



## REQUEST FOR PROPOSALS - CONSULTANCY TO DEVELOP SALES, MARKETING AND DISTRIBUTION STRATEGIES

### 1.0 The Africa Enterprise Challenge Fund

AECF is a development institution that builds the resilience of rural and marginalised communities by catalyzing innovative private sector business models with patient capital and growth support services across Sub-Saharan Africa. Launched in 2008, the AECF has mobilized over US \$356 million to date, leveraging more than US \$658 million in matching capital and improving the lives of more than 19 million people in 2018 alone through jobs and increased household incomes. The AECF has so far supported 268 companies in 26 countries in sub-Saharan Africa across 40 value chains in our focal sectors of agribusiness and renewable energy.

To deliver on our strategy, we will continue to focus on the agribusiness and renewable energy sectors, increase support to climate-smart technologies, refine our challenge model, expand regional presence, deepen the focus on gender, youth and employment by expanding our products and partnership approach to better meet our investees' current needs; and ensure they rapidly scale and transition to external financing and sustainability thereby attaining our vision of '*a prosperous, enterprising and resilient Africa*'.

### 2.0 About Investments Advisory Services

In delivering on the strategy, AECF's Investments Advisory Services (IAS) department is increasingly providing value added support to AECF investee companies in Africa to accelerate their business growth, resilience and impact delivery. The IAS team works with the investee companies to identify capacity gaps through conducting business diagnostics, prioritizing of capacity needs and planning for delivery of services that will increase business performance and sustainable delivery of social impact. Based on the emerging priority needs of our investees, key advisory services have been categorized under strategy & strategic management; financial management; marketing, distribution & customer service; leadership and organization development; production and operations; integration of environmental and social management; and investment readiness & capital raising.

### 3.0 About the REACT Kenya Relief Fund

The REACT Kenya Relief Fund is providing emergency grants to distributed energy service companies who are struggling to maintain access to energy to their thousands of rural customers because of the unprecedented disruptions and challenges from operating during the COVID-19 pandemic. Since 2011, AECF has been supporting Kenyan businesses reach off-grid rural communities with low cost, clean energy products and services. By providing patient capital in the forms of grants and zero interest loans to a carefully selected portfolio of companies, AECF has been able to contribute to enhanced energy access for over 700,000 off-grid households, create thousands of new jobs and opportunities for young people, and improve incomes and health conditions for rural communities.

The Covid-19 pandemic threatens to reverse this valuable progress and increase energy poverty and inequality across Kenya. Supply chains and distribution networks have been restricted by lockdowns, curfews, and social distancing measures. Rural customers are struggling with steep decreases in income and cannot afford even micro-payments to access lighting for their homes. They risk losing the access to the energy and information services that they need to better sustain themselves during the pandemic.

The REACT Kenya Relief Fund is a USD2 million initiative that has awarded emergency grants to companies operating in Kenya that can demonstrate that (i) they are serving the energy needs of off-grid households in poor rural and peri-urban areas and (ii) they need financial support if they are to safeguard jobs and essential services during the coronavirus pandemic.

Funded by Sweden, and managed by AECF, support is being provided through disbursements of emergency grants (USD50,000 –USD200,000) to cover short-term working capital needs (3-12 months) and technical assistance for business continuity and resilience.

**The specific objectives of the fund are to:**

- a) Provide relief to off-grid energy companies so that their employees, customers, and supply chains are not adversely affected by Covid-19 economic shocks.
- b) Guarantee energy access as an essential service (lighting, cooking and productive use of power) during the COVID-19 emergency.
- c) Provide targeted technical assistance to enable companies to develop solid strategies of coping with the COVID-19 pandemic.
- d) Understand the impacts that COVID-19 has had on low-income, off-grid households.

## **4.0 About the assignment**

### **4.1 Purpose of the assignment**

AECF is seeking the services of **a consulting firm** to support **four** of AECF’s investee companies in Kenya to develop robust marketing, sales and distribution strategies for their products. The assignment will commence with a market assessment and end with a costed and comprehensive sales and distribution plan for each of the companies. The services will be delivered by a firm, whose team will plug into the AECF’s Investment Advisory Services (IAS) delivery team. The assignment will be considered as one engagement and not four separate engagements, and this should be reflected in the proposal.

### **4.2 Specific duties and responsibilities (the “Services”) of the consultant**

The consultant will be expected to deliver on the following scope of the assignment, for each of the four companies.

- a) Assess the status of the organization and its environment (target market, customers, offerings, adaptation to business environment changes and challenges etc.)
- b) Define the strategic mission and objectives with regard to sales, marketing and distribution.
- c) Define each company’s competitive marketing, sales and distribution strategy (based on industry analysis, SWOT, competitive position etc.) with benchmarked sales targets.
- d) Develop a comprehensive marketing, sales and distribution plan, including a fully costed 12month plan.
- e) Train the team in marketing and selling.

### **4.3 Specific deliverables**

For each of the four companies, the deliverables/outputs for this assignment are outlined below:

- a) Report of the assessment of the current marketing, sales and distribution strategy and performance
- b) A profile of current and potential customers, competitors and marketing channels
- c) A marketing, sales and distribution strategy pivoted to the changing business environment and industry trends, with a clear competitive advantage.

