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How to Run a Successful E-commerce ITT

A guide to planning, managing,
documenting and delivering your tender
process

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How to Run a Successful E- commerce ITT



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1. Introduction

1.1. About this report

Investing in a new e-commerce platform or upgrading your existing systems is a major undertaking. The consequences of poor planning are commercially damaging. It is, therefore, mission critical to understand the skills and techniques required to manage the e-commerce ITT (Invitation to Tender) process in a professional and expedient manner.

An effectively managed ITT process will deliver the following commercial benefits:

- Ensure clarity of purpose within your organization.
- Obtain buy-in from key stakeholders to ensure commitment.
- Provide a clear vision of scope and objectives to prospective suppliers.
- Ensure that supplier capabilities are evaluated consistently and proposed solutions are comparable.
- Future proof your e-commerce channel to support long-term growth plans.
- Match your business culture to the best suited business partner.

1.2. About Econsultancy

Econsultancy is a [digital publishing and training group](#) that is used by more than 200,000 internet professionals every month.

The company publishes [practical and timesaving research](#) to help marketers make better decisions about the digital environment, build business cases, find the best suppliers, look smart in meetings and accelerate their careers.

Econsultancy has offices in New York and London, and hosts more than [100 events](#) every year in the US and UK. Many of the world's most famous brands use Econsultancy to [educate and train](#) their staff.

Some of Econsultancy's members include: Google, Yahoo, Dell, BBC, BT, Shell, Vodafone, Virgin Atlantic, Barclays, Deloitte, T-Mobile and Estée Lauder.

[Join Econsultancy](#) today to learn what's happening in digital marketing – and what works.

Call us to find out more on +44 (0)20 7269 1450 (London) or +1 212 699 3626 (New York). You can also [contact us online](#).



1.3. About the author

James Gurd, the author of this report, led a carefree existence until he discovered a nascent desire to embrace e-commerce in 1999 whilst working for the IBM Software Team in Portsmouth.

He spent four years in Business Development at BCA learning how to integrate e-commerce with traditional DM. The seeds were sown and three years as Head of eCommerce with Robert Dyas and Betterware led to increased financial responsibility and management of the customer service team.

Two years as Head of Client Development followed at e-inbusiness, helping a range of leading retailers like The Conran Shop, Radley and New Look to evolve their online presence.

James has worked as a freelance e-commerce consultant since 2009 and has helped media organizations, high street retailers and internet start-ups to manage their ITT process. He is a keen traveller and speaks good French, passable Spanish and is currently learning Urdu/Hindi to impress the in-laws. He dreams of life in the country and getting dogs.

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2. Using this document

Let's start with a clear definition of what we mean by an ITT process. An ITT process relates to the internal planning required to accurately scope project requirements and the subsequent process of finding suitable suppliers and systematically evaluating their eligibility to make an informed decision regarding who is best suited to be your e-commerce partner. It is an end-to-end process that begins once your company has committed to e-commerce investment and ends when you have selected a supplier and signed on the dotted line.

It is also important to be clear what this report is not. It does not discuss how you build a business case for e-commerce investment; the assumption is that you have already done your research and agreed the commercial context. It also does not cover the project delivery of your e-commerce platform once contracts have been signed.

In most organizations the **project owner**, and often initiator, for an e-commerce ITT is the **e-commerce manager**; by project owner we mean the person with day-to-day responsibility for ensuring the project is effectively managed and work is progressing according to plan and budget. The project owner will report to **the project sponsor**. See [Getting your project off the ground](#) below for more information.

Every company has unique requirements for e-commerce but the challenges faced are broadly similar. The techniques in this document are intended to give **e-commerce managers** from any industry the tools to help keep their project under control and fully supported by stakeholders. This document provides a framework with which to manage your e-commerce tender process.

It is not exhaustive but covers the key elements of project management from the perspective of an e-commerce manager and follows a tried and tested methodology. Throughout the guide we will use the terms "Supplier", "vendor" and "e-commerce solution provider" interchangeably.

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2.1. Terminology – differentiating between document formats

It's important to know the difference between the various documents that you will consider for your e-commerce project. At first glance they will seem similar but they do serve specific purposes.

2.1.1. RFI (Request for Information)

This is a short document, often in the format of a form or fact sheet. It is intended to provide top-level information for initial planning purposes, such as identifying the technology stack and technical expertise of suppliers.

2.1.2. RFQ (Request for Quote)

This document is appropriate if you have a specific requirement or clear technical specification for which you wish to compare quotes from multiple suppliers. For example, an RFQ could be used to compare cost models for web hosting service providers.

