

**ANNEX A: TERMS OF REFERENCE
RFP/PSP/2022/SOUTHAFRICA/01
REQUEST FOR PROPOSAL
FOR THE PROVISION OF OUTBOUND TELEMARKETING SERVICES IN SOUTH AFRICA**

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1. Introduction

1.1 Background

The office of the United Nations High Commissioner for Refugees (UNHCR) was created in 1950, during the aftermath of the Second World War, to help millions of Europeans who had fled or lost their homes. We had three years to complete our work and then disband.

Since then, the 1951 Refugee Convention has been strengthened by additional regional legal instruments. Today, almost 70 years later, our organization is still hard at work, protecting and assisting refugees and internally displaced (IDPs) around the world. In almost seven decades, the agency has helped tens of millions of people to restart their lives. Today, UNHCR is one of the world's principal humanitarian Agencies. Its staff of more than 17,000 personnel is helping more than 79 million people in 135 countries. Staff members work in a diversity of locations and conditions including in our Geneva-based Headquarters (HQ) and more than 100 field locations. For more information, please see <http://www.unhcr.org>

1.2 Private Sector Partnership Service (PSP) in Africa

The primary purpose of the UNHCR Private Sector Partnership Service (PSP) in Africa is to generate income from individual donors, corporates, and foundations, to support UNHCR activities worldwide. PSP activities in Africa include two different main programs: Individual Giving (IG), raising money from individuals both regular and one-off, and Private Partnerships and Philanthropy (PPH) seeking support from companies, foundations, and High Net-Worth individuals.

UNHCR Africa is rapidly growing its fundraising program, with active acquisition programs for new monthly and one-time donors. To support our acquisition and retention efforts we are looking to utilize outbound telemarketing and affiliated services, from which the organisation has historically seen positive return on investment.

1.3 Statement of Purpose & Objectives

The purpose of the present solicitation is identifying **qualified telemarketing** service providers to support PSP South Africa in the recruitment and retention of new donors. PSP South Africa might appoint two service providers for simultaneous working arrangements for market testing purposes.

The frame agreement will have an initial duration of two years, potentially extendable for a further period of one more year period, upon satisfactory performance, below are the tentative dates for the frame agreement- these dates could be shifted slightly based on the date of completion of the tender process.

Year 1: 01 April 2022 – end of March 2023 (12-months)

Year 2: 01 April 2023 – end of March 2024 (12-months)

Year 3: 01 April 2024 – end of March 2025 (12-months)

The successful bidder will be requested to maintain their quoted price model for the duration of the Frame Agreement.

The telemarketing agency/ies will be focusing on *acquisition and conversion/reactivation campaigns* along with lead generation and it is expected to meet the minimum KPIs of each campaign. The agencies are required to focus on committed giving donors who donate via debit order using UNHCR's payment gateway. More information about campaigns and scripts will be provided by UNHCR.

Outbound telemarketing services in South Africa

The agency requires to achieve the minimum below over the course of 3 years:

Outbound TM calls	Year 1	Year 2	Year 3
Lead Generation (1000 leads per seat per month)	48,000	72,000	96,000
No. of seats	4	6	8
Committed Giving Donors	3,360	5,040	6,720

Pledge or committed giving donors: A potential new donor has been contacted by a telemarketer Fundraiser and a donor monthly donation is fulfilled and approved by UNHCR processing platform.

UNHCR PSP Africa expects to achieve the following results:

- Year 1: 0.7 Return on Investment (ROI)
- Year 2: 1.5 Return on Investment (ROI)
- Year 3: 2.0 Return on Investment (ROI)
- Effective contact rate (minimum): 40%; effective contact rate can be defined as 'talking to the specific lead and not i.e. leaving a message to a voicemail.
- Min. conversion rate: 7% (year 1) and 8% (year 2 and 3)
- Average monthly gift: ZAR150
- Average Once-off Gift: ZAR800

Please note: These requirements are UNHCR PSP South Africa's estimations based on its annual plan for three years. The fundraising operation expects approximately 25% market growth each year. Agencies are also requested to indicate in their bids their maximum capacity and availability, as well as to give feedback on the expected percentages and KPI's to get a realistic indication, even if it is different from UNHCR's requirements. In addition, the agencies are also **required** to present their overall strategy as per the requirements below for delivering their telemarketing services.

