

What's the latest on GenAI in bidding?

Introduction

GenAI is already revolutionising how businesses approach competitive bidding. Almost 25% of teams are now using it in their proposals, but are we still only scratching the surface of its potential?

With this second piece of AI research, we take a look at how organisations are using GenAI to bid more effectively and efficiently.



Our survey, conducted earlier this year, included respondents from diverse roles in leadership, management, and specialised positions across various sectors like finance, construction, and transport. Participants from the UK, USA, Canada, and several other countries shared their perspectives on the impact of GenAI on bid and proposal processes.

Headline findings

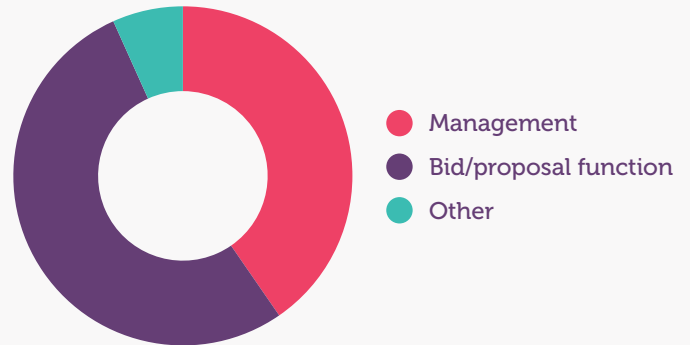
- 24% are using GenAI in bid and proposal processes today
- 66% are investing time and effort to explore GenAI
- 44% are providing guidance / training on GenAI use
- 83% don't have a structured approach to testing GenAI
- 17% are measuring the ROI on their investment in GenAI
- 50% faced challenges in adopting new ways of working
- 62% reported no improvement in win rate
- 56% reported an increase in proposal quality

Read on for the full set of findings.



Are businesses benefitting from AI yet?

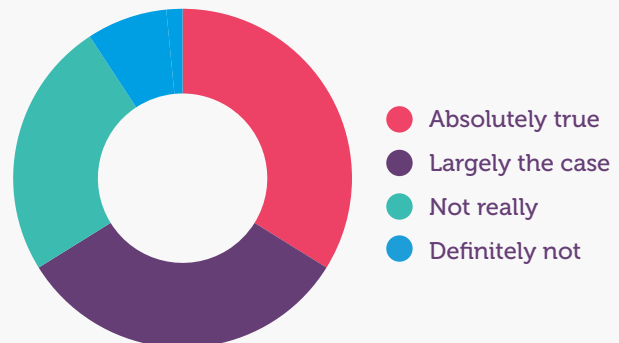
Are there groups within your business that believe there are efficiencies to be made by using generative AI in bids and proposals?



With our deep understanding of the labour-intensive process of creating compelling proposals, it's no surprise that bid teams are the most optimistic about the efficiencies GenAI can bring. Management's significant interest shows a strategic recognition of AI's potential

to streamline operations and reduce costs. The smaller percentages from other groups, like marketing and sales, reflect their indirect involvement in the bidding process, which means they are less aware of the specific efficiencies AI could offer.

Is your organisation investing time and effort looking at ways to use generative AI in your bid and proposal process?

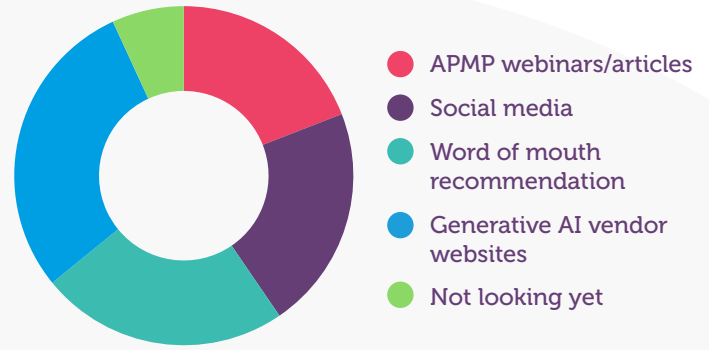


With management seeing AI's potential, there's a positive trend of exploring GenAI, with two-thirds affirming their organisation's active interest. This suggests recognition of AI's potential to enhance efficiency and competitiveness. However, more

than a quarter are not really investing in AI, suggesting there are still reservations or barriers. In our experience, this reluctance is typically due to resource constraints, lack of expertise and scepticism about AI's effectiveness.



Where do you go to for information to help you select a generative AI tool?



Over a third of organisations aren't investing and aren't sure where to go for expertise, so are mostly turning to the usual suspects.