An RFQ can be used for one or more components of your e-commerce project or you can choose to incorporate everything into the comprehensive ITT (see below).

2.1.3. RFP (Request for Proposal)

This document is more advanced than the RFI and RFQ. It relates to the request for information to address specific needs and/or business issues and concerns. The RFP is used as a means of evaluating the overall fit of potential solutions to your commercial needs and goals. It is often used to pre-screen suppliers to ensure the ITT process is manageable and involves only those who closely match the selection criteria.

Econsultancy has also published an [E-commerce Request for Proposal](#) template document.

Sample real world application

A large media group wanted to re-platform its existing e-commerce operation. Several risk factors were identified by the project team...

2.1.4. ITT (Invitation to Tender)

The ITT document is used to evaluate a shortlist of suppliers to help make a final decision. It is a detailed and often lengthy document that can spill into hundreds of pages. Its purpose is to comprehensively cover your business requirements, technical and commercial, and to outline the scope of work that you expect your supplier to deliver.

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2.2. Standard phases of the ITT process

It is useful to visualize the multiple phases of the project to help you plan your timeline and communicate project milestones to the project team (see [Project Lifecycle and Milestones](#) below). More information on these phases can be found in the relevant sections of this document.

2.2.1. Exploration/Discovery

This involves internal discussion between all stakeholders to define the scope of the project and create a clear vision of what your e-commerce platform will look like and how it will function. At this stage...

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3. Getting your project off the ground

Before you let any information leave the business, you must be organized internally. Going to market with a poorly conceived ITT will not only result in complications when evaluating suppliers but it will also convey a lack of experience, which may come back to haunt you at contract negotiation stage and affect the quality of response from suppliers.

It is essential that...

3.1. Board level sponsorship

The project sponsor will provide a sounding board, helping you to make key decisions during the project to ensure the best possible outcome. The project sponsor doesn't have to be...

3.2. Project scoping

You need to understand what the project is before you consider suppliers. It's important to have a clear definition...

Some of the questions you will need to consider:

- What are our short and long-term growth targets?
- ...

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4. Deciding the level of detail in documentation

Every organization has unique requirements. Whilst the process will be similar, the level of detail that goes into planning will vary considerably. The level of detail will also depend on...

4.1. Role of the RFI and RFP – refining information

If there are knowledge gaps in your e-commerce requirements that can't be filled by your project team and direct research, you can turn to the RFI and RFP to add layers of information. An RFI can be used to...

Here are some ways in which you can use these interim stages:

- There are too many potential suppliers and you want to...
-

There are too many potential suppliers and you want to...In action - use of the RFI <Sample>

A large UK media organization wanted to upgrade their e-commerce platform but after two weeks of internal planning...

Example – excerpt from an RFI for a retail e-commerce project <Sample>

Note: The following section is taken from the summary page of an RFI that was used by a retailer to probe potential suppliers on their unique systems integration requirements that had been identified by the project team as a high risk factor.

4.2. Detail models

4.2.1. Top-level requirements

This involves providing a concise description of the core functionality that is required across all areas of the e-commerce platform. This style is relevant when...

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Table 1: Example of top-level detail for data exchange requirements between e-commerce and back-office finance systems <Sample>

Note: This excerpt is taken from the ITT for a UK-based media company.

Item	Description	Priority
<Sample>		

4.2.2. Precise process and technical detail

This takes the top-level detail and goes one step further, using technical skills to accurately map the process flow for each process within...

Table 2: Example of technical detail for data feed required for CRM system <Sample>

Note: This excerpt is taken from the ITT for a UK-based media company.

Column Name	Description	Data Type	Mandatory	Max Length
<Sample>				

4.3. Value of using a business analyst (BA)

BAs are skilled in comprehensively detailing business processes, mapping out the inter-dependencies between ...

Table 3: Pros and Cons of using a BA <Sample>

Using a BA		Not using a BA	
Pro	Con	Pro	Con
<Sample>			

5. Accurately defining business requirements – the scope

In this section you will find a detailed checklist covering the core areas of an e-commerce platform that need to be defined when producing an ITT.

It is not exhaustive because each business will have unique requirements but the structure and content will help shape your thinking and provide a framework with which to plan your unique needs.

When defining your project scope and e-commerce requirements, it is important to...