1.4 Joint venture, sub-contracting

Please be informed that joint venture, or contractor/subcontractor relationship are allowed. In either case, bidder needs to confirm which company is the project led to take responsibility of the commercial relationship. The bid is to be submitted under one company, as leader. The winner bidder will be the contracted party, responsible for performance. UNHCR will deal with only one party (as single legal entity) for the administration of the contract (orders, deliverables, performance, and payments), in case

of selection. Please read carefully UNHCR General Terms and Conditions (Annex D, page 3, clause 5) about subcontracting.

1.5 Pre-selection criteria (mandatory to fulfil with this criteria)

Failure to comply with these pre-selection requirements, will result in disqualification. Only offers compliant with this Yes or No criteria will be considered for evaluation.

Pre-selection criteria	Documents, information to be provided to establish compliance with the set criteria
Your company must have local office in South Africa and your company must be authorized to work / do business in South Africa.	Please send registration certificate along with the technical proposal.
Compliance with POPIA (Protection of Personal Information Act)	Please send proof of POPIA compliance with the technical proposal.
Compliance with UNHCR data protection clause	UNHCR special data protection clause is to be accepted (Annex B), i.e., all pages signed and returned with the technical proposal.

2. Requirements

2.1 Project Set-up

- The Vendor shall set up pre-launch meetings with UNHCR to understand the UNHCR’s fundraising operation.
- Customization of database system, layout and telemarketing systems for UNHCR.
- Account Management
 - The Vendor shall continue managing the Project within the agreed period, hold discussion sessions with UNHCR staff periodically for improvement of the Project and implement mutually agreed decisions.

2.2 Training & Staff Deployment

- The Vendor shall develop suitable materials for outbound and inbound calls (answering enquiries, etc.). The content of the materials shall be approved by UNHCR. The Vendor will use the approved materials for training purposes. UNHCR can suggest or give materials to use too.
- Competent management staff shall be assigned to be responsible for training supervisors and front-line telemarketers, as well as to supervise the Project, including monitoring of the performance of the front-line telemarketers and the quality of each call;
- The Vendor shall ensure that only trained front line telemarketers can participate in this project. The operational expenses incurred for training telemarketers should be at the cost of the Vendor.

2.3 Telemarketing Campaign Management

- The vendor will be expected to make outbound acquisition calls from call lists created by lead generation performed by the vendor or a third-party contracted by the vendor. In the case of conversion/reactivation calls, UNHCR will provide the call lists to the Vendor. Appointed vendor should not spend longer than the agreed duration period of each project in order to meet the pre-agreed conversion rate.
- UNHCR requests proposals to provide services including but not limited to the scope of work described below. Please use Annex B for your financial proposals to indicate costs. **The technical proposal cannot contain any financial details.**

The primary service delivered will be lead generation and outbound telemarketing calls.

Campaign	Details	Expected Volumes + Donors per year	Expected Outcomes (KPI's)
1. Lead Generation	Vendor (telemarketing agency) will be responsible for generating convertible leads- this could be done in-house or sub-contracted to a third party using sources such as social media,	Estimate of 1000 leads to be generated per seat per month over the course of 3 years. Year 1 (4 seats): 48,000 leads to be generated Year 2 (6 seats): 72,000 leads to be generated Year 3 (8 seats): 96,000 leads to be generated	40% effective contact rate on the provided list 7% conversion rate

