

REQUEST FOR EXPRESSIONS OF INTEREST
CONSULTING SERVICES – FIRMS SELECTION

Republic of Serbia

The Serbia Railway Sector Modernization Project (SRSM)

Project ID No. P170868

Assignment Title:

Technical assistance to support Srbijavoz to adopt commercially oriented marketing systems

Reference No. SER-SRSM-QCBS-CS-22-44-2

For the purpose of financing Serbia Railway Sector Modernization Project, Phase 1 of the Multiphase Programmatic Approach (MPA), the International Bank for Reconstruction and Development (IBRD) and the Agence Francaise de Développement (AFD), jointly, granted to the Republic of Serbia EUR 102 million loan to support enhancing the efficiency and safety of existing railway assets and improving governance and institutional capacity of the railway sector. Republic of Serbia intends to apply part of the proceeds to payments for consulting services to be procured under this project.

Scope of Work

The objective of the Assignment is to provide technical assistance (TA) to support SV to adopt commercially oriented marketing systems. This TA will assist: (i) the GoS and SV to identify user needs and preferences and (ii) SV to establish a Strategic Framework for modern marketing tools with comprehensive action and investment plan.

The Scope of Work is divided into three activities:

- Activity 1: Identifying user needs and preferences
- Activity 2: Marketing Strategic framework for SV;
- Activity 3: Preparing an Action plan for the implementation of modern marketing tools

Activity 1: Under this Activity the Consultant will conduct a series of user needs analysis, to serve as a basis for the development of Marketing strategy for SV and the accompanying Action plan. To this end under this activity the Consultant would provide an overview of the best modern marketing practices across the world, perform extensive user surveys across the country, define the desired state (KPI) for SV and identify gap between desired and observed as well as possible ways to reach the desired state including their costs and benefits, and conclude with the strategy that should support the SV to reach the desired state through modern marketing approaches.

Task 1.1: Getting best practices

Task 1.2: Analysis of the achieved business results SV from the status change until today and identification of resources for improvement through modern marketing tools

Task 1.3: Conduct user needs and preferences surveys and research

Task 1.4: Proposals for improvement marketing tools

Activity 2: Under this Activity the Consultant will develop the marketing strategy for SV with main focus on modern marketing tools and goal of attracting new users and increasing user satisfaction.

Task 2.1: Preparation of the Marketing Strategy of SV

Activity 3: This Activity will be direct continuation of Activity 2 under this assignment, under which the Consultant will identify effective marketing tools and produce a detailed Action Plan for implementation of the Marketing Strategy. The Action Plan should also seek to include the expected costs, responsible stakeholders, and KPI through which the progress toward that goal could be monitored.

Task 3.1: Multi-criteria analysis of identified effective specific marketing tools

Task 3.2: Marketing Strategy Action plan with timeline and investment plan

Task 3.3: Producing detailed integrated marketing campaigns (IMC) and marketing material

Contract duration: 12 months starting from the commencement date.

The detailed Terms of Reference for the above referenced consulting services is posted on the website of the Ministry of Construction, Transport and Infrastructure (MoCTI)

<https://mgsi.gov.rs/cir/dokumenti/serbia-railway-sector-modernization-project-srsm-it-strategy-and-marketing-strategy-sv>

The Central Fiduciary Unit (CFU) of the Ministry of Finance now invites eligible Consultants to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services.

The Consultant firm will be selected in accordance with QCBS (Quality-and Cost-Based Selection) method set out in the World Bank's Procurement Regulations for IPF Borrowers (July 2016, revised November 2017, August 2018 and November 2020). The Client, intends to shortlist up to eight eligible firms to whom a subsequent Request for Proposals (RFP), both technical and financial, shall be sent.

The assignment will require a qualified consulting company or Joint Venture that can demonstrate extensive experience in technical and marketing assistance service for the contract. Consultants may associate with other firms to enhance their qualifications but should indicate clearly whether the association is in the form of a joint venture (JV) and/or a sub-consultancy. In the case of a joint venture, all the partners in the joint venture shall be jointly and severally liable for the entire contract, if selected. Furthermore, Expressions of interest of JVs will be evaluated based on the composition of JV submitted, whereas the experience of other firms not included in the JV will not be considered in the evaluation. The experience of any proposed sub-consultancy shall not be included in the evaluation. Key Experts' CV are not required and will not be evaluated at the shortlisting stage.

