

## **TERMS OF REFERENCE**

### **FOR THE PROCUREMENT OF SERVICES FOR THE CONDUCT OF THE 2022 E-COMMERCE INDEX**

**PROJECT TITLE:** e-Commerce Index 2022

**PROJECT COST:** Php 1,000,000.00 (One Million Pesos)

**PROJECT DURATION:** Three (3) Months

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#### **I. BACKGROUND AND RATIONALE**

Conducted in 2022, the E-Commerce Job Outlook Survey was created to measure the present state of the Philippine labor market and assess the availability of digitally skilled workers and employees.

The survey revealed a thriving e-commerce sector in the country, establishing an 86.7 percent e-Commerce Job Outlook Index (EJI)—a positive sign of improvement on e-commerce business outlook. Qualitative and quantitative findings suggested a continuous growth within the next five years fueled by adaptive consumer behavior and pressure on businesses to survive and adopt amid fierce competition within the sector.

The Google, Temasek, Bain & Company e-Conomy SEA 2021 Report stated that the Philippines is the “fastest growing market” in Southeast Asia as the country's internet economy increased by 93% from \$9B in 2020 to \$17B in 2021.

Additionally, the report found that 39% of digital merchants believe they would not have survived the pandemic if not for digital platforms. Digital merchants now use an average of 2 digital platforms, but profitability remains a top concern.

According to The Digital Transformation of SMEs publication of the OECD, the multi-faceted nature of digitalization adds to the difficulty of its widespread adoption, and can even increase the digital divide when the use and application of more sophisticated technologies are implemented.

The DTI recognizes that relevant, accurate, and timely information on the status of MSMEs' and large enterprises' engaged in e-commerce activity is vital in future-proofing the Philippine digital economy. This initiative will, therefore, greatly benefit the whole ecosystem and eliminate the government's heavy reliance on foreign data, which are often limited, approximated, and not adapted to local conditions.

#### **II. OBJECTIVE**

The 2022 Index shall determine the level of e-commerce penetration in micro, small and medium enterprises (MSMEs) as well as large enterprises by measuring their effective use of quality e-commerce strategies and in-depth, technical knowledge on the available digital tools and platforms in the market.

The study will supplement the findings of the 2021 E-Commerce Job Outlook Survey, particularly the 86.7 percent EJI, which will aid in the identification and formulation of new policies and other relevant government intervention.

#### **III. SCOPE OF WORK AND DELIVERABLES**

The survey research shall be administered to company strategists within the e-commerce sector employing and implementing strategies, adopting and using digital tools, and

technically knowledgeable of available and applicable digital platforms in the market.

**A. Qualitative and Quantitative Study – collate data on the following:**

- a. Determination of the e-commerce penetration level of enterprises (micro, small, medium, and large) through the following categories:
  - i. Basic;
  - ii. Intermediate; and
  - iii. Advanced.
- b. Identification of benchmarks to determine e-commerce adoption curve
- c. Establish the number of enterprises selling on both online platforms and brick-and-mortar
- d. Diffusion Index presenting the 2022 e-Commerce Index (ECI)

**B. Conclusions and Recommendations** – Identify gaps or challenges and suggest relevant government interventions within and beyond the areas of skills and human development, digital transformation, policy or regulation, infrastructure, and investment that will increase the hiring success rate of digitally skilled workers.

The Consultant is expected to provide the following services:

1. Develop the methodology and framework design of the survey to address the objectives and scope;
2. Draft the survey tool or questionnaires and the research method. The Consultant may add to the abovementioned scope and survey questions as deemed fit;
3. Administer the survey using appropriate research methodologies and sample size (minimum of 18), covering the following e-commerce sectors and sub-sectors:
  - a. Platforms;
  - b. Marketplaces;
  - c. Digital Payments and Fintech;
  - d. Logistics and Last Mile Delivery; and
  - e. Intermediaries.
4. Provide the narrative, presentation/deck, and infographics of the initial, final findings, and recommendations within the timeline set by the end-user; and
5. Conduct presentations on the initial and final findings and recommendations on a schedule that may be agreed upon.

**IV. RESPONSIBILITIES OF THE CONSULTANT**

1. The Consultant shall render services equivalent to three months (3) months beginning from the development of the survey design until the submission of the final report.
2. The Consultant shall directly report to the DTI Assistant Secretary of Digital Philippines on the plan of action and timing of the deliverables.
3. The Consultant shall be physically or virtually available for consultations at least once (1) a month during the duration of the research survey.
4. The Consultant shall facilitate the development and completion of the provide the following outputs:
  - a. Survey Questionnaire;
  - b. Printed and digital copies of the inception and interim reports;
  - c. Printed and digital copies of the draft and final survey report including executive summary, raw files, datasets, tables, accompanying presentation of reports, and infographics attached herein that are shareable and publishable;
  - d. Any data inclusions that the Consultant deems relevant to the survey and useful to the DTI;

- e. Conduct an internal forum to discuss and present the results of the survey; and
- f. Appropriate monthly billing statements and the corresponding official receipts/certificate under oath of actual disbursements for payment or reimbursable items.