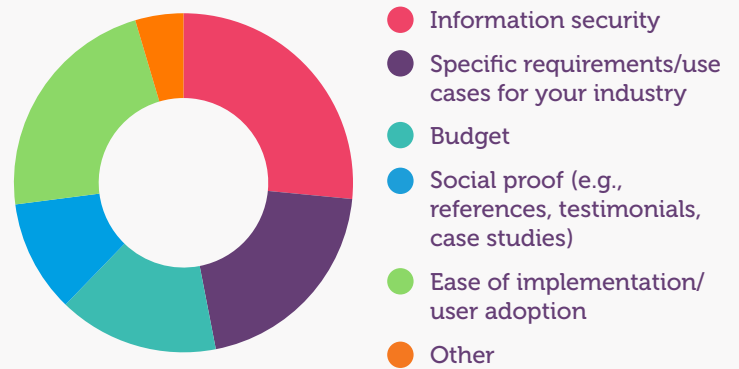
GenAI vendor websites are the most common source of information, likely due to their comprehensive and detailed content tailored to potential users. Word of mouth recommendations are also highly valued, reflecting trust in peers' experiences and insights.

Social media is also a significant channel due to its accessibility and the diverse opinions available

– just Google it to see! It's good to see that APMP webinars and articles are a trusted resource, indicating the importance of professional guidance and industry-specific knowledge. The remaining respondents rely on other sources, such as internal teams and industry experts, highlighting organisations varied approaches to gathering reliable information.

And whilst people aren't too sure where to go, there are a lot of things to consider when thinking about when selecting AI tools.

What are the main factors you considered/are considering with generative AI tool selection?



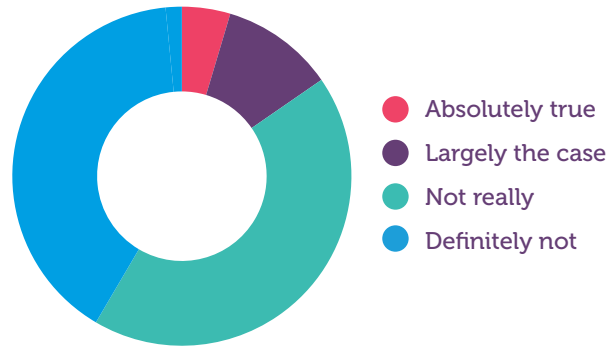
Information security is the top priority when selecting GenAI tools, reflecting concerns over data protection and compliance. Ease of implementation is also crucial, showing a preference for tools that integrate seamlessly into existing workflows. Perceived difficulty of integration discourages organisations from implementing AI.

Specific requirements and use cases are a significant factor, showing the need for tailored

solutions that meet unique business needs. Budget considerations (15%) underscore the importance of cost-effectiveness.

Social proof (11%) suggests that endorsements and success stories influence decision-making, but there's concern here as well. With many bidding service providers now offering their own tools, just how independent are the opinions you're reading?

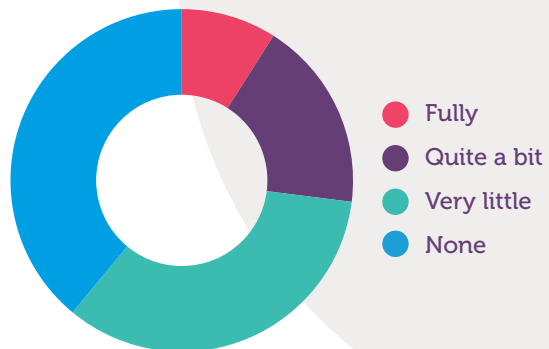
We've adopted a structured approach to testing generative AI for our proposals (versus we've been allowed to play with some of the tools available on the market).



Many organisations lack formalised processes and have a cautious or experimental attitude to AI integration – we're seeing this with many of our clients. Only a small proportion have taken

a more structured approach, reflecting their more strategic attitude towards AI and greater commitment to using it. The majority are still at the stage of tentative exploration.

Is your organisation investing time and effort looking at ways to use generative AI in your bid and proposal process?