The following shortlisting criteria will be applied to all consulting firms that have submitted EoI:

The Consulting firm must be a legal entity. Shortlisting will be based on the following criteria:

- i) **General Experience:** Experience in developing marketing strategies for service providers, with at least one project of marketing strategy in the past 8 years.
- ii) **Specific Experience:** The Consultant (individual company or joint venture altogether) has implemented and successfully completed, during the last five years (from the October 2018 up to the deadline for the receipt of applications indicated below):
 - at least one (1) contracts in a field related to these Services, i.e. preparation of marketing strategy and/or marketing research for passenger transport companies or large corporate entities;
 - at least one (1) contract in a field of market surveys/feedback collection.

iii) Availability of qualified experts within the organization/JV with relevant experience in the field, such as, marketing specialist, marketing research specialist, transport specialist etc.

As a proof, the Consultant firm shall prepare a table listing following information: name of the relevant assignment, name of a firm that conducted the assignment, short scope of work, year of contract implementation, country/region, contact reference (name, e-mail, phone number).

Allocation of points:

- i. General Experience 30 points
- ii. Specific Experience 50 points
- iii. Availability of qualified experts 20 points

The attention of interested Consultants is drawn to paragraphs 3.14, 3.16 and 3.17 of the World Bank's Procurement Regulations for IPF Borrowers – Procurement in Investment Project Financing Goods, Works, Non-Consulting and Consulting Services (July 2016, revised November 2017, August 2018 and November 2020) (“the Regulations”) setting forth the World Bank’s policy on conflict of interest.

Further information can be obtained at the address below during office hours 09:00 to 15:00 hours.

Expressions of interest in English language must be delivered in a written form to the email below, by **February 19, 2024, 12:00 hours, noon, local time.**

| | | |
|----------|--|--|
| Contact: | E-mail: | Address: |
| To: | zorica.petrovic@mfin.gov.rs Ms. Zorica Petrovic Procurement Specialist | Ministry of Finance Central Fiduciary Unit Balkanska 53 11000 Belgrade, Serbia Tel/Fax: (+381 11) 765 2587 |
| Cc: | ljljana.dzuver@mfin.gov.rs larisa.puzovic@mgsi.gov.rs | |

**The Serbia Railway Sector Modernization Project (SRSM) Project ID No.
P170868**

TERMS OF REFERENCE

Technical assistance to support Srbijavoz to adopt commercially oriented marketing systems

1 Background information

1.1 Beneficiary country: Republic of Serbia

Client: Ministry of Construction, Transport, and Infrastructure of Republic of Serbia (MoCTI).

Final Beneficiary: Srbijavoz (Company for Passenger Railway Transport – SV).

1.2 Relevant background

The Republic of Serbia is located at the crossroads of Central and Southeast Europe and is the central part of the Balkans, spreading over an area of 88,361km². As an upper middle-income country with a Gross National Income per capita of US\$ 7,409 (2019) and a population of 7 million (2018), Serbia is one of the main economies of the Western Balkans with positive economic performance in the last 5 years.

The country is ranked relatively high in terms of competitiveness, investment climate and the ease of doing business. The World Economic Forum's global competitiveness index ranked Serbia at 72 out of 141 countries in 2019, behind regional peers Slovenia (35), Bulgaria (49), Romania (51) and Croatia (63) but ahead of Montenegro (73) and Albania (81). It is ranked 48th by the World Bank's Doing Business Index 2019, where it scored above regional average for Europe and Central Asia. Since 2014, the Government of the Republic of Serbia (GoS) has made good progress in reducing public debt, including through greater fiscal responsibility, reform of the public administration, reform of the state-owned enterprises and an overall increase in public sector productivity.

The World Bank launched the Multiphase Programmatic Approach (MPA) to support the Government of Serbia in continuation of institutional, physical and operational modernization of the railway sector in an integrated manner through providing financial support to Serbia Railway Sector Modernization Project as part of the MPA to be implemented in three overlapping phases over the ten-year period.

To finance Phase 1 of the *Serbia Railway Sector Modernization Project* (the Project), the International Bank for Reconstruction and Development (IBRD), as part of the World Bank Group, and the Agence Francaise de Développement (AFD), jointly, granted to the Republic of Serbia loans amounting to EUR 102 million. The Project consists of three components:

- **Component 1: Infrastructure Investments and Asset Management.** This component focuses on improving the quality and safety of railway infrastructure and enhancing rail asset management practices.

