

**Application Guideline for
Contract Research on “Survey on Motorcycle Sales in Indonesia”
Commissioned by IDE-JETRO**

April 13, 2015
Satoshi Miyamoto
President, Japan External Trade Organization

APPLICATION GUIDELINE

All of applicants should apply in accordance with this guideline, with recognition about contents of this specification.

1. Proposal Form Submission

Submit the Proposal Form in which all necessary items are filled, following the instruction stipulated above clauses by the deadline shown below by e-mail or courier service.

proposal@ide.go.jp

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Application DEADLINE: 18:00, May 7, 2015 (JST=GMT+9)

2. Evaluation Schedule

Accepting Proposal:	April 13, 2015 ~ May 7, 2015
Evaluation Process:	May 8, 2015 ~ May 17, 2015
Notification:	by May 18, 2015
Contract:	May 25, 2015

SPECIFICATION

The enclosed Proposal Form shall be submitted following all requirements and conditions specified in the clauses below.

1. Title of the Research

Survey on Motorcycle Sales in Indonesia

2. Evaluation Criteria

- 1) Soundness and feasibility of sampling strategy to meet the purposes of the survey.
- 2) Adequacy of work plan to complete the survey with the required sampling method in the required timeframe.
- 3) Qualifications and competence of the principal researcher, including his/her background in education, career, and experiences in research activities.
- 4) Credibility of an institution in conducting survey projects. Some experiences in questionnaire surveys with foreign clients, which are conducted in several regions in Java and outside Java, are required.
- 5) Familiarity with durable consumer-goods markets.
- 6) Familiarity with localities where the survey is conducted.

3. Background and Objectives of the Research

The Indonesian motorcycle industry is a typical case of a booming industry driven by local demand of an emerging economy. While most consumer goods face intense competition in prices, consumers in the Indonesian motorcycle market seem to be quite conscious of 'quality' in terms of brands, models, design, styles, fuel efficiency, durability and so on. In the early 2000s, low-priced Chinese-brand motorcycles once attracted consumers and triggered price competition, but the boom was short-lived. After that, the market seems to have shifted to competition more in quality than in prices, among a limited number of Japanese-brand products. There is not yet clear empirical evidence, however, on whether the present structure of market and industry is desirable from the viewpoint of welfare of consumers, and of component suppliers.

Within the framework of a larger research initiative aimed at quantitative structure estimation of the Indonesian motorcycle market and industry, this survey aims to grasp quantitative features of the motorcycle market in Indonesia. It will focus on collecting sales data on types, quantity and prices of the motorcycle sold as well as characteristics of consumers who buy motorcycles, so that the data reflect general features of the Indonesian motorcycle market as a whole.

The collected data set will serve as the basis of estimating the motorcycle demand function, which in turn enables us to understand: (1) how Indonesian consumers evaluate quality and prices in purchasing motorcycles, and (2) how much welfare for consumers and value added for the motorcycle manufacturers are created by motorcycle manufacturers' efforts to increase product quality and/or reduce costs.

4. Scope of Work on the Research

1) Sampling of motorcycle sales shops

The survey needs to reflect the diversity of consumer behavior in purchasing motorcycles across different income levels, and different usages and tastes, and different geographical regions in all over Indonesia. In order to do so, the following procedure is required.

- (i) The survey is conducted in several locations in Indonesia, taking geographical diversity into account.
- (ii) The total number of motorcycle sales shops to be surveyed is 70. The 70 shops are proportionately distributed to the market size of the selected locations.
- (iii) In each location, a comprehensive list of shops is prepared.
- (iv) From the comprehensive list of shops at the selected location, target shops are selected randomly.

A CONTRACTOR shall carefully design a sampling strategy which effectively captures the diversity of the Indonesian motorcycle market.

2) Data collection

A CONTRACTOR shall make the arrangement with the sampled shops so that data on all motorcycle sales made during the surveyed period will be recorded. The surveyed period is 15 days.

