



SOUTH AFRICAN TOURISM

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RFQ/1/NCB/22

Date: 1 June 2022

Dear Bidder

Subject Matter: Request for a proposal for conducting a research study to measure the number of international and regional business events held in South Africa

South African Tourism (SA Tourism) invites reputable and experienced research service providers with a good track record to submit proposals that demonstrate their capability to deliver services as required through the request for proposal.

South African Tourism Board (SA Tourism), on behalf of The South Africa National Convention Bureau (SANCB), wishes to conduct a study on international and regional meetings, incentives, conferences, and exhibitions (MICE) hosted in South Africa. The MICE market (also referred to as Business Events) forms an integral part of the tourism sector; it contributes significantly to the destination's economy. Therefore, South Africa should be positioned as a competitive business events destination to grow the number of business events hosted in the country and the number of delegates these events attract.

The unprecedented pandemic reduced the global outbound travel market from 1,5 billion outbound travel in 2019, which was forecasted to see a growth of 4% in 2020. As a consequent of the pandemic, outbound travel shrank by 73% in 2020 due to a halt of all travel across the globe.

The Business events industry was gravely affected by the pandemic. Governments across various countries had ruled against the gathering of groups. Travel for any purpose, apart from repatriation, came to a halt due to authorities working to curtail the spread of the virus. This resulted in significant revenue loss and job losses. In addition, border restrictions announced by governments worldwide resulted in substantial disruption of the business events industry (meetings, incentives, conferences, and exhibitions). With people unable to travel, corporate activities came to a grinding halt. This resulted in a severe loss of industry value from \$945.6 billion in 2019 down to \$215.1 billion in 2020.

The business events industry in Africa went from \$13.6 billion in 2019 and contracted to \$3.1 billion in 2020, given the imposed mobility restrictions as an account of the pandemic. The region is anticipated to reach pre-pandemic figures by 2024, achieving an estimated \$14.7 billion. Collectively, the industry is further anticipated to be a \$29.7 billion worth industry by 2028, following the considerable recovery growth from 2021 onwards. The South African business events industry value dropped from \$6.9 billion in 2019 to \$1.6 billion in 2020. However, projections show considerable uptake, with figures set to surpass 2019 pre-pandemic figures by 2024, reaching an estimated \$7.4 billion and ultimately reaching \$10.2 billion by 2028.

Honing in on Association meetings; in 2019, a total of 13,254 Association meetings were held around the world, according to the International Congress and Convention Association (ICCA). In 2019, South Africa hosted 103 ICCA-registered international and regional meetings and conferences (up from 100 in 2018), which attracted 39 579 association professionals to the country. This performance led to South Africa being ranked 38th worldwide by ICCA in terms of the number of association conferences held in the country in 2019 (2018: 39th). South Africa remains first in the rankings for meetings in Africa. Cape Town is ranked first in Africa, followed by Johannesburg in seventh position and Durban in ninth.

By January 2020, there were 3 855 identified meetings, and by Oct the same year, there were 4 209 which had been affected by the pandemic. There were approximately 750 new affected meetings each month. In 2020, ICCA registered (61%) postponements of their meetings, whilst other meetings were relocated to virtual meetings (22%). The estimated total expenditure for affected meetings was recognised at over \$7 billion

2020 saw about 44% of meetings postponed. Postponed meetings had the highest share, second to that was virtual meetings (30%). However, this shifted in 2021, virtual meetings accounted for 43% of meetings held, whilst postponed meetings attributed for 30%. Hybrid meetings went from 2% in 2020 to 11% in 2021 and cancelled meetings went from 14% to 4% in 2021.

