



**Part B: - SCOPE OF WORK SAT TENDER 227/23 - MEDIA AND ADVERTISING AGENCY FOR SOUTH AFRICAN TOURISM AUSTRALIA OFFICE**

<b>Bid Description</b>	
<p align="center"><b>Media and Advertising Agency</b></p> <p align="center"><b>for the</b></p> <p align="center"><b>South African Tourism Australia Office</b></p>	
<b>Bidder Name:</b>	
<b>Tender Number:</b>	SAT Tender Number 227/23 Australia Office
<b>Closing Time:</b>	12h00 (New South Wales, Australia)
<b>Closing Date:</b>	<p><b>09 November 2023</b></p> <p><b>(No late submission will be accepted)</b></p>
<b>Compulsory Briefing Session:</b>	No briefing session
<b>Bid Submission Link</b>	<a href="https://forms.gle/8QN6ST4iLRf8wP6W6">https://forms.gle/8QN6ST4iLRf8wP6W6</a>
<b>Section</b>	Finance Management
<b>Contact Person</b>	Vikki Ma
	<a href="mailto:vikki@southafrica.net">vikki@southafrica.net</a> (Email for inquiries and any submission by email will not be considered for evaluation)

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

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## 2 CLOSING DATE

The closing date for the submission of proposals is **09 November 2023 at 12h00 (New South Wales, Australia)**. No late submissions will be accepted. There is no briefing session for this tender.

## 2 TENDER SUBMISSION LINK

2.1 Bidders must submit their proposals using the below link.

<https://forms.gle/8QN6ST4iLRf8wP6W6>

Should bidders encounter any issues with the submission link, queries must be directed in writing to [tenders@southafrica.net](mailto:tenders@southafrica.net)

Prospective tenderers must periodically review <http://www.southafrica.net/gl/en/corporate/page/tenders> for updated information or amendments about this tender before the due dates.

2.2 Failure on the part of the tenderer to sign/mark this tender form and thus to acknowledge and accept the conditions in writing or to complete the attached forms, questionnaires, and specifications in all respects may invalidate the tender.

2.3 Tenders may be completed in black ink where mechanical devices, e.g. typewriters or printers, are not used.

2.4 Tenderers must check the numbers of the pages and satisfy themselves that none are missing or duplicated. No liability will be accepted regarding claims arising from the fact that pages are missing or duplicated.

### 3 CONTACT AND COMMUNICATION

- 3.1 A nominated official of the bidder(s) can make enquiries in writing to the specified person, Vikki Ma via email at vikki@southafrica.net. Bidder(s) must reduce all telephonic inquiries to writing and send them to the above email address.
- 3.2 Bidders are to communicate any technical inquiries through the nominated official in writing no later than **17 October 2023**.

All responses will be published by **20 October 2023** on the following links:

<https://www.southafrica.net/gl/en/corporate/page/tenders>;

### 4 VALIDITY PERIOD

The tender proposal must remain valid for at least five (5) months after the tender due date. All contributions/prices indicated in the proposal and other recurrent costs must remain firm for the period of the contract.

### 5 SCOPE OF SERVICES

#### 5.1 PROBLEM STATEMENT

South African Tourism Australasia is tasked with increasing tourism arrivals from Australia and New Zealand to contribute to South African Tourism's growth strategy and the South African economy. To that end, we are seeking a Media and Advertising agency to devise and deliver a strategy in the context of the operating environment with consideration of the opportunities and challenges in this market - most notably fears around safety and security, the cost of travel in the midst of a cost-of-living crisis, and current limited air capacity. This strategy, led by data and insights, would focus on the conversion stage of the marketing funnel and extend across B2C and B2B platforms, working in unison with PR and social media to deliver an integrated approach to market and implement analytics to optimize, assess and inform activity in line with SAT reporting cycles and across SAT-owned analytics tools.

