

Terms of Reference for Dire Dawa National Cement Share Company Marketing and Sales Strategy Consultancy Service



Dire Dawa, Ethiopia

JULY, 2017

Contents

- 1. INTRODUCTION..... 3
 - 1.1. Background 3
 - 1.2. Rationale and approach of the NCSC’s Marketing Strategy 3
- 2. Overall objective of the NCSC’s Marketing and Sales Strategy 4
- 3. Phases of the NCSC’s Marketing Strategy..... 5
- 4. Deliverables 5
- 5. Activities and Work-plan..... 5
- 6. Mid-study review 6
- 7. Analysis 6
- Annex 7

1. INTRODUCTION

1.1. Background

Dire Dawa National Cement Share Company is located in eastern Ethiopia just at the entrance of the queen city of Dire Dawa at 515 km. from Addis Ababa. It has been renovated from one of the first cement factory in Ethiopia with the long history of over two generations in 2012 GC. The company produces of high graded cement called Ordinary Portland Cement and Portland Pozzolana Cement amounted to 3,000 Ton of Clinker per day or 90,000 bags of cement per day. It shares 1.2 million ton of the country's total cement produce per annum. It has the objectives of fulfilling the unleashed demands of the public and the private cement demands of construction sectors.

Beyond this, Dire Dawa National Cement earns foreign currency from cement export to Djibouti and Somali land that the country demands for other economic generations and to finance and import of heavy machinery spare. It also accommodates for over one thousand and six hundred employment opportunity in permanent and temporary bases. The industry in its ongoing operation pays high tax that in its outcome augments tax funded infrastructures which in return trickles down to the public investment. With its all these economic and social benefits in building the Nation, Dire Dawa National Cement is striving in mitigation of environmental hazards in frontline of the world. It is being on the move with a share of responsibilities in rehabilitation works and other related duties for the sustainable environment that safeguards the ecosystem where human being, the fauna and flora rely at the setting of the industry.

The vision of Dire Dawa National Cement Company is “to become the leading industrial group in the region by being the front runner in all the sector we operate in and position in the enterprise competitively in the dynamic global business environment. ‘The mission is to ‘supply products that are Leaders in Quality, Cost and Customer Satisfaction through the integration of People, Technology, and Systems.’”

1.2. Rationale and approach of the NCSC's Marketing Strategy

Now-a-days, in Ethiopia cement production and supply is approaching the country's demand threshold and literature supports that by the year 2024 cement demand meets supply. Owing to this fact, marketing process will not be easier unless active, modest, and functional strategy is designed otherwise. It therefore, seeks to commence with smart cement marketing strategy consultancy service that adds of a significant value /out of box thinking plot of schemata to both domestic and overseas cement distribution. Thus, the rationale for the Dire Dawa NCSC marketing strategy consultancy is primarily the need to plug the company's marketing and sales strategy into up-to-date, relevant and reliable market information that indicates to achieve market success, profitability and sustainability. Hence the service is believed to address area based, compatibility to the socio-economic status and context driven strategy with a precise time-frame and clear deliverables seen as the crucial foundation of a longer and broader cycle of the business.

The Consultant team is assigned the responsibility of being a rapporteur:

- **To provide a clear and realistic direction /ways to liaise company's product with customers.**
- **To navigate profit binding, Brand blended entrepreneurship, and a substantiated and consistent indication of displaying potential strategy necessary for company's effective marketing and Sales viability.**
- **To formulate a path finding, GPS / for cement marketing strategies opportunities and identifying the dragging threats.**

2. Overall objective of the NCSC's Marketing and Sales Strategy

- 2.1. To assess the existing NCSC's Marketing and Sales status and to find other winning way outs of competition challenge.
- 2.2. To design Marketing and Sales strategy that fits to the current competition Challenge in terms of cost, price, convenience and communication
- 2.3. To identify NCSC's Marketing and Sales gaps and leverage to the optimum level.
- 2.4. To explore the NCSC's new marketing and sales destination channels.
- 2.5. To find NCSC's modest marketing and Sales path and incumbent the market segment Share.
- 2.6. To define consumer and customer behavior describe CRM (Consumer Relation

Management) strategy.

3. Phases of the NCSC's Marketing Strategy

The NCSC's Marketing and Strategy will be organized in two phases, i.e.:

- (a) *'Geographic' phase*: the preliminary domestic and overseas mapping of the 'supply and demand side',
- (b). *'Sectoral' phase* --- the in-depth analysis of sectors from the supply and demand point of view and the final recommendations of viable market strategies.

4. Deliverables

- ❖ Demand and supply situation in the context of marketing mix and brand equity.
- ❖ Identifying competitive edges of NCSC
- ❖ Employing methodology of both quantitative and qualitative techniques.
- ❖ Market penetration strategies both for local and export interms of the marketing mixes
- ❖ Geographical segmentation with their respective revenue maximization
- ❖ Identify markets & mechanisms required to ensure dominant market position
- ❖ Examine how the market perceives national's products on the market
- ❖ Review national sales practices

5. Activities and Work-plan

The activities of the marketing strategy will be specified and organized by a detailed work out of the tasks of the consultant, the timeframe and resource allocation for each activity, as well as the support required from the NCSC or other actors (if relevant). The work plan will initially be agreed by the Consultant with the facilitation of its partners in a meeting, in order to allow the coordination of the NCSC collaboration with the consultant during the market strategy Study. A copy of the finalized Work-plan will be submitted to the consultant upon signature and attached to this Terms of Reference. Eventually, the marketing strategy presentation will be done right after a month and half time of the final schedule agreement.