Having regard for the aforementioned SA Tourism is hereby extending an invitation to your firm, as part of a competitive bidding process, to submit a cost proposal to **conduct a research study to measure the business events hosted in South Africa between January 2021 to March 2022.**

1. Project scope and objectives

The study is designed to help SA Tourism track the performance of the business events sector in South Africa for the period January 2021 to March 2022. The focus of this study will be confined to international and regional (continent) business events hosted in the aforementioned period. The exercise should also cover the economic impact of these events to the South African economy by showing the direct, indirect, and induced economic impact. The results of this study will assist both organisations in evaluating the competitiveness of South Africa as a business events destination and will also inform future studies in business events.

This study needs to provide answers and insights on:

- a) The number of international and regional business events hosted in South Africa in the reference period
- b) In what format and structure was these business hosted (In-person, hybrid or virtual)
- c) The number of delegates that attended these events (both in-person and virtual)
- d) The value in Rand-terms that these events contributed to the South African economy
- e) The geographical dispersion of these events, i.e., where they were held
- f) The seasonality of the events, i.e., which months did the events take place
- g) Details on the events, i.e., the type of MICE event, the sector (medical, manufacturing, education, etc.)
- h) The economic impact of these business events to the South African Economy including multipliers employed to determine the economic impact of business events in South Africa (direct, indirect and induced impact)

The research will entail a combination of primary and secondary research encompassing mining relevant databases, conducting surveys of venues, professional conference organisers, exhibition organisers, destination management companies, and analysing reports, articles and commentary in various media channels (i.e. social media, press, etc.).

While the ideal situation would be to conduct a census of all industry members, this is not always possible. Therefore, the successful bidder is required to draw and design a sound and robust sample for the study. The sample is to be weighted back to represent the size of business events in South Africa.

The bidder must demonstrate:

- An understanding of the tourism sector and business events market is important
- An understanding of the hotel and convention/ exhibition industry
- Strong knowledge of tourism and business events trends

2. Project considerations

- The successful bidder will be provided with:
 - A database, however supplier may employ other methods to augment the list
 - Questionnaires used in past studies
 - Reports from previous studies
- The successful bidder is, required to have a verification measure that the business event did take place as well as; verification measures on number of delegates having attended each meeting. The successful bidder is required to propose a sound and robust method of verifying the information provided by respondents to the survey. Supplier may consider best practices by other destinations, in light of personal information protection regulations.

- While SA Tourism will issue a communication to industry stakeholders informing them of the study, the successful bidder is required to propose innovative methods to improve the response rate for the survey.

3. Project deliverables

- A detailed report responding to the project objectives
- Questionnaires used in the study
- Databases developed during the study
- Project documentation, including fully documented metadata

4. Timelines:

The appointment of the successful bidder will be subject to the signing of a Service Level Agreement with SA Tourism which will clearly outline the key deliverables, project duration, and other terms and conditions which will be negotiated at the appropriate time.

5. Format of proposals

Bidders must complete and return all the necessary standard bidding documents (SBD's) attached to this request for technical and financial proposals.

Bidders are advised that their proposals should be concise, written in plain English, and simply presented in the same order. In addition to providing information to allow for the evaluation of proposals in terms of the functional criteria detailed in section 7 below, bidders are also required to provide the following information:

- Cover letter introducing your firm and credentials, capacity, capability, and experience for this assignment;
- National Treasury Centralized Supplier Database (CSD) registration summary report with a valid tax status;
- Valid certified copy of B-BBEE certificate;
- Bidders must have specific experience and submit at least three recent references (in the form of written proof(s) on their client's letterhead, including relevant contact person(s), office telephone & fax number, website and email address) where similar work was undertaken.
- Financial proposal to deliver the assignment, i.e., your firm's daily rate for facilitation services, including any other cost SA Tourism should be aware of for the successful completion of the assignment;
- Declaration of Interest – SBD 4;
- Preference Point Claim Form – SBD 6.1;

6. Cost structure and project plan:

Bidders must submit a **cost breakdown/ Financial Proposal** for the assignment based on resources and / or time allocated to the project. Bidders should also propose innovation in their technical proposals to keep the cost to a minimum. SA Tourism reserves the right to request additional information or clarity on cost proposals prior to evaluation.

