

## **Request for Qualifications**

### ***Consultant: Route to Market diversification specialist Technical Assistance (TA)***

TechnoServe invites you to participate in this competitive solicitation for qualifications related to the position Route to Market (RtM) Specialist Consultant for support to a Retail Bakery in Tanzania. The work will be conducted closely with the ZEBU Africa Food Security Fund (AFSF) Technical Assistance Facility (TAF) team based in Johannesburg, South Africa.

**Position Location:** The project will be completed in Dar es Salaam, Tanzania, based at a retail bakery company's head office.

**Anticipated start date:** 13 May 2022

**Estimated Duration:** The timing of the project is May-June 2022

**Budget:** Maximum \$25,000

#### **I. About TechnoServe**

TechnoServe is the implementing agency for the AFSF TAF. The AFSF is a second-generation fund managed by Zebu Investment Partners (ZIP) and targets high-growth Small, Medium Enterprises (SMEs) across the food value chain in Africa. Africa's food requirements are expected to double in the next 30 years with a food import bill estimated to reach USD 50 –70 billion per annum. Food value chains remain weak and under developed, while agriculture is the main form of economic activity for most people on the continent. Private investment in the agriculture sector is critical for Africa's food security and growth. The AFSF will target deal sizes of USD 2–8 million, with the goal of investing in a minimum of 10-12 agribusiness SMEs over the next 8 years. This segment of SMEs often faces challenges related to business skills, weak accounting and management systems, poor visibility and/or limited bandwidth to take advantage of market opportunities. And yet, SMEs are able to pivot and scale quickly, when the right resources are provided.

TechnoServe works alongside ZIP to implement the AFSF TAF alongside the AFSF. This is a \$1.9m grant-based facility tasked with supporting the capacity building of AFSF portfolio companies and deepening the development impact of the AFSF investments. The facility is tasked with providing TA to AFSF portfolio companies that receive investment through the AFSF, promoting new opportunities for smallholder farmers, farmer business groups, rural communities and enhancing local economic development. This will be achieved by linking private equity investments to economic opportunities for smallholder farmers (including women and youth) and micro-enterprises; promoting uptake by AFSF investee companies of inclusive business models thereby increasing beneficiary incomes and thus enhancing economic access to food. Moreover, the TAF will support AFSF investee companies with their growth objectives by providing them with expertise and support that drive best practice and innovation.

The AFSF TAF is able to support projects in and around portfolio companies under the following components:

*Inclusive Business Technical Assistance*

Inclusive business TA supports investee companies to plan and pilot new business models that improve commercial and broader community (or development) impact often demonstrating the business case for smallholder sourcing and supporting SMEs to integrate more farmers into their supply chains and micro-retailers into their distribution chains.

#### *Core Business Support*

The Core Business TA is intended to enable AFSF portfolio companies to attract and take full advantage of capital investments from the AFSF, realising their potential as high-growth companies, creating jobs and contributing to the agricultural and economic development of Africa.

#### *Ecosystem Development Technical Assistance*

Ecosystem Development projects will seek to strengthen market systems around AFSF portfolio companies and will be measured by quantitative indicators such as finance mobilised as well as qualitative indicators for market development such as policy change, industry influence and stakeholder learning. This component will serve as an important knowledge sharing conduit emphasizing key thematic and common areas/issues identified through the scoping, design and execution of TA.

## **II. Background**

To meet our objectives, we are working with Royal Oven Limited (ROL), Tanzania (a AFSF portfolio company) to establish potential RtM channel diversification opportunities by completing thorough business operations, market assessments and providing a comprehensive feasibility study of these opportunities. The objective is to design and implement commercially viable, high-impact and sustainable RtM channel models for the business.

Royal Oven (ROL) is an established retail bakery and quick-service restaurant chain operating in 19 retail store fronts across 3 regions in Tanzania through a hub-and-spoke model. Compared to its rivals, the Company has a strong and reputable brand in Tanzania, supported by a strong retail store footprint in Dar es Salaam, Mwanza and Mbeya.

The Company is in a position to increase its top-line and profitability by leveraging the increased capacity of its refurbished main production facility in Dar es Salaam– its Central Hub Kitchen which was commissioned in October 2021. However, the Company is currently faced with Route to market (RtM) channel dependency which is a critical demand side challenges that require immediate attention.

The Company requires key market insights and Route to Market diversification options to sustainably support revenue growth and de-risk its top-line.

## **III. Duties and Responsibilities**

1. Set up and facilitation of implementation of B2B strategy
2. Review sales and RtM diversification assessments conducted by the business, identify any gaps and validate commercial opportunity including the estimated incremental

value that could be generated from the channels considered i.e. online and or informal Route to Market (RtM) diversification (outlining key questions/risks that need to be addressed, as well as any opportunities to optimise sales via existing channels).