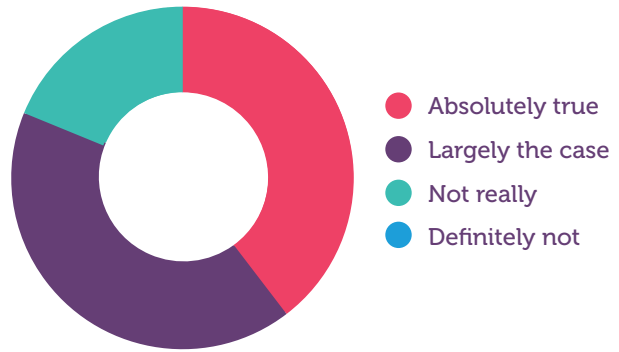


Many organisations are only in the early stages of exploring AI in bidding, so, unsurprisingly, the data shows that a significant number have given their teams little or no guidance or training on using AI in bids and proposals. This means that people working on bids and proposals don't know what they're able and allowed to use and to do. It also means they're missing out on the opportunity to realise any benefits AI could bring them. This apparent lack of formal support and education could hinder effective

AI adoption. Almost one-third are proactive in this area – so some clearly do recognise the potential strategic benefits of AI. Others are adopting a range of approaches, from having an AI policy to prohibiting AI use, reflecting diverse organisational attitudes and stages of AI integration.

Once we get there, will we need to adapt? Of course! We know (thanks Darwin) that we need to adapt or die. So...

Do you agree that the skillsets of those working on bids and proposals will change due to the use of generative AI? For example, prompt engineering skills, enhancing human/EQ-led skills such as facilitation and influencing?



Everyone believes bidding skillsets will change due to GenAI. This shows the need for new competencies, such as prompt engineering and enhanced human/EQ-led skills like facilitation and influencing. However, we didn't ask about the time needed to make these changes or differences across roles.

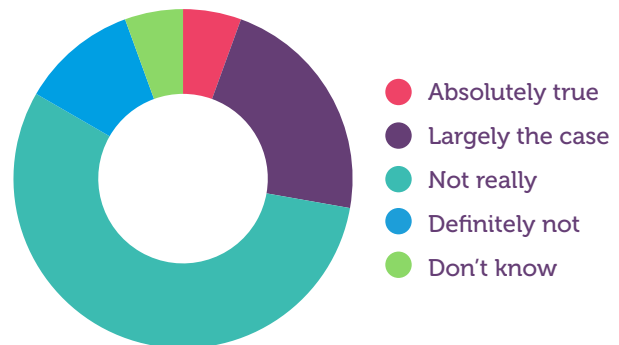
Seventeen percent of respondents are uncertain or sceptical of the extent to which AI will change bidding skillsets. The data highlights a broad recognition of the evolving skill requirements driven by AI use and, underscoring the importance of adapting to these new demands to stay competitive.

One immediate change will be a demand for prompt engineering skills. While technical ability is essential, the rise of GenAI will also highlight the value of human-centric skills

such as facilitation, influencing and emotional intelligence. The pace at which these skills and roles evolve will depend on the extent of organisational support and training. Organisations that proactively invest in training and development programs will transition more faster and more smoothly. Conversely, those that lag in providing such support risk hindering their employees' ability to adapt.

In addition to skill development, roles and responsibilities in bid and proposal teams will inevitably shift. We can expect the emergence of new roles such as AI analysts and integration specialists that will focus on optimising the use of GenAI tools. Traditional roles will also evolve, with people taking on more strategic and oversight functions to ensure AI outputs align with organisational goals and standards.

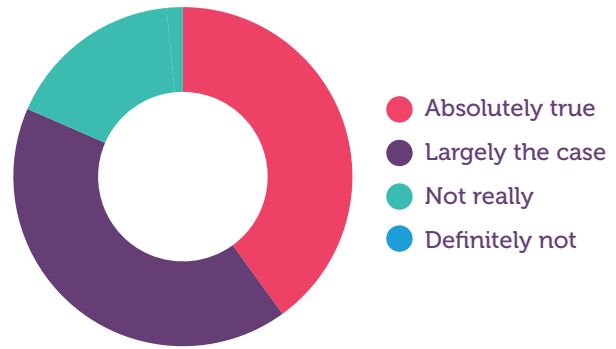
Has the use of generative AI changed your approach to hiring staff?



While the survey results suggest GenAI has so far had a limited impact on hiring practices, we're expecting to see explicit AI-related requirements becoming a standard part of job descriptions. These will likely include those prompt engineering skills, experience with specific AI tools and the ability to interpret and

use AI-generated insights. Existing roles will be redefined to require a blend of technical acumen and human-centric capabilities and there will be new positions focused on optimising and managing AI tools. All this further underscores the importance of AI proficiency in bidding.

We inform our customers whether we're using AI in our proposals, and if we are, then how we're using it.



If we are dipping our toe into the AI world, are we admitting it? Of those using AI today, 15% don't inform their customers that they are doing so. At least most of us are honest!

We're hearing that our clients are being asked if AI has been used in their proposals. One was found by a customer's AI checker to be using AI in one of their in-house developed responses.