- Component 2: Institutional Strengthening and Project Management. This component focuses on strengthening rail policies and institutions to deepen and sustain recent reforms.
- Component 3: Railway Modernization Enablers. This component finances measures to protect the vulnerable and poor and strengthen sectoral enablers for sustainable business growth and job creation.

The Project is managed by the MoCTI through its Project Implementation Unit (PIU) supplemented by the Project Implementation Teams (PITs) in Railway Directorate (RD) and in railway companies, respectively Serbian Railway Infrastructure (IZS) Serbia Cargo (SC) and Serbia Voz (SV). PITs act as subordinate implementing agencies and provide technical support for specific Project subcomponents or activities of the MPA that pertain to their area of expertise. Primary responsibility for Project execution lies on PIU which will ensure that the Project development objectives are met.

In this context, the MoCTI intends to develop a *Study - Technical assistance to support Srbijavoz to adopt commercially oriented marketing systems*, framed under Component 3 of the Project. These Terms of Reference (ToR) describe the Services to be undertaken by a consultancy firm to provide technical assistance to SV to adopt commercially oriented marketing tools through adoption of a Marketing strategy.

This will provide support to SV to adopt commercially oriented, independent marketing tools and modernize their outdated internal structures and systems in function of marketing system.

1.3 General information

Customer experience is becoming a key topic for the rail transport operator. Passengers are demanding better service offerings and real-time information. Passengers' expectations are moving faster and increasing competition from new mobility players, rail companies require to adopt modern marketing strategies objectives. The Marketing Objectives must be market segment related. It is also essential that these objectives be:

- practical and realistic - i.e. capable of being achieved within the likely resource limitations facing the railway passenger company
- linked to overall Corporate Objectives; and most importantly
- relevant and responsive to the actual needs of customers.

The Marketing Strategy has a vital role as the vehicle for expression of the company's commercial objectives; the strategies for realization of these objectives; and the actions (with assigned responsibilities) necessary to implement the strategies. Realization of objectives set for individual segments will collectively result in achievement of the overall corporate objectives. An essential requirement of any Marketing Strategy is that it must be both practical and actionable.

The Marketing Strategy devised to achieve these objectives must be practical, actionable (realistically capable of implementation) and, above all, relevant and responsive to customer needs. They must also relate directly to marketing objectives identified for each market segment.

Marketing strategies include actions taken to modify elements of the marketing mix -product, price, place and promotion - in order to achieve marketing objectives.

1.4 Current situation in the sector

Within the strategic goals of the Government of the RoS aimed at economic development, activities related to the improvement of the transport infrastructure and the formation of an integrated transport system of Serbia are continuously carried out in the transport sector. Serbia's priority in the field of railway transport is to ensure the integration of the railway transport network into the TEN-T network and develop efficient connections with other modes of transport through the development of multimodal service terminals, while creating a framework and incentives for developing a market-oriented, open and modern railway sector. Emphasis is also placed on improving railway safety and increasing the accessibility and comfort of services, with minimum impact on the environment.

For infrastructure, the implementation of the National Program for the period 2017-2021 for construction, renewal, reconstruction, and maintenance of railway infrastructure will be critical and it includes US\$ 432 million in implemented projects, US\$ 954 million in ongoing projects, US\$ 864 million of projects in preparation, and US\$ 2.7 billion in the planning stage. Special attention is paid to full electrification of the line tracks, full deployment of the European Railway Traffic Management System (ERTMS), removal of speed restrictions, improved line capacity on the core network, and enhanced management of rail assets. In the recent period, significant funds have been invested in the implementation of large railway infrastructure projects, but immeasurably larger funds are still planned. The new five-year investment cycle envisions investments in railway infrastructure of over five billion euros for development projects. The essence of the new investment cycle is to contribute to the development of the economy and create conditions for a better life.

The Serbian rail transport vision also includes further opening of transport markets in compliance with EU requirements. This will expand markets, but domestic transport providers need to improve their competitiveness and market orientation. In this respect, activities are also being carried out to provide the necessary conditions for establishing an environment for competition on the railways, and Republic of Serbia has adopted all necessary regulations that enable equal access to railway infrastructure as well as transparent and non-discriminatory behavior on the market. Further, reform of the railway sector in Serbia was realized by the implementation of the Serbian Railways JSC Status Change Plan, by completely separating the activities of infrastructure, passenger transport and transport of goods, as well as the accounts of such companies.