	online pledges or third party networks.		
2. Acquisition calls	Convert leads into one off and regular donors	Min. 15,120 donors signed up for the 3 year duration Year 1: min. 3,360 donors acquired Year 2: min. 5,040 donors acquired Year 3: min. 6,720 donors acquired	7% conversion rate from the leads generated 80% of acquired donors should be regular monthly donors. 20% of donors acquired should be one-off donors. ZAR150/month minimum average donation ZAR800 Average minimum One-off donation
3. Conversion/reactivation calls	To convert one-off and/or inactive donors into monthly donors	25% of one-off donors on database and/or 25% of inactive donors as provided by UNHCR. Specific numbers will vary based on the growth of UNHCR's donor database in South Africa. This is a best estimation	25% of one-off donors on database and/or 25% of inactive donors as provided by UNHCR. Specific numbers will vary based on the growth of ZAR150/month minimum gift
4. Misc. calling/testing	Ad hoc campaigns for purposes of testing. At times may require urgent set-up and availability from telemarketers who are familiar with UNHCR and would have received new training on the emergency.	Number of donors acquired will form part of the monthly acquisition targets listed as item 2 in this table This is a best estimation	KPIs to be defined per campaign

	<p>1. Emergency campaign outbound calls</p> <p>Outbound calls to selected segments, variable asks per campaign</p>		
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Additional note: The schedule and number of campaigns and records provided may vary and is subject to UNHCR's confirmation.

The Expected Outcomes (KPIs) are also our best estimates based on the knowledge we have to date. We encourage the submission of proposals that have different KPIs of the listed above since they are aligned with the possibilities of the current operation and history of the supplier. However, it should be specified the strategies that will be in place to achieve the rates suggested in this Terms of Reference. Each campaign will be defined to the awarded telemarketing agency through a specific Statement of Work (SoW) and corresponding purchase order (PO).

2.4 Operation Management

- The Vendor is required to propose the number of trainers, supervisors, and front-line telemarketers for this project (staff). The proposed number of staff could be working for this project on a full-time or part-time (shared workload) basis. Whichever is the arrangement, the Vendor needs to provide the information clearly in the proposal and implement accordingly.
- All telemarketers need to be fluent in English.
- Working hours 9:00-18:00 (Mon-Fri); and desired: 9:00-13:00 (Sat)
- The vendor will be required to arrange pre-scheduled and/or random (upon request) sessions where UNHCR is able to listen in on telemarketing calls for quality analysis purposes.
- The dedicated UNHCR Account manager will be required to convene with UNHCR at least once a week for monitoring, evaluation, planning and ad-hoc reasons.
- The vendor will be required to arrange pre-scheduled meetings with UNHCR and the frontline telemarketers. These meetings should occur at a minimum of once a month as well as on an ad-hoc basis with a minimum of a 3-day notice period.
- Telemarketers to sign up new donors on UNHCR's e-mandate.
- Ability to handle monthly call capacity of UNHCR, considering some variance in seasonal forecasted fluctuations. Please define calling capacity: a) average of monthly calls able to manage, b) maximum volume of monthly calls able to manage.
- In conjunction with UNHCR, vendor to develop high quality scripts that are timely and relevant to existing UNHCR campaigns and media coverage of relevant issues.
- Elaborate measures to be taken to ensure UNHCR donor data are treated in the strictest confidence and compliance with POPIA other data protection laws in South Africa.

2.5 Supervision, human relations, and Quality Control

- Record all call logs and donor feedback, all call logs must be securely transferred to UNHCR on daily basis.
- Control the quality of all outbound and inbound calls made by the frontline telemarketers, in addition, the vendor is also expected to describe their procedures regarding (donor) complaint management.
- Provision of all human relations activities related to staffing for UNHCR's campaign including:
 - a. Planning and coordinating the recruitment of highly competent staff to effectively perform the activities as required under the UNHCR telemarketing program.
 - b. Provision of all staff administration, including but not limited to, employment contract, insurance coverage, remuneration, retirement benefits, and other benefits to staff members who have been recruited to support the telemarketing program. Vendor must ensure employee benefits and compensation arrangements comply with the local legislation in South Africa
 - c. Monitoring of the attendance, performance and conduct of staff who are involved in the UNHCR telemarketing fundraising services.
 - d. Provision of an Account Manager(s) to serve as a focal point to oversee the effective implementation of the telemarketing program.