The buyer had two main concerns about this:

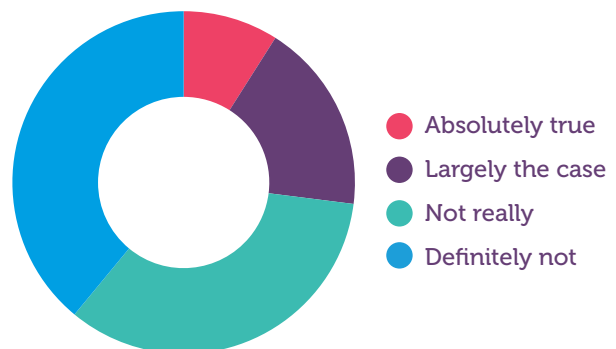
1. How could they trust what the bidder was saying they could deliver?
2. Parts of the bidder's content was remarkably similar to their competitors – who were also using AI.

Significant concerns, right?

As you can see, many bidders are disclosing their use of AI. Honesty is always the best policy, but this is also because customers are asking about it in their RFPs.

Whatever you're telling your customers ... how many of you are using GenAI today?

Our organisation currently uses generative AI in the bid and proposal process.



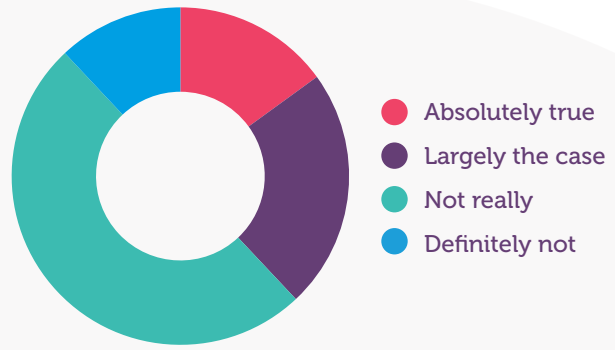
Well, around a quarter of you are. More would if we defined it differently... you could argue that the Editor feature in Microsoft Word relies on artificial intelligence!

The rest show a cautious approach to adopting GenAI, with many organisations waiting to see proven benefits before fully committing. This shows the need for more robust testing and

clear demonstrations of AI's value in the bid and proposal process to encourage broader adoption. The "other" responses were mostly from those still testing AI – many are still in the exploratory phase.

Why are more not adopting AI? Perhaps because of a lack of clarity on the ROI ...

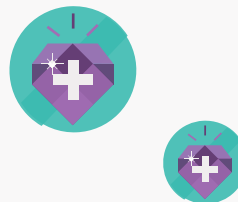
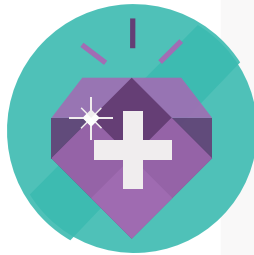
Our organisation currently monitors Return on Investment (ROI) for generative AI.



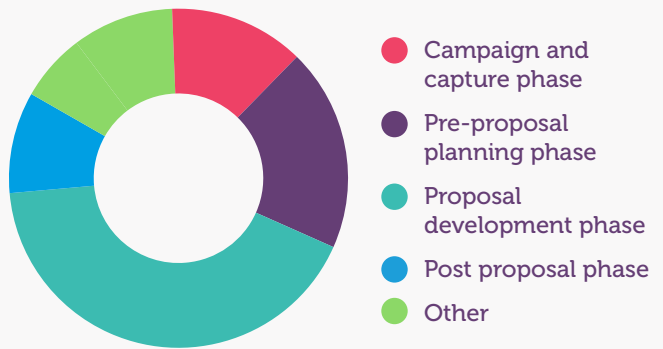
Less than one in five people said that they are monitoring the ROI of GenAI. Many more said they aren't, which shows a significant gap in the formal evaluation of investments in AI tools. This will hinder organisations' understanding of

AI's true value and impact. There needs to be a more structured approach to ROI monitoring to ensure that AI investments are delivering tangible benefits.

For those GenAI, where are they finding value?



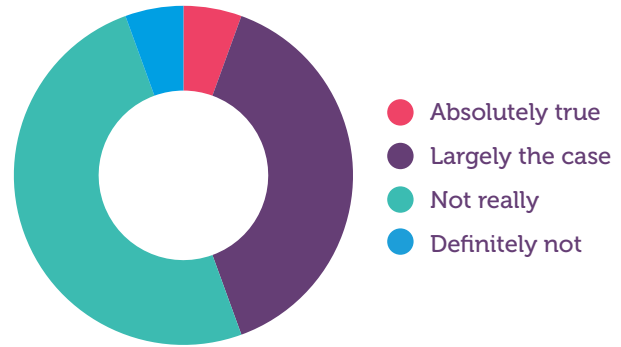
Using generative AI is saving us significant (more than 25%) of time in the...