#### 5.2 SOUTH AFRICAN TOURISM (SAT) AUSTRALIA - OPPORTUNITIES AND CHALLENGES IN THE CURRENT ENVIRONMENT

##### Opportunities

Travel is on the rise in post-Covid Australia, and despite the rising cost of living, research suggests 80% of Australians are planning to travel in 2023. South Africa is the ideal destination

to realise bucket List dreams that may have been on hold - such as going on safari, taking on adventure activities or seeing the iconic Table Mountain, among many others.

South Africa also offers a number of other unique experiences in line with emerging post-COVID consumer trends and interests, including a myriad of wellness activities, sustainable travel experiences, and opportunities to give back to communities through conservation.

Moreover, given the economic fallout of the pandemic and ongoing rate hikes affecting the cost of living, consumers are looking for value for money. South Africa's Rand offers a favorable exchange rate against the Australian Dollar, and even more so since the pandemic.

### **Challenges**

SAT is faced with some key barriers and damaging perceptions that negatively impact the customer journey and tourist arrivals into the country. The top three barriers are as follows:

- Concerns for personal safety and security perpetuated by negative consumer media coverage of South African crime and politics combined with a large number of South African expats currently residing in Australia who disseminate stories of crime to explain why they left.
- South Africa is perceived to be 'expensive to get there', which is a genuine concern given increased airfare prices post-Covid due to affected airline capacities. With regard to South Africa, the national carrier South African Airways was lost in the Australian market, leaving Qantas as the only direct airline. It is estimated that flight prices will remain higher through 2040.
- And finally, the competitive set, should another destination be more appealing.

Also, as a consequence of COVID-19, 40% of travel agencies closed down, and though these are bouncing back, the workforce has changed and now consists of many employees who do not know the destination as well.

### **5.3 TARGET AUDIENCE**

Targeting the following demographics and psychographic segments is key to ensuring success that leads to improved brand strength, increased arrivals, and tourism spending.

### 5.3.1 Consumers

South African Tourism Australia's key consumer target audiences are as follows:

- **Wanderlusts 25-39+:**

Wanderlusts travel to discover a variety and enriching experiences. They are intelligent, well-rounded individuals with an eagerness to learn and explore new ideas. With a worldly attitude and a keen sense of adventure, they frequently travel for leisure and love the idea of traveling abroad. Although, Wanderlusts can be unreceptive to organized tours, they desire a variety of activities when traveling, finding interest in discovering new cultures, understanding nature, and trying foreign foods. Less concerned with the "must-haves" and luxury accommodations, Wanderlusts are authentic destination experience seekers and rarely dissuaded by barriers, including potentially adapting to foreign languages. Single and seeking adventure, Wanderlusts have a strong desire to see the world and are not afraid to travel the unbeaten path alone. The majority are first-timers to South Africa.

- **Next Stop South Africa (NSSA) 55+:**

NSSAs travel to discover new frontiers, and consumers grouped in the Next Stop South Africa category are keenly interested in traveling for education, culture, heritage, and shopping. They're fairly travel agent-dependent when planning their trip and looking for a more structured one. They are motivated to visit South Africa by the idea of safari and have been dreaming of a trip like this (even if they didn't realize it was to South Africa) for quite some time. Overall, they are well-traveled with a relatively high disposable income. When planning their trip, the most important attributes they seek are the ability to engage in a variety of activities, ease of getting around, safety, and availability of good cuisine. When it comes to traveling to South Africa, they are lured by the natural beauty, culture, local cuisine, tourist attractions, safari, and interacting with the people of the country.

**The Centre of Gravity** between these two groups (i.e. the commonalities) are that they are:

- Well-travelled. Worldly.
- Independent.
- Travellers, not tourists.
- Travel is a state of mind for them. They are global citizens for whom travel is essential to their everyday lives.
- Curious - they travel to expand their knowledge and to evolve (it keeps them interested).
- Looking for immersive experiences - they want to engage with the destination and its people, not view it at arm's length.
- Experiential - they seek out exciting and high-quality experiences.

- Involved - They like to make their own decisions and maintain a sense of control over their destiny.