7. Evaluation Method

The evaluation process of bids will comprise of the following phases:

Phase 1	Phase 2	Phase 3
Administration and Mandatory bid requirements	Functionality	Price and B-BBEE
Compliance with administration and mandatory bid requirements	Bids will be evaluated in terms of functionality	The bidders that have successfully progressed through to Phase 2 will be evaluated in accordance with the 80/20 preference point system contemplated in the

Phase 1	Phase 2	Phase 3
		Preferential Procurement Policy Framework Act, 80 points will be awarded for price while 20 points will be allocated for preference points for BBEE as prescribed in the regulations.

7.1 Points awarded for functionality:

“functionality” means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability, and durability of service and the technical capacity and ability of a bidder.

Deliverables / Performance Indicators	Weight
Points allocation will be full points on satisfactory of the below criterion or none scoring of points for failure to submit satisfactory information refer to #	
Criterion 1: - Experience relevant to the scope of work under this RFP. The service provider should show an understanding of the travel and tourism industry, business events, and ecosystem in the proposal by highlighting what has been the latest trends in the business events space. The service provider should list at least one research outputs that demonstrate their experience in having conducted business events related research - The service provider must provide three (3) contactable client references where its services can be verified. References should be presented in the form of a written letter on official letterhead from clients who have received market research services stating clearly what work was done for them - The Services provider should not be older than five (5) years from the closing date of this RFP. No appointment letters from clients will be accepted as reference letters	10
Criterion 2: Research Design - Provide a comprehensive application of the research design and demonstrate understanding of the business goal/problem to include research methodology, data collection, and sampling and motivate why the proposed research design is the best in answering the business problem - The service provider should demonstrate that they have considered possible limitations to the study and advise how to mitigate possible limitations - Proposal to include output examples reflecting the study objectives (also included output examples of economic multipliers that will be used and that are best suitable)	40

Criterion 3: Infrastructure and capacity • Provide evidence of a field force and fielding tools • Demonstrate data processing capabilities, including software that will be used to process data • Demonstrate methods of how data quality will be insured (Assessment compliance and methods, quality measures that are applied by the entity to ensure that the data is of sound quality, include local or global data security and data quality compliance documents) • Provide details on what applications/tools will be used. Show how efficient and technologically advanced the tools, methods employed in the project are. Show how the tools /methods are cost effective and/or robust, and/or lead to a quicker turnaround time compared to traditional tools and methods	35
Criterion 4: Proposed project team that will be assigned to the project and their experience 1. Advisory person(s) should have: • 20+ years research experience (5 points) • 15 – 19 years research experience (4 points) • 11 – 14 years research experience (3 points) • 5 to 10 years research experience (2 points) • Less than 4 years research experience (1 point) 2. Research Project leader should have: • 10 years research experience (5 points) • 7 - 9 years research experience (4 points) • 5 - 6 years research experience (3 points) • 3 - 4 years' experience (2 points) • 1- 2 years (1 point) 3. Support team members should have an average of: • 15+ years research experience (5 points) • 11 - 14 years research experience (4 points) • 8 - 10 years research experience (3 points) • 5 – 7 years research experience (2 points) • Less than 5 years research experience (1 point)	10
Criterion 5: Project implementation plan Provide a detailed project implementation plan with timelines from inception to completion of the project; (WITH DELIVERABLES AND DEPENDENCIES)	5
TOTAL	100

- I. Bids will be evaluated strictly according to the bid evaluation criteria stipulated in this section.
- II. Bidders must submit supporting documentation for all functional requirements as part of their bid documents. The official responsible for scoring the respective bids will evaluate and score all bids based on bid submissions and the information provided.
- III. The score for functionality will be calculated in terms of the 1 - 5 rating scale as shown in the functionality criteria matrix under paragraph 5.1.