Expectations from the reform process are set in line with goals that were accepted as realistic eight years ago. It is certainly a "living process" that is subject to change, in line with changes in society and the environment. It is evident that, despite the large funds and measures taken by the Government of the Republic of Serbia, there is a constant decline in the number of transported passengers. Precisely for that reason, it is necessary to finalise a Marketing strategy for Srbijavoz, in order to identify new opportunities and products that can boost commercial optimisation as well as maximise the participation of the various shareholders, taking into consideration the future needs of the railway transport. The deep mining of passengers' travel data can identify competitive segments and gain insights into passengers' characteristics and differentiated demands. This can not only effectively support precise marketing strategy adjustment of railway transport but also improve its competitiveness in the passenger transportation market.

According to the data collected for all modes of transport in 2019, relative to 2018, the number of passenger kilometers decreased by 0.2%. Observed by transport modes, decrease was noted in railway transport (17.9%) and in road passenger transport (5.8%), while in air and public transport, passenger kilometers increased. Referring to transport of goods in 2019, tons

kilometers increased by 6.2% relative to 2018. Such an increase was influenced by goods transport by road and inland waterways.

Undoubted progress in the process of improving infrastructure on basic routes and globally implemented reforms of the railway sector needs to be strengthened in the coming period primarily by providing better and more complete users service, in order to improve services and attract new railway users.

Some of the problems identified in the implementation of railway sector reforms so far, concerning the functioning of railway companies, relate to the low level of development of corporate governance, inadequate system of planning, control and reporting, as well as non-existent modern marketing tools, especially in a passenger transport company. All this affects the quality of service that SV provides to users and represents significant resources for the improvement of rail passenger traffic in Serbia.

Passengers select appropriate trip plans according to their characteristics in conjunction with various factors related to transportation services, like safety, comfort, convenience, speed, punctuality, and cost-effectiveness. To assist Srbijavoz in formulating customised and personalised service strategies based on the travel characteristics of diverse groups, it is necessary to accurately and effectively define the competitive segments of different transportation modes, profoundly investigate the mode of transport selection behaviours of passengers, quantitatively analyse the individual factors influencing passengers' travel choices and their social relations in travel, gain insights into the characteristics and differentiated demands of passengers, and finally divide passengers into different groups. This may further promote the passenger service mode innovation, service strategy transformation, and service quality improvement of railway transportation. Theoretical bases can also be provided for Srbijavoz to reasonably design train service products and implement precision marketing activities.

In this context, effective recognition of the competitive segments of various transportation means is the basis on which railway passenger service enterprises analyse the advantages of their competitors, discover their weaknesses, and optimise their marketing strategies.

SV didn't do enough in determined promotional policy as it enjoys a monopoly market, although it has been engaged in campaigns like cleanliness, tourism. In order to improve the functioning and volume of rail passenger traffic, and based on previously identified resources for improvement, MoCTI plans to hire a high-quality Consultant who, based on analysis of the functioning of SV and world experiences, would provide guidelines for attracting new users to whom it would offer better service, identified in the modern Marketing strategy.

2 Scope of Work

2.1 Objective of the Assignment

The objective of the Assignment is to provide technical assistance (TA) to support SV to adopt commercially oriented marketing systems. This TA will assist: (i) the GoS and SV to identify user needs and preferences (Activity 1) and (ii) SV to establish a Strategic Framework for modern marketing tools with comprehensive action and investment plan (Activity 2 and 3, respectively).

The Scope of Work is divided into two activities:

- Activity 1: Identifying user needs and preferences
- Activity 2: Marketing Strategic framework for SV;
- Activity 3: Preparing an Action plan for the implementation of modern marketing tools.

2.2 Activity 1: Identifying user needs and preferences

Under this Activity the Consultant will conduct a series of user needs analysis, to serve as a basis for the development of Marketing strategy for SV and the accompanying Action plan. To this end under this activity the Consultant would provide an overview of the best modern marketing practices across the world, perform extensive user surveys across the country, define the desired state (KPI) for SV and identify gap between desired and observed as well as possible ways to reach the desired state including their costs and benefits, and conclude with the strategy that should support the SV to reach the desired state through modern marketing approaches.

2.2.1. Task 1.1: Getting best practices

The objective of this task is to get an overview of the world best practices for marketing tools of rail passenger companies.