- d) A costed marketing, sales and distribution plan
- e) Training report and materials for use by the investee companies for onward refresher trainings
- f) A Learning paper on insights from the technical assistance provided, and from industry practice (how to support SMEs pivot their marketing, sales and distribution strategies)

#### 4.4 Duration of the assignment

The assignment is expected to commence in March and end in April 2021.

#### 5.0 Proposal submission

Qualified consulting firms are invited to submit a proposal that includes the following:

- a) Qualification and experience of the individual.
- b) Approach and methodology to undertake this assignment underpinned by a demonstration of value for money.
- c) Previous experience in similar assignment(s) with SMEs, including if any, those in the renewable energy sector.
- d) A detailed financial budget (in USD) and work plan.
- e) The technical and financial proposals will need to be submitted as **separate documents**.

#### 6.0 Qualifications and experience

The minimum competencies and qualifications include:

- a) Master's degree in Business Administration or related field.
- b) Professional certification in areas like marketing and/or strategy will be an added advantage.
- c) Good analytical and presentation skills
- d) Experience in developing robust sales and marketing strategies for SMEs, preferably in the renewable energy and clean cooking sectors.
- e) Experience in training sales teams and developing effective go-to-market channels/strategies.
- f) More than 7 years of strategy development experience for SMEs in SSA – preference for individuals with experience in capital raising for SMEs in emerging economies.
- g) Experience in training and coaching of Senior and Middle Management teams in strategy execution.
- h) Experience in developing training material.
- i) Experience in supporting companies in Renewable Energy subsector is preferred.

#### 7.0 Reporting

The consultant will report to the Advisory Manager - IAS.

#### 8.0 Evaluation Criteria

An evaluation committee will be formed by the AECF and may include employees of the businesses to be supported. All members will be bound by the same standards of confidentiality. The consultant should ensure that they fully respond to all criteria to be comprehensively evaluated.

The AECF may request and receive clarification from any consultant when evaluating a proposal. The evaluation committee may invite some or all the consultants to appear before the committee to clarify

their proposals. In such event, the evaluation committee may consider such clarifications in evaluating proposals.

In deciding the final selection of qualified bidder, the technical quality of the proposal will be given a weighting of 80% based on the evaluation criteria. Only the financial proposal of those bidders who qualify technically will be opened. The financial proposal will be allocated a weighting of 20% and the proposals will be ranked in terms of total points scored.

The mandatory and desirable criteria against which proposals will be evaluated are identified in the table below.

<b>Key Areas for Evaluation/ Assessment</b>	<b>Weighted Award</b>
<b>(A) TECHNIAL PROPOSAL</b>	<b>80</b>
<b>i) An understanding of the consultancy requirements;</b>	<b>15</b>
<ul style="list-style-type: none"> <li>Demonstrate an understanding of the assignment</li> </ul>	5
<ul style="list-style-type: none"> <li>An in-depth understanding of models that facilitate Strategy development, strategy reviews, strategy stress-tests and gap analysis, strategic management encompassing areas of marketing, operations, sales and distribution and other critical aspects of the business.</li> <li>Understanding of how to develop the competitive advantage of companies.</li> <li>Understanding of development of sales and marketing strategies and plans</li> <li>Understanding Renewable Energy, PAYGo models and clean cooking sub-sectors in sub-Saharan Africa will be added advantage.</li> </ul>	10
<b>ii) Methodology and work-plan that will deliver the best value on the assignment:</b>	<b>30</b>
<ul style="list-style-type: none"> <li>Demonstrate the strategy and capacity to deliver each of the task(s) within a realistic timeline, underpinned by value for money.</li> </ul>	20
<b>iv) Relevant services undertaken by the bidder in the past engagements:</b>	<b>25</b>
<ul style="list-style-type: none"> <li>Demonstrate relevant experience and recent engagements with private sector companies in strategy development, strategy review, gap analysis.</li> <li>Demonstrate relevant experience in Marketing and sales strategy development.</li> <li>Experience in training sales and marketing teams</li> <li>Experience in supporting companies in the Renewable Energy and clean cooking sub-sectors in sub-Saharan Africa is added advantage.</li> </ul>	25
<b>v) Detailed reference list indicating the scope and magnitude of similar assignments:</b>	<b>10</b>
<ul style="list-style-type: none"> <li>At least 2 Letters of reference from past customers or associates to the consultant</li> </ul>	10
<b>(A) FINANCIAL PROPOSAL</b>	<b>20</b>
<ul style="list-style-type: none"> <li>Clarity, relevance, reality to market value/ value for money of cost for the assignment (inclusive of any applicable tax)</li> </ul>	20



## **9.0 Application details**

To be considered, your proposal reference “CONSULTANCY TO DEVELOP SALES, MARKETING AND DISTRIBUTION STRATEGIES” must be addressed to [procurement@aecfafrica.org](mailto:procurement@aecfafrica.org) by 1700Hrs (EAT), 18<sup>th</sup> February 2021.

## **10.0 Tax**

The AECF is obliged by the Kenyan tax authorities to withhold taxes on service contract fees as well as ensure that VAT, is charged where applicable. Applicants are advised to ensure that they have a clear understanding of their tax position with regards to provisions of Kenya tax legislation when developing their proposals.

## **11.0 Disclaimer**

AECF reserves the right to determine the structure of the process, number of short-listed participants, the right to withdraw from the proposal process, the right to change this timetable at any time without notice and reserves the right to withdraw this tender at any time, without prior notice and without liability to compensate and/or reimburse any party.