### 5.3.2 Trade

Trade (inclusive of travel agents, online travel agents (OTAs), tour operators, airlines, alternative sales channels, etc.) are important distribution channel partners for SAT. Trade is highly fragmented and spread across the country.

The Australian travel trade landscape comprises brick-and-mortar and OTAs who interact directly with consumers. The retailers usually work with South African wholesalers who package offerings via South African destination management companies (DMCs) and market them via their retail network. Wholesalers typically do not bypass the retail travel suppliers to sell directly to consumers.

Although Australian consumers engage with OTAs to seek information about their international trips, including hotels and flights, most of them prefer to book via brick-and-mortar travel agents because of their concern about their money's security or because they need help putting more complex itineraries together for destinations they are not familiar with.

In some instances, tourists may contact a destination marketing company since some DMCs (such as Springbok Atlas) market directly to consumers through their online platforms. As an emerging trend, leisure tourists also engage with wholesalers and DMCs to seek the most appropriate information about the destination.

Given the economic losses caused to the travel industry due to travel bans, the landscape of the distribution network has undergone significant changes in the post-pandemic world after more than 40% of retail agencies closed down and many travel agents transitioned to new industries, leaving a new workforce in their wake. This means there is an opportunity for SAT to run more training events to train new entrants in the industry.

Travel agents and wholesalers believe that Australian tourists consider South Africa a better destination - in terms of infrastructure - than other African destinations, but they still perceive South Africa to be unsafe in terms of health, safety, and security. South Africa has also lost one of two direct airlines over the past year -our national carrier, South African Airways (SAA). Therefore, there is less capacity to sell. The remaining airline Qantas, has slashed commissions to travel agents this year.

### 5.3.3 Meetings Incentives Conferences and Events (MICE)

In the Australian market, MICE specialists generally book directly through the product/service providers. In the case of less familiar destinations such as South Africa, they leverage the

services of the DMCs. Conference/event organisers reach out directly to DMCs or wholesalers for their services.

SAT has recognised the untapped potential in this market and has elevated MICE as a key priority. South Africa is the leading MICE destination in Africa due to its superior infrastructure, business conferencing facilities, and diverse activity offerings.

The investment in business travel and tourism by a company drives great returns over a period of time; this includes not only the conference and meetings industry (i.e. corporates traveling to meet international buyers and sellers and attending global events) but also the incentive industry. Corporates often incentivise suppliers and their own staff by offering travel to exotic locations as part of their strategy to enhance and reward performance.

Conference/event organisers in Australia are increasingly realising the benefits to their businesses from organising MICE trips as the lead time is often lengthy (thus securing a future income stream) as well as the opportunity to increase their profit from additional bookings from delegates traveling with their loved ones.

#### 5.3.4 Media

- **Consumer Media**

Since the beginning of 2020, the Australian media landscape has significantly shifted, with COVID-19 accelerating change that has been unfolding over many years. Announcements over the past few years have included suspensions and forced leave for journalists, multiple redundancies, discontinuation and suspension of titles, as well as many publications closing for good.

Print lifestyle titles were particularly hard hit, with a publishing house, Bauer (now Are Media) closing eight of its best-known titles and one of the most significant changes was News Corp's decision to move almost all of its regional and community newspaper titles to digital only, signifying an accelerated push to move to digital-only publishing. With the increasing state-based focus each of the metro mastheads have, the localisation of stories is important as journalists seek out more content from their regional and community counterparts.

Digital means the continual rise of clickbait-based content, particularly amongst high-reaching consumer news titles such as Daily Mail, [News.com.au](https://www.news.com.au), and [7News.com.au](https://www.7news.com.au), stories need to pack a punch and translate into the earned conversation.

- **Trade Media**

In the Australian and New Zealand trade media landscape, there are currently 7 key trade media platforms. Over the past year, most of these companies have turned digital as the travel industry is working from home and does not have access to the physical editions that would have been posted out to their offices. Most of these companies are running on lean staff with the owner acting as the main point of contact. SAT has strong relationships with the owners of these publications, five of which are based in Sydney.