Respondents are primarily using AI in the proposal development phase, showing its high value in creating and refining proposals. What's the impact of this? Perhaps needing fewer resources? Being able to produce more proposals? Hopefully neither. Rather, it should be the ability to spend more time on more strategic tasks, improving wellbeing and job satisfaction ...

People are also using AI in the pre-proposal planning and campaign and capture phases. The post-proposal phase sees some AI use, likely in results analysis and feedback. So, some organisations are using AI across all phases of the opportunity lifecycle. This means some organisations are potentially missing out. But even if their organisations are, what about the contributors to the bid process?

Today, contributors to the bid and proposal process (e.g., sales, legal, technical subject matter experts) are using generative AI as part of their contribution to proposals.

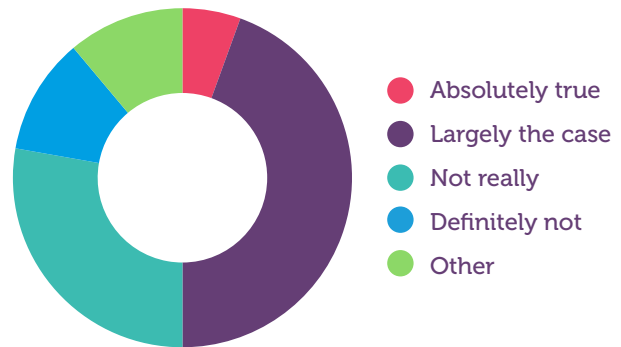


This shows a lot of variety in AI adoption. As you can see, almost half of contributors are using GenAI today. This shows that many individuals are using GenAI even if their organisations haven't embedded it into their bidding ways of working. For example, we recently heard of an organisation's legal team using AI to analyse contracts – scanning documents for risks and

pulling them into a matrix of dealbreakers, high- and medium-level risks.

So, individual contributors are more likely to be using AI than bid teams. Why this apparent nervousness?

We've experienced very little challenges in adopting new ways of working on our bids and proposals as a result of generative AI adoption.



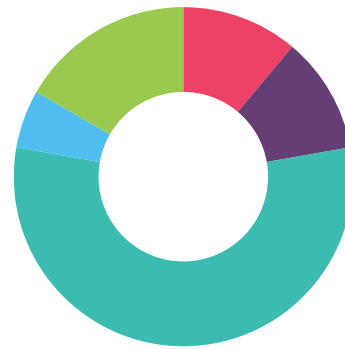
Those that are using AI report largely positive experiences, with around half facing minimal issues, such as with information security, IP rights, bias or accuracy. That does leave half facing some hurdles – but only to a certain extent and perhaps not as severe as they had anticipated. Perhaps until we hear about high profile bid protests around the use of AI in the

US... you might have heard the rumours too?

Also note that the Others included challenges around adoption and problems with their needs continually changing.

Is it worth it?

We've experienced an improvement in our win rate as a result of adopting generative AI.



- Absolutely true
- Largely the case
- Not really
- Definitely not
- Other (e.g. not sure or too early to tell)

The impact of GenAI on win rates in the bid and proposal process is still unclear. Just under one in four say that their win rates have improved. Did AI spark the improvement or did they implement other improvements in parallel? Hard

to say, but just over one in ten report a definite link to improvement. Though ROI monitoring hasn't fully matured, and it's not clear what data to believe, this is starting to suggest a link to winning more.



But it's not all about winning?

We've experienced an improvement in the quality of our submissions / proposals as a result of adopting generative AI.



- Absolutely true
- Largely the case
- Not really
- Definitely not
- Other (e.g. not sure or too early to tell)

Whilst around a quarter are seeing a win rate improvement, half are seeing an improvement in quality. Some respondents said both ... and no-one reported that AI was definitely not making an improvement. This shows that there's

a significant opportunity to maximise the benefits of GenAI. Better prompting is a good place to start and you might then focus on targeted training and iterative feedback to refine its applications.

Many organisations are clearly still in the preliminary stages of adopting GenAI in their bid and proposal process. Only a quarter of respondents reported using GenAI today.

There's evidence of win rate and quality benefits, but organisations need more proof of GenAI's value. It's currently mostly used in the proposal development phase. But there's an opportunity to expand. Organisations need to work out how to use AI as part of their process and in their ways of working, which will mean a knock-on effect on roles and recruitment strategies.



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