A CONTRACTOR shall also make interviews with the purchasers to check the data obtained from the shops and to collect information on attributes of purchasers.

The data to be collected include the following.

- (1) sales shop: name and address
- (2) the date of sale
- (3) products: brand, complete model name, color, year of manufacture, new or second-hand
- (4) price and payment: price sold, method of payment (cash, installment, other loans), details of installment (down-payment, months, monthly payment)
- (5) purchasers: year of birth, sex, address, marital status, occupation, working status, industry, monthly household income, number of household members, number of motorcycles and cars that the household currently has, and main purpose for using the purchased motorcycle.

A complete list of items to be collected will be supplied in Excel file by IDE.

A CONTRACTOR shall ensure that the data collection proceeds in accurate and consistent manner exactly in accordance with the requirements of IDE. IDE researchers may join a CONTRACTOR to monitor the progress of the survey.

3) Data entry and cleaning

A CONTRACTOR shall carefully re-check the data and ask for clarification/additional information from the shops/purchasers if necessary.

Collected data shall be finalized in the Excel format provided by the IDE, while original data can be collected in other effective forms. In finalizing data, every cell in the Excel file should be fulfilled and any errors be corrected before the file is submitted.

5. Expected Outcome

The survey is expected to produce data on motorcycle sales at 70 sales shops during the 15 day survey period in 2015, covering information on the characteristics of the products sold and the

consumers who bought them, which represents the market trends in all over Indonesia.

6. Survey Schedule

The survey work shall be conducted from May 25, 2015 to August 31, 2015.

- 1) May 2015
 Making a contract
- 2) May 2015 to July 2015
 Random sampling of sales shops
 Simultaneous data collection from shops (15 days)
 Interview data collection from purchasers
- 3) August 31 2015
 Submission of data (an Excel file and original data entry sheets)
- 4) September 30 2015
 Submission of a statement of accounts for settlement and all of original receipts, vouchers and other records

7. Reports

Upon the completion of the survey, A CONTRACTOR shall deliver the following to the IDE:

- 1) an Excel file to which the collected data are keyed in (format to be provided by IDE);
- 2) original data entry sheets recorded by respondents, and
- 3) complete description of the sampling and data collection procedure, including replacement process if any.

The items (1) and (3) above can be emailed to IDE with protection against data access. The item 2) in the original form shall be sent to IDE via internationally reliable courier service.

8. Budget Estimation Guideline

- (1) Total Budget: Total amount of (2) (3) and (4) is 2,250,600 JPY.
- (2) Direct Expenses: See clause 9 for details.
- (3) Administrative Overhead: Administrative expenses on the Research activities, in maximum 10 % of total direct expenses would be on budget proposing.
- (4) In the case that tax is imposed on the payment of expenses according to the provisions in the prevailing laws and regulations of A CONTRACTOR's country, the tax shall be on budget proposing within the total amount of budget guideline as stated in (1).

9. General Condition of Expenditure and Account Management on the Survey

(1) Expenditure Items

Expenditure items on the Survey should be confined to the following items.

1) Direct Expenses

a. Honoraria for researchers

Keep daily work logs on report sheet provided by IDE in order to confirm the status of

the Research work.

b. Wages and salaries for research assistants

Upon hiring research assistants, keep daily reports specifying the name of the employee and content of service, to confirm the status of work.

2) Administration Overhead

Expenditure such as telecommunication and translation on the Survey shall be borne within the amount of Administration Overhead.

(2) Statement of Account, Receipts and Vouchers on Expenditure

Obtain official receipts or vouchers on each expenditure, keep the originals and submit them with Statement of Account. In case of needs to save the original documents in order to file tax returns or use them for another reasonable purpose, file a copy of them for the purpose of Account Audit by IDE. In case that receipts and vouchers are written in language other than English or Japanese, it shall be translated into English.