### **5.3.5 Expatriates**

There are approximately 200,000 South African-born expats (193,860 in June 2019) living in Australia. Second only to the South African expat population in the US, they comprise 2.6 percent of Australia's overseas-born population and 0.8 percent of Australia's total population, making the South African-born population the seventh largest migrant community in Australia.

Insights tell us that South African expats in Australia are currently brand detractors. Although they often have pride and nostalgia toward their homeland - their experiences/commentary about a crime they may have witnessed/heard about in the country, perpetuates fears around safety and security among their Australian acquaintances. Given their significant presence in the country, these comments significantly contribute to the poor perception Australians have towards South Africa in terms of safety and security.

## **5.4 OVERVIEW OF SCOPE OF WORK**

### **Scope of services**

Australia is one of the top 10 long-haul source markets for South Africa where key traveller segments have extensive international travel experience and seek variety at destinations. Pre-pandemic South Africa welcomed approximately 115K visitors from Australia and approx. 15K from New Zealand annually.

As SAT moves travellers through the marketing funnel from inspiration driven by global campaigns and managed by the SAT Head Office in Johannesburg; to consideration and conversion driven by the Australian office and funded by local budgets; the organisation requires a seamless and uninterrupted approach to marketing to ensure increased efficiency in our marketing efforts while addressing consumer needs.



Australia and New Zealand are competitive markets, and our marketing needs to be able to stand out above the noise and trigger a desire for the destination with Australian and New Zealand travellers.

An invitation is extended to all reputable service providers in a bid to be appointed as the preferred media and advertising agency for SAT Australasia to liaise and complement existing PR, Social Media, and events to complete the 360° consumer and trade engagement. The appointed service provider will outline plans to engage with Australian and New Zealand travellers to meet the following key objectives:

- Increase tourism arrivals from Australia and New Zealand thereby contributing to SAT's growth strategy.
- Increase tourism spend (contribution to the South African economy).

The appointed agency will be responsible for, but not limited to the following:

- Online and offline campaigns.
  - Media agencies must know how to do performance campaigns, ideally in the conversion section of the marketing funnel, know how to measure performance, and know how to do remarketing.
  - Localisation and editing of global brand assets in accordance with the global brand guidelines.
  - Campaign strategy, planning, and execution, inclusive of a full go-to-market plan with correct and tailored messages for each channel and target audience.
  - Audience segmentation into demographics, location, and other groups to understand online and offline behaviours and media consumption.
  - Optimise, manage, and execute always-on 24/7 digital campaigns.
  - Work with an appointed social media agency for campaigns with social media as a channel.
  - Dynamic personalisation and structured testing on identified target audiences.
  - Continual improvement of various digital channels to improve effectiveness through testing, review, and optimisation frameworks.
  - Run programmatic advertising campaigns and real-time bidding of online audiences in line with global brand guidelines.
  - Identify and execute concurrent online and offline campaigns for seamless targeting of key travel segments.
  - Provide an online re-targeting and data-driven infrastructure using SAT central marketing analytics and ad serving platforms.
- Creative capabilities from concept to creation of content and assets

- Craft creative campaigns from inception to execution as required
  - Develop online and offline marketing assets across all platforms
  - Create SEM and SEO optimised content
    - Detailed rate card should be provided for the development of assets
- Negotiate rates for media placement with channel publishers and/or distributors.
  - Investigating best deals, comparing with multiple publishers, and presenting the most competitive rates and value-added services to SAT.
  - Proactively highlighting “cash-back” opportunities when using specific publishers or media networks.
- Competitor analysis.
  - Identify learning opportunities from competing destinations in Australia and New Zealand and prepare these insights for SAT
- Design a media buy and advertising strategy.
  - Media strategy development with a selection of channels that respond to campaign goals.
  - Ensure correct and tailored messages for each channel and target audience are created and executed.
  - Clear identification of the online customer journey defined by URLs to be used across the conversion journey.
  - Define strategic user events to trigger retargeting rules via floodlight tags.
- Campaign launch and delivery.
  - Effective delivery of the media campaigns with continuous monitoring of the campaign performance driven by rules set up on SAT-owned tools.
  - Respond to real-time consumer behaviour and competitor activity driven by rules set-up on SAT-owned tools.
- Research and reporting
  - Collect data, and review statistics to identify strong and weak points of the campaign.
  - Implement analytics for campaign performance and measurements driven by rules set up on SAT-owned tools.
  - Campaign reporting, analysis, insights, and recommendations for future campaigns.
  - Provide reporting to SAT as required in accordance with SAT’s reporting cycles including monthly, quarterly, post-campaign, and annual, supported by a Portfolio of Evidence (POE)
- Industry and media landscape research and insights
  - Identify trends and insights across the industry and media landscape and provide them to SAT to inform and aid overall planning as required
- Review B2C media proposals on behalf of SAT.

