

BUSINESS CONSULTANT TERMS OF REFERENCES

Additional support for Ukrainian SMEs on entering Chinese market through 1688.com B2B marketplace collective Trade with Ukraine brand store

1. Background: Coronavirus pandemic has largely impacted the global economy, with the effects of the COVID-19 having significant consequences on traditional supply routes, international commerce, and travel. In this environment, the Chinese market remains essential and vital for Ukrainian exports: in 2019 China has become the leading trading partner of Ukraine with the exports increased by 70% and total exports by 6%, according to the State Statistics Service of Ukraine.

However, due to existing COVID-19 restrictions, there is a challenging and limited opportunity for the use of regular tools and instruments targeted to enhance and boost the presence of Ukrainian businesses on the Chinese market: as of September 2020 the situation with the international flights and connections between Ukraine and China remains uncertain, restrictions on Chinese citizens leaving the country as well as Ukrainian citizens entering the PRC are not fully lifted and without a clear schedule/prognosis.

In this environment, presence of Ukrainian SMEs on Chinese market through the use of Chinese domestic trade marketplaces has proven to be an important and effective tool for enhancing the trade opportunities for Ukrainian businesses.

This is strongly evidenced by the results of placement of the products of 20 Ukrainian SMEs under the collective Trade with Ukraine brand on one of China's leading online B2B marketplaces 1688.com, which was organised by the project «Ukraine: Consolidation of SME export potential and facilitation of access to foreign markets» (hereinafter the Project):

- 1 124 244 impressions of Ukrainian products (i.e. number of times Ukrainian products were displayed to Chinese 1688.com customers and buyers) of the profiles of the selected SME participants (20) and their respective products (80+);
- 20 657 brand visits and reviews (i.e. number of times Ukrainian products were directly opened, clicked or added into the basket by Chinese 1688.com customers and buyers) of the products of the selected SME participants;

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- More than 50 direct negotiations between Ukrainian SME participants and potential Chinese buyers ongoing as of end of August.
- 3+ companies have sent their product samples to 10+ Chinese buyers with the ongoing negotiations on further agreements/products distribution ongoing as of end of August, with one company discussing a an exclusive 3-year deal for the distribution rights of the company's products.

At the same time, it is important to further promote the existing products of Ukrainian SME on the 1688.com B2B marketplace directly through the platform (search uplift, high-frequency and low-frequency search words, etc.) and through various outside channels (WeChat, associations/ buyers/ importers via e-mail/ phone calls/ social networks) so as to ensure the consistent positioning and generation of new leads, brand visits and reviews to be further converted into the potential contracts, while also broadening the profiles of the represented products/companies to attract new audience and buyers to the collective Trade with Ukraine brand store on the 1688.com marketplace.

Therefore, building on the experience and the promising results of the first 1688.com B2B marketplace Ukrainian SMEs products placement conducted by the Project, while also looking to further provide additional and diversified opportunities for Ukrainian businesses to set-up effective cross-border e-commerce in China, the Project will:

- 1) additionally select up to 10 Ukrainian SMEs and facilitate the placement of their products under the collective Trade with Ukraine brand on one of China's leading online B2B marketplaces 1688.com;**
- 2) provide additional 60 days of proactive marketing promotion of the collective Trade with Ukraine brand and the represented products of the 20 Ukrainian SMEs placed on a 1688.com B2B marketplace within the first stage of the project; and**
- 3) provide 30 days of proactive marketing promotion of the collective Trade with Ukraine brand and the represented products of the 10 newly placed Ukrainian SMEs.**

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2. Dates: October 2020 – December 2020

3. Industries:

Multisectoral, with the following focus:

- Food/agro
- Beverage (primarily coffee, soft drinks, wine)
- Textile and clothing
- Household chemicals
- Cosmetics

4. Participants description: up to 10 additionally selected Ukrainian SME's from the indicated industries

5. Goal: to provide opportunities for Ukrainian SME's to achieve realistic success on the Chinese cross-border e-commerce B2B marketplace

6. 1688.com platform information: 1688.com is a sister website of Alibaba.com, which is home to more than 10 million enterprise storefronts, with 150 million users visiting the site per day. The 1688 marketplace is a go-to sourcing destination for merchants selling on Alibaba's e-commerce sites Taobao and Tmall, while also is even a primary source for major private and state-owned conglomerates such as China Railway Group.