The Consultant will analyze the world experiences in the development of activities for using modern marketing tools (at least 3 railways, which will be subsequently defined in cooperation with the MoCTI and SV, on the proposal of the Consultant) and identify approaches and activities applicable for Serbia.

Special attention, but not limited to that, will be paid to the analysis of modern tools related to improvements in formulating transparent communications with passengers (particular about train schedules and delay) at stations and stops, and use of modern marketing tools in order to increase the number of passengers on the railway.

2.2.2. Task 1.2: Analysis of the achieved business results SV from the status change until today and identification of resources for improvement through modern marketing tools

The objective of this task is to analyze of the achieved business results SV and examine the resources for business improvement of rail passenger company with special reference to those business results that are a consequence of marketing activities. The Consultant shall analyse current marketing system of SV, examine adequacy of the existing railway marketing information system, passenger ticketing and booking system in correlation to current and future demand for railway passenger transport services.

Within Task 1.2, the Consultant will, but not limited to:

- Define KPIs to measure user satisfaction and experience
- Agree with SV on KPIs that would measure user satisfaction related to marketing activities and desired value of these KPIs in 1-3-5 year period
- Analyze the achieved business results of SV that are a consequence of marketing activities and based on those analyses identify which resources and soft measures can give the greatest effects in the most efficient way, ie with the least investments, in a short period of time.
- Assess Gap between observed in SV and World best practices regarding modern marketing tools.

Based on experiences and data which SV will make available to the Consultant, the work of the Consultant should be primarily focused on analysis and resources in the field of marketing tools, because this area has so far been identified as one of the largest resource for improvement.

This may further promote the passenger service mode innovation, service strategy transformation, and service quality improvement of railway transportation. Theoretical bases can also be provided for SV to reasonably design train service products and implement precision marketing activities.

In this context, effective recognition of the competitive segments of various transportation means is the basis on which railway passenger service enterprises analyse the advantages of their competitors, discover their weaknesses, and optimise their marketing strategies.

2.2.3. Task 1.3: Conduct user needs and preferences surveys and research

The objective of this task is to examine user needs, satisfaction and information, in accordance with the information that SV makes available to users and user perception of railway service operation and performance. The consultant should examine the general opinion of the users each of the identified railway lines (which will be defined from Consultant side in cooperation with the SV), which represent a connection:

- with a tourist center
- with a business center
- international connection
- between two regional centers.

Within Task 1.3, the Consultant will, but not limited to:

- Conduct comprehensive surveys and research to assess the satisfaction of service users in order to define customer satisfaction and difference between customer experience and ideal customer experience, identify missing services, separately in urban and in non-urban area.
- User Experience (UX) – conduct comprehensive user experience testing for app and website; identify weaknesses and suggest how they can be fixed
- To assist SV in formulating customized and personalized service strategies based on the travel characteristics of diverse groups, it is necessary to accurately and effectively analyze:
 - o User needs and preferences
 - o The competitive segments of different transportation modes, profoundly investigate the mode of transport selection behaviours of passengers,
 - o The individual factors influencing passengers' travel choices and their social relations in travel, gain insights into the characteristics and differentiated demands of passengers,

The results of the analysis of the conducted comprehensive user experience will serve, among others, as the basis for identifying the framework of future implementation of the modern marketing solutions for the best future positioning of SV on transport rail passenger market. Also, the Consultant will measure current performance of the SV in relation to the desired KPIs.

2.2.4. Task 1.4: Proposals for improvement marketing tools

The objective of this task is to propose activities for improvement marketing tools for SV.

Within Task 1.4, the Consultant will, but not limited to:

- Prepare proposal for the continuing Social Listening - monitoring social media channels for mentions of brand, competitors, product and SV services

- Conduct Brand Health Tracker research in order to measure important brand metrics and help SV understand the effectiveness of both individual campaigns and overall brand presence. Regular brand tracking also will help SV to extract relevant information that can use to inform SV brand strategy moving forward
- Collect data from the app and set up Instant Voice of Customers - systematic way of gathering feedback from customers, analyzing the sentiment and needs that are voiced, and incorporating those insights for business growth, in order to improve services
- Conduct Mystery Shopper - test the behavior of sales persons, either before or during the trip, in order to improve customer related services
- Data analytics – using all the available data from different sources, including app, set up system that can predict trends and detect potential
- Identify resources for recognition of the advantages of passenger rail transport, in terms of increasing the quality and information of passengers.