2.6 Analysis and Reporting

- A weekly and monthly report to analyze together with UNHCR results and KPIs. Each report need recommendation within one month upon completion of each campaign for UNHCR to review and evaluate the performance and effectiveness implementation of the telemarketing program.
 - The following samples are to be provided:
 - ✓ One (1) sample report for daily result
 - ✓ One (1) sample report of result summary
 - ✓ One (1) performance analysis report

UNHCR is responsible for:

- Working with the selected agency to develop a full project brief.
- Preparing a periodic Statement of Work (SOW) to specify project requirements, timelines, and budgets.
- Providing training about UNHCR's operations and activities for the telemarketing agents.
- Ensuring that the process of export/import of donor data between UNHCR's database and the vendor's database will go easily, efficiently, and securely.
- Providing input for content for the call scripts.
- Informing the vendor about expectations concerning reporting, statistics, key performance indicators and ROI's to ensure high level results.
- Streamlining reports submitted by the agency with UNHCR database reports and letting agency know of any required adjustment to reported figures.
- Arranging regular meetings on progressions and deliverables of activities.

3. Content of the Technical Offer

Only offers compliant with this Yes or No first cut will be considered for evaluation. Please refer to section 1.5.

There is not set format for the technical proposal (pdf, ppt etc.) but general company profile/brochure will not be accepted. Please make sure that all requested information is included to ease the scoring process. The proposal should be submitted in English and NO pricing information can be added. Your company will be excluded from the bidding process if pricing/fees will be added to the technical proposal.

3.1 Company Qualifications

It is considered essential for the agency to comply with the following requirements to participate in this RFP (Request for Proposal). During the technical evaluation, in this section, the panel will score *your company's relevant experience*.

- Total number of clients, please provide a list of current and previous clients; please provide two references (reference letter, email address, contact person, phone number) from your current/previous clients to be contacted in case of selection.
- Proven track record on the number of telemarketing fundraising projects currently underway and/or completed in the non-profit sector (i.e., in the charity sector).
- Proven track record on the number of direct marketing or conversion projects currently underway and/or completed in the for-profit sector (i.e. private sector).

3.2 Proposed Services

During the technical evaluation, in this section, the panel will score (1) *your company's compliance regarding the required services listed under point 2 as relevant for outbound calls*; and (2) *your company's capacity and strategy to provide the required services*.

- The comprehensiveness of the proposal, please make sure that your proposal follows the structure of this ToR and address all requirements clearly to ease the scoring. General company profile will not be accepted.
- The requirements (provision of services) listed under section 2:
- A description of your organization's capacity and strategy to provide the service in the ToR and achieve the estimated results. Including sample reporting flows and schedules.
- The following samples are to be provided:
 - ✓ One (1) sample report for daily result
 - ✓ One (1) sample report of result summary
 - ✓ One (1) performance analysis report

3.3 Personnel Qualifications

The composition of the team you propose to provide, including project managers, paid staff, subcontractors, consultants. In particular:

- Describe whether and how you can provide adequately skilled people to assume the responsibilities and perform the full range of tasks included in the ToRs;
- Describe their experience including working for charities (non-profit), a maximum half-page description will be sufficient per agent;
- Indicate availability of resources (number of staff, supervisors, and/or project manager)

3.4 Vendor Registration Form

If your company is not already registered with UNHCR, please complete, sign, and submit with your Technical Proposal the Vendor Registration Form (Annex C).

The legal registration name of your company is to be confirmed on this form and should match the name and address into the bank statement of the account you wish to be paid. The vendor name we will use on the commercial contract in case of selection.