- Suggest recommendations to SAT and facilitate delivery where deemed recommended and agreed

#### Business to Business (B2B) - Trade

- Manage and run B2B trade campaigns.
  - Conceptualise, manage, and run campaigns to stimulate the trade to sell more of South Africa as a holiday destination to consumers.
- Review B2B travel trade proposals on behalf of SAT.
  - Suggest recommendations to SAT and travel trade partners on activity proposed to benefit all parties based on objectives.

#### Financial compliance.

- Deliver projects and campaigns within budgets and timeframes
- Align with SAT's financial processes, including the process of recommending, booking only upon provision of Purchase Order (PO), and invoicing upon delivery and proof of work.
- Reconciliation and reporting.

This tender is for Australia and New Zealand, but the SAT Australia office can commission work for other markets on a needs basis. The commissioned agency will need to render/bill these services through their Australia office only in Australian dollars (AUD).

#### **Please note:**

**This is NOT a global tender**

**No affiliates in other countries will be required as the Australian agency must operate and liaise from Australia**

## **5.5 SUBMISSION DOCUMENTS**

The following must be submitted as part of the tender submission:

### **5.5.1 AGENCY CREDENTIALS**

#### **A. AGENCY BACKGROUND**

Please provide us with your agency credentials by providing a summary of the agency, its years of operation, positioning, and structure including:

- Agency overview, size, company structure, and relationship with other subsidiaries of your parent company where relevant
- Describe any prior destination marketing experience

- Outline how other experiences outside of destination marketing would allow you to deliver innovative solutions to this sector.
- Describe any competitive advantages that differentiate you from your competitors.

**Evaluation:**

- Established a full-service media agency
- Years of operation
- Experience in the Destination marketing space or similar/applicable industry
- Compelling, unique selling proposition (USP)

**B. EXPERIENCE OF SERVICING TEAM**

Please provide us with details regarding the expertise and experience of the proposed agency team including a minimum of 5 years' experience in the field for each of the proposed resources, and any applicable noteworthy credentials.

Senior Management should be part of the servicing team. The servicing team that would potentially service the account should be active participants in preparing the bid submission and during the pitch presentation.

**Evaluation:**

- A proficient servicing team that has the capacity, skills, and tools to run successful advertising campaigns.
- Minimum of 5 years of experience of each of the proposed resources of the core team as an average (does not include support staff such as designers)
- The first top 3 resources will be considered for average scoring points

**C. TESTIMONIALS**

Client testimonials from the past five (5) years must be submitted. These client testimonials must be on a letterhead, dated and signed or emailed from the client and clearly specify what work was done by the agency and delivered for the client.

**Evaluation:**

- Positive, contactable references offering testimonials that reference delivery against objectives and Key Performance Indicators (KPIs), each of which must relate to the case studies presented per criteria D below.