2.3 Activity 2: Marketing Strategic framework for SV

Under this Activity the Consultant will develop the marketing strategy for SV with main focus on modern marketing tools and goal of attracting new users and increasing user satisfaction.

2.3.1.Task 2.1: Preparation of the Marketing Strategy of SV

The Objective of this task is to, based on the results of Activity 1 and identified citizen needs, develop a Marketing strategy for SV in order to identify new opportunities and products that can boost commercial optimization as well as attract new passengers to the railway, taking into consideration the future needs of the transportation on passenger by rail.

Marketing strategies include actions taken to modify elements of the marketing mix - product, price, place and promotion - in order to achieve marketing objectives. In this respect, based on the conducted business analysis and identified resources for business improvement, as well as analysis of European best practices and conducted surveys, the Consultant will prepare a SV Marketing Strategy, within which he will make recommendations for improving marketing tools and propose special products or services, as well as innovative approaches to product prices and service quality based on the World best practices, customer satisfaction research and market needs in order to competitive positioning on the passenger transport market was enabled. The Consultant will prepare a tools and framework for modern marketing strategy, with special emphasis on undertaking the following actions:

- improvements of website, visibility on social networks, new applications that provide users with the necessary information, vehicle branding and the like
- providing information on the social media platforms as per the need of the hour and encouraging of customers to tweet their complaints
- establishing the unify helpline number in order to the emergency of the situation, relevant actions would be taken
- identifying 2 aspects of national tactical campaigns with a description of all the necessary steps that need to be taken in order to implement them, as well as assessing the necessary funds.
- propose specific actions in cooperation with local self-governments and tourist organizations for promotional driving prices during fairs and cultural events; organization of periodic promotional rides or periods for which promotional ticket prices on specific routes would be valid

- propose market-oriented pricing policy, which includes the preparation of autonomous tariff prices and pricing policies based on cost recovery, commercial principles, discount offers and contracts
- introduction of loyalty schemes with allowing to send future marketing material and offering rewards and vouchers for repeat visits as an incentive
- selection and education of staff for direct contact with users of transport services (passenger cashiers, conductors, workers in information offices) and propose specific actions in cooperation with schools for improving the attractiveness of SV for future staff.
- create and implement internal and external communication strategy.

As part of this task, the Consultant will organize a one-day training in the premises of the SV for employees who work in marketing, with the aim of familiarizing them with modern marketing tools and methods of implementation.

2.4 Activity 3: Preparing an Action plan for the implementation of modern marketing tools

This Activity will be direct continuation of Activity 2 under this assignment, under which the Consultant will identify effective marketing tools and produce a detailed Action Plan for implementation of the Marketing Strategy. The Action Plan should also seek to include the expected costs, responsible stakeholders, and KPI through which the progress toward that goal could be monitored.

2.4.1 Task 3.1: Multi-criteria analysis of identified effective specific marketing tools

The goal of this task is prioritization of the identified marketing tools and activities with necessary financial resources in order to improve the image of the SV and attract more users of transport services, in an effective way.

Based on the prepared Marketing Strategic Framework of SV, the Consultant will identify those tools / activities applicable to the Serbian railway system, which can give concrete results to attract more passengers to the railway with special emphasis on the quality of service.

The Consultant will conduct a multi-criteria analysis of identified effective specific marketing tools and activities and make a ranking based on it. During the multi-criteria analysis, the following criteria will be taken into account, but not limited to: the amount of investment, timeframe for implementation, availability of supporting tools, attractiveness, expected percentage increase in the number of passengers, percentage increase in service quality, etc.

2.4.2 Task 3.2: Marketing Strategy Action plan with timeline and investment plan

The objective of this task is to consider the priority activities and projects for improvement of commercial oriented business processes as per the marketing strategy developed under task 2.1. During this period Consultant is obliged to carry out the following:

- Prepare 3 years Action plan for implementation Marketing Strategy. As a part of the Action plan, the Consultant will propose basic steps, timeline and key indicators of the controlling system. Together with rough estimate of costs (high/medium/low) and responsible internal and external stakeholder for implementation and the timeframe.

- Organize training for employees in the premises of the SV who will be in charge of monitoring the implementation of the Action Plan, so that they can efficiently monitor the company's marketing development.
- Based on Multi-criteria analysis and Action plan, and in cooperation with SV, the Consultant will identify at least 3 activities or projects with the greatest potential, with a detailed assessment of preconditions for their implementation, deadlines for their implementation, identified possible constraints, etc. Also, the consultant should be preparing technical specifications with cost estimates for the identified activities or projects with the greatest potent to be developed under the action plan.