3.5 Applicable General Conditions

Please indicate your acknowledgement of the UNHCR General Conditions of Contract for the Provision of Services by signing this document (Annex D) and including it in your submitted Technical Proposal.

3.6 Applicable Special Data Protection Conditions

Please also indicate your acknowledgement of the UNHCR Special Data Protection Conditions by signing this document (Annex E) and including it in your submitted technical proposal.

4. Evaluation

Only proposals fulfilling the pre-selection criteria will be considered for technical evaluation.

The **Technical offer** will be evaluated using inter alia the following criteria and percentage distribution: **70%** from the total score on a 100 points scale (i.e. 70 points are allocated for the technical component).

Company Qualifications (max 20 points)	Documents, information to be provided to establish compliance with the set criteria
Number of clients (5 points)	<p>Please list your clients.</p> <p>The scores will be allocated for the number of clients (in private and charity sector), based on the evidence provided.</p> <p>Please provide three references (reference letter, email address, contact person, phone number) from your current/previous clients to be contacted in case of selection.</p>
Number of similar projects in the non-profit sector (5 points)	<p>Proven track record on the number of telemarketing fundraising projects currently underway and/or completed in the non-profit sector (i.e., in the charity sector).</p> <p>The scores will be allocated for the number of projects in the non-profit sector (i.e., charity), based on the evidence provided.</p>
Number of similar projects successfully in the for-profit sector (10 points)	<p>Proven track record on the number of direct marketing or conversion projects currently underway and/or completed in the for-profit sector (i.e., private sector).</p> <p>The scores will be allocated for the number of projects in the for-profit sector (i.e., private sector), based on the evidence provided.</p>
Proposed Services (max 40 points)	Documents, information to be provided to establish compliance with the set criteria
Standard requirements for outbound services (max 10 points)	<p>Comprehensive proposal presented by addressing all requirements under 2.1 for Project Set-up & Training & Staff Deployment & Telemarketing Campaign Management.</p>
Operations management for outbound services (max 20 points)	<p>Comprehensive proposal presented by addressing all requirements under 2.2 for Operation Management & Supervision, human relations and Quality Control & Analysis and Reporting. The following samples are to be sent:</p> <ul style="list-style-type: none"> ○ one (1) sample report for daily result ○ one (1) sample report of result summary ○ one (1) performance analysis report <p><i>Please note that without the samples provided 0 points will be allocated.</i></p>
Company's capacity and strategy to achieve the proposed results (max 10 points)	<p>Comprehensive strategy presented to demonstrate capacity to achieve the proposed results under section 1.2</p>
Personnel Qualifications (max 10 points)	Documents, information to be provided to establish compliance with the set criteria

Experience and skills of core team who will work on UNHCR project. (Max 10 points)	The scores will be allocated based on the average years` of relevant experience of the core people working UNHCR account.
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The minimum passing scores of the evaluation is 40 out of 70; if a bid does not meet these minimums it will be deemed technically non-compliant and will not proceed to the financial evaluation.

4.2 Financial Evaluation of outbound services

The Financial offer will use the following percentage distribution: 30% from the total score. The maximum number of points (30) will be allotted to the lowest total price calculated based on the prices offered on **Annex B**. All other offers will receive points in inverse proportion to the lowest price. Only Annex B can be used for financial proposals.

Payment Method

UNHCR shall pay the vendor(s) within 30 days after satisfied completion of each service requested. Payment shall be made against invoice and based on the quotation submitted by the vendor(s).

5. Key Performance Indicators

UNHCR expects to monitor the performance of the selected supplier on a weekly and monthly basis according to the following KPIs:

- Total number of calls made (outbound)
- Total number of calls received (inbound)
- Effective contact rate*
- Conversion rate
- Average monthly donation
- Committed giving donors per month
- Cost per donor
- Donor's age
- ROI
- Quality of the script
- Duration of the calls