6. Mid-study review

In the midst of the NCSC's Marketing and Sales Strategy study, the consultant team will be availed for a consultative review of the preliminary results to the NCSC's CEO Deputy CEOs and the management member. The review meeting will be composed by a structured presentation including findings, available options and interim recommendations, followed by a discussion with the review panel aimed at agreeing the specific direction and if relevant the revision of the strategy accordingly.

7. Analysis

After discovery, the report/presentation of the consultant to CEO, Deputy CEOs and the management member will be done and is expected to review, analyze and interpret the data and the findings and produce path finding recommendations apt for action in line with the National Cement's business objectives.

- Putting the Objectives on the ground
- Issues and impact
- Tactical recommendations (quick wins)
- Route Map/ planning
- Proposed way Forward
- Strategic recommendations

Annex

PART ONE

INSTRUCTION TO BIDDERS

1. Bid offer must be sent to our email address: foreign.purchase@nationalcementsc.com protected by multiple passwords of management members or may submit Addis Ababa office before the closing date.

National Cement Share Company

Ethio-China Friendship Road Wellosefer

KT-12 Building 1st floor

Tel:

Cell: +251930179609/+251930283483

E-mail: eyasu.kiros@nationalcementsc.com

Or

Abdurehman.seid@nationalcementsc.com

Addis Ababa, Ethiopia

Bidders may contact us directly through the above email and telephone for further information if any.

2. Bids shall be submitted by the consultant (Bidder) within 18 days after the first announcement of the tender on during office hours. Opening of the bids shall be on the 19th day after the first announcement of the tender on at 10:00 AM local time in the presence of bidders or their representative who choose to attend at National Cement Share Company in Dire dawa office or in Addis Ababa office K-12 Building 1st Floor.

PART TWO

GENERAL CONDITIONS

1. APPOINTMENT OF AGENT

Bids submitted by persons other than the consultant shall be accompanied by a certified letter from the consultant stating that the bidder is authorized agent of the said service provider.

2. CONSULTANT'S NAME AND SIGNING OF DOCUMENTS

- 2.1. The bid shall bear the legal name of the consultant and shall be signed by an officer of the service provider.
- 2.2. The bid shall have the bidders name and signature shall be shown on each sheet on which he makes on entry. Any changes shall be initialed by the person signing the bid.

3. PRICE AND TERMS OF PAYMENT

- 3.1. The bidder shall indicate the total price in his pro-forma invoice. The price shall be inclusive of all costs and taxes.
- 3.2. The price quoted shall be firm for at least 60 days from the date of the bid opening.
- 3.3. The bidder shall submit his quotation in ETB (Ethiopian Birr).

4. AWARD OF CONTRACT

- 4.1. The bid award shall be made to the responsible bidder who complies with requirements in the bid documents and technical specifications and whose bid is most advantageous to the NCSC, price and other factors including the following points will be considered for evaluation.
 - a. Technical Evaluation
 - b. efficiency and Reliability
 - c. Price Evaluation
- 4.2. Prior to the expiration of the period of bid validity, the NCSC will notify the successful bidder in writing, by fax or mail that the bid has been accepted.
- 4.3. The notification of award will constitute the formation of the contract.

- 4.4. Conditions which were not stipulated in the offer shall not be accepted by NCSC.

5. TERMINATION OF CONTRACT

If the consultant fails to make delivery of the service within the time specified in the offer, the NCSC may write notice of default to the consultant to terminate the whole or any part of this contract.

6. RIGHTS AND REMEDIES OF NCSC.

The right and remedies of the NCSC provided to this invitation to bid shall not be exclusive and are in addition to any other rights and remedies provided by law.

7. LAW OF CONTRACT

The content of this bid document shall constitute the terms, conditions and specification for the sale and purchase contract between the NCSC and the service provider and shall be deemed for all purposes to have been executed in Ethiopia and in all respects shall be subject to and constructed in accordance with the laws of Ethiopia.

PART THREE

BID SCHEDULE

To: National Cement Share Company
(NCSC)

Dire Dawa

Dear

Sirs,

Having examined the Bid document for the provision of the service stated under your invitation to bid No _____. We, the undersigned hereby submit the following offer for the services listed below in accordance with the terms of the bid document issued by NCSC.

S. No	Description of services to be provided	Total Price

1. The above prices must be firm for 60 days from date of bid opening
2. State clearly delivery date:

_____ Calendar days after the date of contact
signing.

We undertake, if the bid is accepted, to have all services provided
within _____ calendar days from the date of contract signing.

Signature of the bidder

Date _____