2.4.3 Task 3.3: Producing detailed integrated marketing campaigns (IMC) and marketing material

The objective of this task is to, in line with the previously identified most effective marketing tools (Task 3.1.), provide the SV with the basic preconditions and tools for efficient delivery of the previously prepared Action Plan for implementation of the modern marketing tools, and the related investment plan. During the assignment, the Consultant is obliged to carry out the following:

- Develop a detailed communication plan for 2025. with proposed promotional activities and detailed timeline;
- Prepare a social media plan, including costs for design, photos and videos, and boost
- Media plan for 3 national campaigns, media buying included;
- Create and production of television campaigns (TVCs).

During the implementation of the marketing campaign, a certain number of employees of SV in the field of marketing will work together with the Consultant, in order to gain concrete experience in this area.

2.5 Documents that the Client will make available to the Consultant

For the purposes of above activities, the Client will make available to the Consultant data and documents, as well as documents whose preparation is in progress:

- Data of SV on business plan and traffic performance, such as:

1. The Business plans for the last 5 years (from the period 2019 to 2023),
2. Traffic transport instructions for the period from 2019-2023,
3. Number of transported passengers and passenger km, driving kilometers, number of trains in traffic, number of cancelled trains, as well as the condition of rolling stocks and their distribution on the network.

3 Logistic and timing

3.1 Location

Operational base for the Contract will be Belgrade. Internal travel within the RoS will be required in order to execute activities and tasks.

3.2 Commencement date and period of implementation

The intended commencement date is April 2024 but the actual commencement date will be defined with the signature of the Contract. The period of implementation of the contract will be 12 months starting from the commencement date.

The Consultant will carry out the services in line with a detailed time schedule to be submitted as part of his proposal, which could be changed during the negotiations in order to reflect the comments and/or requirements by the parties.

3.3 Meetings

During Contract execution, monthly progress meetings will be organized with participation of the MoCTI and SV.

The Consultant shall prepare the Minutes of Meetings (MoM) for the monthly progress meetings. All Meetings must be ensured to lead to clear decisions, persons in charge and deadlines. Minutes of Meetings will be distributed by the Consultant. MoM for the monthly progress meetings will be always in the agenda of the next monthly meeting to be approved and followed up.

4 Requirements

4.1 Personnel

The Consultant shall establish his Team in accordance with the needs and requirements of these ToR. The Team shall consist of a core team made of key experts with the qualifications and skills defined in the Table 1, below, and non-key experts, as needed. The Consultant is obliged to ensure adequate staff in terms of expertise and time allocation, as well as needed equipment in order to complete the activities required under the scope of work and to achieve the objectives of this Contract in terms of time, costs, and quality. Having in mind the diversity of areas covered by this Contract it is expected that the Consultant will ensure experts with sufficient expertise in the area of rail transport. Moreover, considering the geographical distribution of the scope, the Consultant's personnel are expected to be flexible in terms of travelling.

Given the complex nature of the services to be rendered by the Consultant for the implementation of the Contract, in terms of expertise required, as part of the organization and methodology of the technical proposal, the Consultant will be expected to effectively mobilize highly qualified key experts to carry out requested specific activities.

All experts shall be independent and free from any conflicts of interest in the responsibilities they take on.

The Consultant shall be responsible for organization of its key experts in such a way to ensure the technical assistance for the preparation of the Study are executed in accordance with the work program.

The total inputs for non-key experts are given indicatively for the purpose of this contract.

Note that staff of the public administration of the beneficiary country (Republic of Serbia) cannot be proposed as experts.

The Project language is English. All the team members assigned by the Consultant must be able to communicate effectively in English. A sufficient number of the Consultant's team should be fluent in Serbian language, especially the staff assigned to communicate with municipalities.

The Consultant shall provide adequate administrative staff (secretary, translators, drivers accountant) needed to support the expert team.

4.1.1 Key experts

The Team Leader with qualifications and skills given below will lead the Team. He/she will be the main contact for the Team and will interface with the MoCTI and SV. The Team Leader should be responsible for ensuring high quality performance of the main outputs and deliverables and the timing implementation of the activities during the Contract execution. The Team Leader will be supported by the Deputy Team Leader, who will replace the Team Leader when necessary.