#### **D. CASE STUDIES OF PRIOR ADVERTISING CAMPAIGNS**

Please submit a body of evidence of a minimum of two (2) advertising campaigns that clearly illustrate the agency's ability to interpret a client brief and strategically execute advertising campaigns to achieve their objectives. One must be a Destination client. Examples should include:

- Multi-channel campaigns online and offline in Australia or Australia and New Zealand
- Include elements of both Business to Consumer (B2C) and Business to Business (B2B) activity
- Include reporting on return on investment including click-through and conversion rates etc
- Must relate to testimonials submitted in response to criteria C above

#### **Evaluation:**

All case studies should highlight your methodology around concept development, creative capabilities, and any instances where you have leveraged other 3rd parties or departments within your wider organisation. They should not be older than five (5) years and should include:

- Client name and background.
- Challenge faced by client.
- Solution delivered by your agency with supplementary graphics and/or URLs where appropriate.
- Value added by your agency.
- Thought process that led to this solution, including how you found unique differentiators from competitors and innovative ways to engage consumers and travel trade.
- Outline of tools used to project manage campaigns and ensure they are delivered efficiently.
- Results and/or ROI derived from the campaign.

#### **5.5.2 PROPOSED SOLUTION**

For the purpose of this tender, we request bidders to submit a ‘mock’ solution for an advertising campaign that will reignite the demand for travel to South Africa among consumers (that can also be augmented to factor trade and MICE).

The solution must consider SAT’s areas of opportunity as well as the barriers and how best to capture the Australian market in the post-COVID travel resurgence.

The proposed solution must reach our consumer target audiences, Wanderlusters, and NSSAs, and consider Trade and MICE markets.

For illustrative purposes, a maximum annual budget of AUD 750,000 can be assumed.

You will be evaluated on the proposed strategy and creative concept, execution and measurement and reporting which are all outlined below in more detail. Please ensure the following components are covered in your bid to allow for thorough scoring:

#### **A. STRATEGY AND CREATIVE CONCEPT**

Demonstrate an understanding of SAT’s needs in Australia and New Zealand and present a creative concept to implement in these markets strategically. Indicate how the concept addresses South Africa’s challenges and opportunities, how it reaches key audiences, and how it might be augmented for trade and MICE and ultimately drive sales and conversion.

##### **Evaluation:**

- Demonstrate an understanding of the current environment related to the proposed concept.
- The concept needs to be innovative and relevant to identified segments.
- Illustrate a strategy that will reach audiences across the conversion funnel stages to culminate in conversion.
- Longevity - how can the concept continue to evolve over potentially a multi-year period

#### **B. EXECUTION**

Demonstrate how the creative concept will be executed and optimised across channels to deliver objectives

##### **Evaluation:**

- Propose a work plan with associated timelines that will accomplish the tasks mentioned under the scope of services as required

- Outline plans to monitor the campaign's performance and implement corrective measures where necessary.

### **C. MEASUREMENT AND REPORTING**

Demonstrate how the campaign will be evaluated

#### **Evaluation:**

Provide a sample report inclusive of but not limited to:

- Interval reporting to ensure optimisation and fit in with SAT's monthly and quarterly reporting cycles
- Post-campaign results
- Budget reporting
- Demonstrate ability to use SAT-owned reporting tools such as Google Analytics and Google Marketing Platform. As South African Tourism, we are making use of Google Marketing Platform, and for that reason, the agency must be able to use our own digital tracking and measurement assets, such as Google Analytics 4 (GA4), Google Tag Manager (GTM), etc.

## **6 PRICING SCHEDULE**

A detailed pricing schedule should be included in the bid proposal, detailing all aspects to deliver the requirements to SAT as required under this tender. The price should include all local taxes and other reimbursable expenses.

SAT will not consider any retainer fees under this scope of services. Bidders should, therefore only propose a remuneration model on a commission basis as a % of the net procurement value of the project.

A detailed price schedule (e.g. rate card) should also be included for any ancillary costs such development of assets and in consideration of the following:

- In-house resources rates
- Mark-up policy on external costs, i.e. third-party production, etc.
- Annual fee increase proposal over the 3-year term.
- Full disclosure of commercial agreements with partners, where SAT is a beneficiary, where gratuitous services and inter-agency agreements are applied, i.e. total transparency for all commercial deals relating to SAT.
- Indicate any once-off costs that may occur.

It is, however, important to note that SAT will contract based on the project fee model structure only.

END.