- IV. The value score for each criterion will be multiplied with the specified weighting for the relevant criterion to obtain the marks scored for each criterion. These scores will be added and expressed as a fraction of the best possible score for all criteria.
- V. The points for functionality and the points for B-BBEE level of contribution will be added together, and the proposal from the bidder which meets the highest score will be deemed the preferred proposal.

7.2 Awarding of Points for Price and Broad-Based Black Economic Empowerment

The bidders who have successfully progressed through to Phase 3 (bidders who meet the minimum threshold for the functionality of **70%**) will be evaluated according to the 80/20 preference point system contemplated in the Preferential Procurement Policy Framework Act, 2000, the Preferential Procurement Regulations of 2017.

80 points will be awarded for price, while 20 points will be allocated for preference points for BBEE as prescribed in the regulations.

Points for B-BBEE level of contribution will be awarded in accordance with the below table:-

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

5.3 Adjudication and Final Award of Bid

The successful bidder will usually be the service provider scoring the highest number of points for comparative price and BBEE level of contribution or it may be a lower scoring bid on justifiable grounds or no award at all.

6 National Treasury Centralized Supplier Registration and B-BBEE Certificates

All bid submissions must include a copy of successful registration on National Treasury's Centralized Supplier Database (CSD) with a valid tax clearance status and an original or certified copy of a B-BBEE verification certificate (if you have been assessed).

Proposals which does not include these documents will not be considered.

7. Deadline for submission

All proposals must be e-mailed, in PDF format, to **quotes@southafrica.net** before **9 June 2022, @ 12pm** and should remain valid for at least 1 month after the closing date.

8. Confidentiality

The request for a technical and cost proposal and all related information shall be held in strict confidence by bidders and usage of such information shall be limited to the preparation of the bid. All bidders are bound by a confidentiality agreement preventing the unauthorized disclosure of any information regarding SA Tourism or of its activities to any other organisation or individual. The bidders may not disclose any information, documentation or products to other clients without written approval of SA Tourism.

9. Terms of engagement

10. Payments

No advance payments will be made in respect of this assignment. Payments shall be made in terms of the deliverables as agreed upon and shall be made strictly in accordance with the prescripts of the PFMA (Public Finance Management Act, 1999. Act 1 of 1999).

The successful bidder shall after completion of the contract, invoice SA Tourism for the services rendered. No payment will be made to the successful bidder unless an invoice complying with section 20 of VAT Act No 89 of 1991 has been submitted to SA Tourism.

Payment shall be made into the bidder's bank account normally 30 days after receipt of an acceptable, valid invoice.

11. Non-compliance with delivery terms

The successful bidder must ensure that the work is confined to the scope as defined and agreed to. As soon as it becomes known to the bidder that they will not be able to deliver the services within the delivery period and/or against the quoted price and/or as specified, the Board of SA Tourism must be given immediate written notice to this effect.

12. Retention

Upon completion of the assignment and / or termination of the agreement, the successful bidder shall to SA Tourism all documentation, information, etc. relevant to the assignment without the right of retention.

13. Cost

The bidder will bear all the costs associated with the preparation of the response and no costs or expenses incurred by the bidder will be borne by SA Tourism.

14. Cancellation of the request for a technical and cost proposal

SA Tourism may, prior to the award of the bid, have the right to cancel the bid if:

- (a) Due to changed circumstances, there is no longer a need for the service; or
- (b) Funds are no longer available to cover the part and/or total envisaged expenditure; or
- (c) No acceptable bids are received.

SA Tourism reserves the right to withdraw this request for technical and cost proposals, to amend the term or to postpone this work by email notice to all parties who have received this request.

15. Clarification

Any clarification required by a bidder regarding the meaning or interpretation of the Terms of Reference, or any other aspect concerning this request for technical and cost proposals, is to be requested in writing from: quotes@southafrica.net.

Thanking you and looking forward to your proposal in this regard.

Yours in Tourism
Lerato Dlamini