3. Assess RtM diversification operational readiness and positioning; assessing management capacity to execute (including as it relates to human resources, systems, financial position and competing priorities execute (including as it relates to human resources, systems, financial position and competing priorities
4. Gather and analyse consumer insights through thorough market surveys to ascertain consumer dynamics and behaviours, including distributors, retailers and end users
5. Assess channels, analyse and complete channel segmentation
6. Assess competitor landscape, products, services, business models, processes and market positioning and activities; benchmarking against ROL
7. Assess the logistics landscape, potential distribution partners and potential micro-distributors that can handle ROL supply chain tasks such as warehousing and or last-mile delivery; including pricing and product flow mapping
8. Based on assessment, identify options for distribution models into new and/or existing locations, for ROL divisions and distribution opportunities; considering key enablers and risks
9. Assess proposed retail partners to determine key constraints and capacity development and/or resources required; Map and profile micro-retailers detailing their buying patterns and challenges
10. Provide recommendations regarding pilot structure covering the financial model, sales, logistics, and execution & measurement and evaluation; including details on pricing, sales forecasting, the unit economics, branding & marketing and illustrative micro-retailer and distributor licensing arrangements, and potential partnerships
11. Create an action plan for each model including resource requirements (assets, people and processes).

All the above activities form the major and critical parts of the scope. Candidate selection and performance will be judged on capability to implement and successful achievement of these.

#### **IV. Deliverables**

<b>Activity</b>	<b>Deliverable</b>	<b>Anticipated due date</b>
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Set up and facilitation of implementation of B2B strategy, develop pipeline for 2022-2023	Implementation report	31 May 2022
Conduct thorough business operations and market assessment and detailed analyses (under duties and responsibilities 2-9 in section above)	Business operations and market diagnostic report (incl. outline of high-level findings and recommendations)	10 June 2022
Provide recommendations regarding pilot structure covering the financial models, sales, logistics, and execution & measurement and evaluation; including details on pricing, sales forecasting, the unit economics, branding & marketing and illustrative micro-retailer and distributor licensing arrangements, and potential partnerships of each RtM channel	Pilot design report and implementation plan	30 June 2022
Create an action plan for each RtM channel model including resource requirements (assets, people and processes).	Detailed Action Plan to support implementation of each RtM model	30 June 2022

## V. Expected Impact:

In addition to the current revenue generating initiatives and expansion of the retail network, ROL requires RtM channel diversification options that will sustainably support its top-line growth going forward. These RtM option will support the company's profitability break-even expected in Q3 2022.

**Micro-enterprises impact:** The Company is able to distribute its products through at least 500 micro-retailers.

**Business impact:** The Company will be able to sustainably increase its top-line, and RtM diversification will support profit break-even.

The KPIs of the working capital raise project will be the following:

1. *RtM channel diversification comprehensive market assessment, feasibility study of channels options, and comprehensive recommendations*
2. *Pilot design and implementation strategy and action plan*
3. *Implementation support for B2B including SoP, agreements, etc*

## VI. Skills Required

- Experienced Strategy Consultant with expertise in RtM diversification and social impact focused business models in developing countries.
- Track record of successfully supporting companies in RtM channel diversification required; with experience in Africa and agribusiness preferred.

- At least 8-10 years of relevant experience required.
- Advanced degree in business management or other relevant field preferred.
- Experience working with private agribusiness companies required.
- Prior strategy consulting experience will be reviewed favourably.
- Strong stakeholder engagement and communication skills required.
- Demonstrated leadership skills, teamwork and relationship building.
- Proven expert analytical and quantitative skills.
- Excellent written and verbal communication and interpersonal skills.
- Strong computer skills, including MS Word, PowerPoint, and Excel.
- Ability to work independently, flexibly, and responsively.
- Ability to adapt to changing working conditions.
- Ability to prioritise and meet deadlines.

## **VII. Instructions**

Interested candidates should submit their CV, with cover letter; budget and a workplan which captures their indicative approach to implementing the required assignment. Travel to Dar es Salaam, Tanzania is expected.

TechnoServe reserves the right to award the contract to the submission that is deemed to be in the best interest of TechnoServe and the Donors. The winning submissions will be notified in writing. Those who were not selected may or may not be notified, at the sole discretion of TechnoServe.

**Submission deadline:** 6 April 2022

Questions regarding this request may be addressed to Wadzanai Nyambayo ([wnyambayo@tns.org](mailto:wnyambayo@tns.org)) and must be received no later than 6 April 2022.

## **TERMS AND CONDITIONS**

1. The Request for Qualifications is not and shall not be considered an offer by TechnoServe.
2. All responses must be received on or before the date and time indicated on the RFQ. All late responses will be rejected.
3. All unresponsive responses will be rejected.
4. All awards will be subject to TNS contractual terms and conditions and contingent on the availability of donor funding.
5. TNS reserves the right to accept or reject any submission or cancel the solicitation process at any time, and shall have no liability to the proposing party submitting for such rejection or cancellation of the request for qualifications.
6. TNS reserves the right to accept all or part of the submission when award is provided.

7. All information provided by TNS in this RFQ is offered in good faith. Individual items are subject to change at any time, and all bidders will be provided with notification of any changes. TNS is not responsible or liable for any use of the information submitted by bidders or for any claims asserted therefrom.

8. TNS reserves the right to require any bidder to enter into a non-disclosure agreement.

9. The bidders are solely obligated to pay for any costs, of any kind whatsoever, which may be incurred by bidder or any third parties, in connection with the Response. All responses and supporting documentation shall become the property of TNS, subject to claims of confidentiality in respect of the response and supporting documentation, which have been clearly marked confidential by the bidder.