Table 1 Key experts

| Title | Qualifications/Experience | Skills |
|--|--|--|
| Team Leader – Senior marketing specialist | <u>Education:</u> - Have as a minimum MSc. Degree in Marketing, Management, Economy, or other relevant discipline <u>Relevant professional experience:</u> - At least 15 years of general professional experience; - At least one successfully managed/implemented project in transport marketing system - Experience and knowledge or landscape in the region of West Balkan would be an asset | Excellent command of the English language. Knowledge of Serbian language will be an advantage |
| Marketing research specialist (Deputy Team Leader) | <u>Education:</u> - Have as a minimum MSc. Degree in prihology, or any other relevant field in relations with research process <u>Relevant Professional Experience:</u> - At least 10 years of general professional experience - At least 5 years experience in research methods - Experience in conducting marketing surveys on needs and preferences of users | Excellent command of the English language. Knowledge of Serbian language will be an advantage |
| Senior rail transport specialist | <u>Education:</u> - Have as a minimum MSc. Degree in transport engenering, Economy or other relevant discipline <u>Relevant Professional Experience:</u> - At least 10 years of general professional experience - At least 5 years experience in railway transport field - Experience in working with public institucions, intenational founds and donors, citizens and media. | Communication skills, fluency in English. Knowledge of Serbian language will be an advantage |

4.1.2 Non-key experts (NKE)

Consultants are expected to include in their proposals other positions that they consider necessary for the assignment. CVs for non-key experts should be submitted in the proposal, however they would not be subject of evaluation.

The Consultant is free to propose an appropriate non-key experts team composition considering that it is likely to require a mix of international and local experts with substantial international

and developing country experience in a wide range of transport sector studies, and advanced multi-disciplinary skills in a range of areas, including but not limited to:

- Transport economist specialist;
- Media planning and buying specialist;
- Strategic planning specialist;
- PR and communications specialist;
- Statistics specialist.

4.2 Office accommodation

Office accommodation for each expert working on the Contract is to be provided by the Consultant.

The Consultant shall ensure that experts are adequately supported and equipped. In particular, it shall ensure that there is sufficient administrative, secretarial and interpreting provision to enable experts to concentrate on their primary responsibilities.

No equipment is to be purchased on behalf of the neither Client (MoCTI), PIU nor Final Beneficiary (SV) as part of this service contract or transferred to the Client or beneficiaries at the end of this Contract.

5 Deliverables

5.1 Deliverables schedule

The Consultant shall prepare, as a minimum, the below listed deliverables and reports during the period of execution of the Contract. All deliverables (draft and final versions) shall be prepared in both, English and Serbian language. The Consultant will be paid for the services provided after each deliverables is approved by the Client.

The deliverables should be delivered in accordance with the following timetable.

Table 2 Deliverables

| Deliverables | Description | Due date |
|--|--|--|
| Inception Report | Up to 20 pages describing preliminary assessment of main passenger railway environment and plans for delivery of the subject service | one month after contract signing |
| Analysis of modern solutions related to improvements in formulating transparent communications with passengers and plan for researches and surveys | Tasks 1.1., 1.2. 1.3 and 1.4, up to 40 pages | In accordance with Consultant timetable, but no later than 3 months after the commencement |

| Deliverables | Description | Due date |
|---|--|---|
| Marketing Strategy of SV | tasks 2.1, up to 100 pages | In accordance with Consultant timetable, but no later than 8 months after the commencement |
| Action plan for Marketing Strategy and Technical specification for up to 3 pilot projects | Summarizing outputs from tasks 3.1 and 3.2 | In accordance with Consultant timetable, but no later than 10 months after the commencement |
| Integrated media campaigns | Outputs from task 3.3. | In accordance with Consultant timetable, but no later than 11 months after the commencement |
| Final report | Summarizing all work done under the Assignment, not longer than 50 pages | In accordance with Consultant timetable, but no later than 12 months after the commencement |

5.2 Submission and approval of deliverables

All deliverables must be written in English and, final versions of deliverables should be translated into Serbian. All final deliverables should be delivered in digital and 3 hard copies in Serbian. The draft version of the reports (electronic copy) shall be submitted to PIU for distribution to the MoCTI and to the SV.

The commenting period for the deliverables is 3 weeks. In case of no-reaction to the submitted deliverable(s) such status will be interpreted as “no objection” and shall be deemed as approved.