5.1. Providing relevant information about your business

It's important to treat prospective suppliers as business partners. Give them as much relevant information about your business as possible to help them understand what you do and who your customers are. The better the quality of information you give, the...

Table 4: Template for providing background information about your business
<Sample>

1.1.0	About our business
	<Sample>

5.1.1. Company background

Prospective suppliers will require a brief history of your company – where did it come from, who owns it, what is the breadth of operations etc. The background sets the tone for the type of partner you will be, and are looking for. You don't need to write War and Peace but try to incorporate the following:

- ...
-

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6. Writing ITT documentation

While some people still consider ITTs the preserve of monolithic organizations, they can be brought into the modern world and written to suit the culture of your business. The way you write and present the document will influence the style and quality of response. Don't be afraid to...

6.1. Style and tone

The ITT is a formal document but that doesn't preclude giving it a twist with your own personality. The document should be written to reflect the values of your business.

A few pointers:

- Be succinct...
- ...

Example – underlining the type of partner you need <Sample>

Note: This excerpt is taken from the ITT of a UK media company.

Whilst we have tried to build a comprehensive document for you to review...

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6.2. Structure and consistency

You need to present information clearly and make it easy for suppliers to understand your requirements. To achieve this there are tried and tested techniques you can use.

Clarify terminology

Explain to suppliers how...

Figure 1: Example of explaining naming conventions <Sample>

Note: This excerpt is taken from the ITT for a UK luxury brand retailer.

Project Element	Description	Code
		<Sample>

Figure 2: Example of defining priorities and phasing in an ITT <Sample>

Note: This excerpt is taken from the ITT for a UK media company.

Project Element	Priority	Phase
		<Sample>

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7. Internal scope review

By this stage of the ITT it is likely you will have become slightly obsessive with a penchant for OCD thanks to complete immersion in your e-commerce project. To avoid slipping into time consuming refinements to the documentation that don't add value, set...

7.1. Circulating your documentation

This should be done electronically by email to the entire project team. If the document is too large to attach, include a hyperlink to the folder location on the shared network. Make sure you include any supporting documentation that is referred to in the ITT.

Be concise with your words and explain to the project team the following:

- ...

7.2. Review meeting

Allocate sufficient time for the project team to read and digest the ITT draft and for questions to be answered. This should be no more than...

A few pointers to get the most from this meeting:

- ...

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8. Go to market phase 1: identifying suppliers

Now that you have an all singing and dancing ITT document, polished and ready to go, you have to decide whom to send it to. There are hundreds of e-commerce suppliers of all shapes and sizes in the UK market alone. Whom you talk to is as important as what you ask them for. If you are investing in a B2B solution make sure you review suppliers that have already implemented B2B e-commerce solutions. If you're operating in multiple markets globally, make sure you identify e-commerce solution vendors whose platforms support this.

For more information on the e-commerce platforms available, please refer to our [E-commerce Platforms Buyer's Guide](#).

8.1. What makes a good e-commerce supplier?

A good supplier is someone who understands...

A few pointers for what you should be looking for:

- The supplier has a track record of successful delivery of e-commerce projects.
- They have a...

If you are looking for a B2B e-commerce solution then also keep an eye out for:

- ...

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9. Supplier short listing

You need to contact your hit list of potential suppliers and solicit further information. It is standard procedure to whittle the list down to a maximum of...

9.1. Evaluating supplier capabilities

It is likely that you will have initially identified a list of between...

Consider using the following techniques:

- RFI and RFP documents to elicit more detailed information of...
-

Remember that at this stage it is not going to be possible to...

9.2. Using templates to collect information

Templates help collect information consistently to facilitate supplier comparisons. They also help suppliers focus on...

Table 5: Template for requesting relevant responses from suppliers <Sample>

Note: This template was first proposed in our [E-Commerce RFP](#) written by Steve Borges and can be used in your ITT process to enable objective comparison of the core capabilities of potential e-commerce solution providers.

1.0 Background to your business

<Sample>

2.0 Your e-commerce solution

<Sample>

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10. Go to market phase 2: submitting your ITT

The ITT document will be formally submitted to your supplier short list. Following the short-listing process, make sure you...

10.1. Make the information accessible

It is likely that you will have a large number of support documents that accompany the main ITT. It may be advisable to...

10.2. Define response requirements

How do you want suppliers to respond to the ITT? Make sure this is clearly explained either within the ITT or in the accompanying communication.

Example – specifying response requirements <Sample>

Note: This excerpt is taken from the ITT of a UK clothing retailer.

We would like to receive your response to our ITT...

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