## **V. RESPONSIBILITIES OF DTI**

The DTI shall facilitate the process of the survey by providing the following:

- 1. All necessary reference materials to support the development of the study.
- 2. Determine the acceptability of the deliverables and shall be the approving authority for all operations-related activities.

## **VI. QUALIFICATION OF CONSULTANTS**

The Consultant shall be knowledgeable in survey design and survey field operations, must indicate involvement in similar and/or relevant consulting or professional services of complexity and technical specialty comparable to the job under consideration, and recognize competence in statistics, and well-versed in the management of data collection. The following are the minimum requirements:

### **1. Track Record (Company / Firm)**

- a. Preferably five (5) years of experience in survey research, particularly in survey design and field operations that can implement a survey project covering at least 1,000 respondents.
- b. Must have been engaged in managing/administering a similar and/or relevant professional and consulting services or data generation with sample of related work with at least one (1) completed report and at least two (2) presentations/trainings conducted.

### **2. Project Management Team**

- a. The Consultant shall form a project management team led by a Principal/Lead Consultant with the following qualifications:
  - i. Preferably an MA degree holder; PhD will be an advantage;
  - ii. At least BS/BA degree holder; MS/MA an advantage.
  - iii. Must show relevant training in the conduct of survey research particularly survey design and survey field operations, and other similar and/or relevant training.
  - iv. With At least five (5) years of experience in survey research, particularly in survey design and field operations.
  - v. Must have been a Team Leader/ Manager (for principal/lead consultant) in similar and/or relevant consulting services.
  - vi. Must have sample of related work engagement (with at least two (2) completed reports and must have at least one (1) presentation/ training conducted).
- b. The team shall also be composed of the following:
  - i. Assistant Project Leader
  - ii. Senior Researcher/Analyst
  - iii. Data Scientist
  - iv. Data Visualization Specialist
  - v. Statistician
  - vi. Administrative Staff

The above-mentioned team members shall have no less than three (3) years of experience and educational attainment relative to their assignment.

## VII. CRITERIA FOR SELECTION

EVALUATION CRITERIA	
<b>A. Technical Proposal (70%)</b>	
1. Track Record (30 pts.)	
2. Qualification of Key Personnel (30 pts.)	
3. Methodology and Design (40 pts.)	
<b>B. Financial Proposal (30%)</b>	
<b>PASSING RATE (70%)</b>	

## VIII. BUDGET

The estimated budget for the conduct of the e-Commerce Index is One Million Pesos (Php 1,000,000.00). The budget is inclusive of all applicable government taxes and shall include all remunerations, costs, or fees arising as a result of the preparation and conduct of the survey.

Note that this contract shall be a fixed-price contract. Any extension of contract time shall not involve any additional cost to the Government. All manuals, reports, materials, databases, questionnaires, references, etc. acquired through the conduct of the survey research shall be turned over to the DTI at the conclusion of the undertaking.

## IX. SCHEDULE OF PAYMENT

The estimated budget of One Million Pesos (Php 1,000,000.00), inclusive of all applicable government taxes and fees shall be paid following the attached breakdown:

Tranche	Deliverables/Activities	Amount
First Tranche	<b>Mobilization, Submission of Workplan/Inception Report</b> <ul style="list-style-type: none"><li>Development of the targets, methodology, framework of the survey, survey tool/questionnaire</li></ul>	15%
Second Tranche	<ul style="list-style-type: none"><li>Pre-Testing and Piloting questionnaire/survey tool</li><li>Administration of survey</li></ul>	15%
Third Tranche	<b>First Draft/Initial Findings</b> Presentation of initial findings (detailed results of the survey, presentation of preliminary findings, etc.)	40%
Fourth Tranche	<b>Final Draft</b> Survey report and Presentation on initial findings	20%

Final Tranche	<b>Final Report</b> <ul style="list-style-type: none"> <li>• Full Survey Report and Executive Summary</li> <li>• Datasets, tables, and infographics</li> <li>• Survey Narrative</li> <li>• Presentation/Deck to be used by the DTI</li> <li>• Turnover of raw files</li> </ul>	10%
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#### **X. SUBMISSION OF BIDS**

\*Interested bidders are requested to submit two (2) separate envelopes. The first envelope shall contain the technical proposal composed of the list of completed projects, resume or qualifications of Consultant to be deployed, design and methodology, and the other shall contain the financial proposal, which shall not exceed the approved budget for the contract.


#### **XI. CONFIDENTIALITY CLAUSE**

1. All materials, data, information, and reports arising from the project shall be considered property of the DTI and must be treated with the utmost confidentiality.
2. The Consultant warrants the full confidentiality of all information gathered for the consultancy contract given by the DTI unless the latter indicated the contrary.
3. The Consultant shall not divulge any communication disclosed to him for the purpose of this service.
4. After the completion of the contract, all materials, data, and other related documents provided must be returned to the DTI.

Prepared by:

  
**IVY JANELLE A. TAN**

Approved by:

  
**MARY JEAN PACHECO, CESO II**  
 Assistant Secretary