500 employees. The Waters headquarters is located at 17 North Waterloo Boulevard, Tampa, Florida, with district offices throughout the United States and Canada. For a comprehensive listing of Waters products and services, visit our Web site at <waterscorp.com>.

WHY WATERS?*Corporate Commitment to the Retail Industry*

Waters's commitment to the retail industry is stronger than ever. We are continually striving to provide leadership in the design and implementation of new retail systems and applications that will ensure our users of a logical growth pattern.

Research and Development

Over the years, Waters has spent increasingly large sums on research-and-development efforts to ensure the availability of products and systems for the future. In 2012, our research-and-development expenditures for advanced-systems design and technological innovations reached the \$70 million level.

Leading Point-of-Sale Vendor

Waters is a leading point-of-sale vendor, having installed over 150,000 units. The knowledge and experience that Waters has gained over the years from these installations ensure well-coordinated and effective systems implementations.

Figure 13-27 Description-of-Vendor and Sales-Pitch Sections of a Sales Proposal

The Waters Proposal

September 2, 2013

CONCLUSION

Final summary of system advantages

Waters welcomes the opportunity to submit this proposal to Cookson's. The Waters Corporation is confident that we have offered the right solution at a competitive price. Based on the hands-on analysis we conducted, our proposal takes into account your current and projected workloads and your plans to expand your facilities and operations. Our proposal will also, we believe, afford Cookson's future cost-avoidance measures in employee time and in enhanced accounting features.

Restatement of vendor's experience and reputation

Waters has a proven track record of success in the manufacture, installation, and servicing of retail business information systems, stretching over many decades. We also have a demonstrated record of success in our past business associations with Cookson's. We believe that the system we propose will extend and strengthen this partnership.

Contact information

Should you require additional information about any facet of this proposal, please contact Janet A. Curtain, who will personally arrange to meet with you or arrange for Waters's technical staff to meet with you or send you the information you need.

We look forward to your decision and to continued success in our working relationship with Cookson's.

Figure 13-28 Conclusion of a Sales Proposal