7. Target activities for the selected consultant are to include:

- ✓ assisting the additionally selected 10 Ukrainian SMEs with the selection of the products which will be most fitting to be promoted and marketed through the 1688.com B2B marketplace (up to 4 products from each SMEs) under the collective Trade with Ukraine brand;
- ✓ ensuring proper visual and textual adaptation of the additionally selected 10 Ukrainian SMEs products profiles (up to 4 products from each SMEs) according to Chinese common marketing strategies and buyer's consumption habits;

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- ✓ securing translation of all information and materials into Chinese and English to secure the placement of profiles;
- ✓ assisting the additionally selected 10 Ukrainian SMEs to establish correct positioning on the 1688.com B2B marketplace;
- ✓ assisting 20 Ukrainian SMEs placed on a 1688.com B2B marketplace within the first stage of the project as well as additionally selected 10 Ukrainian SMEs with the negotiations with customers to boost the sales.

8. Proactive marketing promotion of the collective Trade with Ukraine brand and the represented products accordingly to facilitate leads and trade opportunities for Ukrainian SMEs is to be conducted and secured by the selected consultant and is to include:

- ✓ promoting the Trade with Ukraine brand store content on various channels to reach wider audiences (we chat, spreading information through different associations/ buyers/ importers via e-mail/ phone calls/ social networks);
- ✓ introducing the advanced search advertising promotion within 1688.com;
- ✓ implementing the right high-frequency and low-frequency search words promotion.

9. Tools to be used in order to achieve the goal: the selected consultant is to ensure the placement of additionally selected 10 Ukrainian SMEs through the Opencart platform secured within the first stage of the project. The selected consultant is also to obtain a special license for the Chinese e-commerce B2B trade via 1688.com (for the 10 additionally selected Ukrainian SMEs).

10. Target indicators: 10 additional Ukrainian SMEs profiles (up to 4 products from each SMEs) formed on 1688.com marketplace, at least 800 000 impressions of Ukrainian products under the collective Trade with Ukraine brand, at least 15 000 brand visits and reviews (i.e. number of times Ukrainian products were directly opened, clicked or added into the basket by Chinese 1688.com customers and buyers) of the products of the selected SME participants

11. Reporting: The selected consultant is to develop and provide the project report, no later than a week after the end of activities. The report should at least include the final number of the collective Trade with Ukraine store impressions, brand visits and reviews.

12. Draft program and timeline:

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Selection of 10 additional Ukrainian SMEs for participation and the products to be represented on 1688.com B2B marketplace: October 16, 2020 – October 23, 2020

Collection of information from the additionally selected SMEs for the profiles. Translation into Chinese, visual and textual adaptation of the 10 additional SMEs products profiles: October 23, 2020 – October 29, 2020

The final companies and products profiles are formed on an Opencart platform tool and ready to be integrated with the 1688.com B2B marketplace: October 29, 2020

Additionally selected Ukrainian SMEs profiles are represented on a 1688.com B2B marketplace under the collective Trade with Ukraine brand: October 29, 2020

Proactive marketing of the collective Trade with Ukraine brand and the represented products of the 10 newly placed Ukrainian SMEs products: November 1, 2020 – November 30, 2020

Proactive marketing of the collective Trade with Ukraine brand and the represented products of the 20 Ukrainian SMEs placed on a 1688.com B2B marketplace within the first stage of the project: October 15, 2020 – December 10, 2020

Project data and results aggregation, report preparation: December 15, 2020

With informational support: