

## Higher National Unit Specification

### General information for centres

**Unit title:** Marketing 2: Practice in the Domestic Market

**Unit code:** D7XX 35

**Unit purpose:** This Unit is about the application of complex marketing principles to the analysis and evaluation of real world examples. This Unit is principally aimed at candidates who either seek to progress to a higher level of marketing studies, or find related employment. The Unit covers the application of marketing theory to the domestic market, and focuses on the application of analytical skills.

On completion of the Unit the candidate should be able to:

1. Evaluate product decisions of an organisation
2. Evaluate distribution decisions of an organisation
3. Evaluate promotional decisions of an organisation
4. Evaluate the marketing function of an organisation
5. Evaluate pricing decisions of an organisation

**Credit value:** 2 HN Credit(s) at SCQF level 8: (16 SCQF credit points at SCQF level 8)

*SCQF (the Scottish Credit and Qualifications Framework) brings Scottish qualifications into a single framework of 12 levels ranging from SQA Access 1 to doctorates. The SCQF includes degrees; HNC/Ds; SQA National Qualifications; and SVQs. Each SQA Unit is allocated a number of SCQF credit points at a specific level. 1 SCQF point = 10 hours of learning. HN candidates are normally expected to input a further number of hours, matched to the credit value of the Unit, of non-contact time or candidate-led effort to consolidate and reinforce learning.*

**Recommended prior knowledge and skills:** Access to this Unit is at the discretion of the centre, but it would be beneficial if the candidate had possession of HN Unit D7M7 34 *Marketing 1: An Introduction to Concepts and Practice*, or similar qualifications or experience. Competence in communication and numeracy is also recommended, as shown by possession of one of the following:

- National Unit EE3T 12 (7110055) *Communication (NC)* and Core Skill Numeracy at Intermediate 1
- Higher *English and Communication* and its component Units and Core Skill Numeracy at Intermediate 1
- relevant work experience.

**Core skills:** There may be opportunities to gather evidence towards core skills in this Unit although there is no automatic certification of core skills or core skills components.

## **Higher National Unit specification: General information for centres (cont)**

**Unit title:** Marketing 2: Practice in the Domestic Market

**Context for delivery:** If this Unit is delivered as part of a group award, it is recommended that it should be taught and assessed within the subject area of the group award to which it contributes.

**Assessment:** The assessment strategy for this unit will employ a combination of case study analysis, and a project, in the form of a marketing audit. A freestanding case study will be used for Outcome 5, but the remaining Outcomes will be integrated into the project. This will ensure that candidates are encouraged to find real world examples for themselves, possibly in areas in which they have a particular interest, but that areas of theoretical complexity will also be covered by freestanding case study material. Consequently there will be considerable integration of assessment within the Unit as a whole. Both written and video-based case studies are appropriate, and materials should attempt to match the vocational area of the target candidate group.

To give clarity in the assessment process it would be expected that the assessment of Outcome 5 would begin before the completion of Outcome 4.

## **Higher National Unit specification: statement of standards**

### **Unit title:** Marketing 2: Practice in the Domestic Market

The sections of the Unit stating the Outcomes, knowledge and/or skills, and evidence requirements are mandatory.

Where evidence for Outcomes is assessed on a sample basis, the whole of the content listed in the knowledge and/or skills section must be taught and available for assessment. Candidates should not know in advance the items on which they will be assessed and different items should be sampled on each assessment occasion.

### **Outcome 1**

Evaluate product decisions of an organisation

#### **Knowledge and/or skills**

- Differing definitions of product
- Principles of product mix
- Principles of product life cycle
- Principles of product portfolio
- Relationship between product portfolio and company objectives
- Relationship between product portfolio and market conditions
- Relationship between product decisions and company objectives
- Relationship between product decisions and market conditions

#### **Evidence requirements**

Details of the evidence requirements for the assessment of this Outcome are presented at the end of Outcome 4 as it is suggested that the assessment of Outcomes 1–4 should be integrated.

#### **Assessment Guidelines**

The assessment guidelines for this Outcome are detailed under Outcome 4.

### **Outcome 2**

Evaluate distribution decisions of an organisation

#### **Knowledge and/or skills**

- Types of distribution system and channels of membership
- Internal factors affecting distribution system
- External factors affecting distribution system – market conditions
- Relationships between company objectives and distribution system
- Evaluation of distribution system in relation to company objectives and market conditions

## **Higher National Unit specification: statement of standards (cont)**

**Unit title:** Marketing 2: Practice in the Domestic Market

### **Evidence requirements**

Details of the evidence requirements for the assessment of this Outcome are presented at the end of Outcome 4 as it is suggested the assessment of that Outcomes 1–4 should be integrated.

### **Assessment Guidelines**

The assessment guidelines for this Outcome are detailed under Outcome 4.

## **Outcome 3**

Evaluate promotional decisions of an organisation

### **Knowledge and/or skills**

- Elements of the promotional mix
- Internal factors affecting promotional mix
- External factors affecting promotional mix – market conditions
- Relationships between organisational objectives and promotional mix
- Evaluation of promotional mix in relation to company objectives and market conditions

### **Evidence requirements**

Details of the evidence requirements for the assessment of this Outcome are presented at the end of Outcome 4 as it is suggested that the assessment of Outcomes 1–4 should be integrated.

### **Assessment Guidelines**

The assessment guidelines for this Outcome are detailed under Outcome 4.

## **Outcome 4**

Evaluate the marketing function of an organisation

### **Knowledge and/or skills**

- Identification of components of the marketing function in an organisation
- Analysis of the relationship between marketing function components and internal factors
- Analysis of the relationship between marketing function components and external factors
- Evaluation of marketing function in relation to company objectives and market conditions

## **Higher National Unit specification: statement of standards (cont)**

### **Unit title:** Marketing 2: Practice in the Domestic Market

#### **Evidence requirements — for the integrated assessment of Outcomes 1-4**

The candidate will need evidence to demonstrate his/her knowledge and/or skills by showing that he/she can:

select an organisation, and conduct a marketing audit of its product decisions, promotional decisions, distribution decisions and marketing function.

The assessment should take the form of an assignment, in which the candidate conducts his/her analysis of the relevant areas of the marketing effort of a company of his/her own choice. The candidate's response should cover the following areas, which may conform to individual sections of the completed assessment:

- an outline description of the company in question, briefly detailing its history, structure, area of operation and company objectives
- a description of the market in which the company operates, indicating the main competitors, market size, market trends, and any distinctive characteristics of the market environment – such as seasonality, sensitivity to economic downturns, high degree of segmentation
- an analysis of the product decisions of the company which will outline the company's product portfolio, and evaluate the effectiveness of its product mix and product decisions in relation to company objectives and prevailing market conditions
- an analysis of the distribution decisions of the company which will outline the types of distribution system and channels of membership chosen by the company, and evaluate the effectiveness of distribution decisions in relation to company objectives and prevailing market conditions
- an analysis of the promotional decisions of the company which will outline the promotional mix chosen by the company, and an evaluation of the effectiveness of promotional decisions in relation to company objectives and prevailing market conditions
- an analysis of the marketing function of the company which will outline the make-up and structure of the marketing function and its relationship to the overall company structure
- an evaluation of the effectiveness of the marketing function structure in relation to company objectives and prevailing market conditions
- a brief summary of the main findings from the analysis of the company

As a guideline the analysis of the selected company's marketing effect will be in the range of 2000-3000 words. The analysis should include supporting statistical and/or illustrative material drawn from research into the company and, if applicable, other external sources of research.

Given that candidates will select different types and sizes of companies it is not possible to give precise guidelines for the scope of the analysis. However, as a general guideline candidates should cover a minimum of three company objectives and three external market factors in each of the analyses of product, distribution, promotional and marketing function decisions for their chosen company. As a minimum requirement for company size the company chosen must have a distinct marketing function within its organisation, and at least

## **Higher National Unit specification: statement of standards (cont)**

### **Unit title:** Marketing 2: Practice in the Domestic Market

one clear product line, with a minimum of four separate products within that range, although these may be segmented services rather than physical products.

The prose style of the analysis should be formal, in keeping with the style conventions adopted for a business report.

#### **Assessment guidelines for Outcomes 1–4**

The assessment of Outcomes 1-4 will be an integrated assessment in the form of a single project; a Marketing Audit. The finished project should be presented as a report which should be of a standard and quality acceptable to industry.

There should be guidance from the assessor in the selection of an organisation as the subject of the individual project. Not all organisations will be suitable subjects for analysis, or will offer easy access to the information required. As far as possible, however, candidates should be encouraged to pursue any relevant areas of vocational interest in their selection. As a general guideline candidates should be discouraged from selecting one-person businesses, as these are not likely to meet the minimum requirements of the project. There may also be problems in selecting companies which are too large, and whose structure is broken into separate divisions. In this instance it will be acceptable for candidates to focus on a single division of a larger company. The ideal companies are likely to be small to medium enterprises, in particular those which are based locally and provide ease of access to information.

As this assessment covers Outcomes 1-4, it is important that candidates are encouraged to begin the project at the earliest feasible stage in the Unit. Given that establishing contact with a company and gathering research may take some time it would not be considered advisable for candidates to commence work on the audit any later than the half way point of the Unit, and preferably within the first third. Candidates should be encouraged to see the production of the audit as a continuing process which they begin, suspend and return to at various points in the Unit. An obvious starting point will be with the outline description of the selected company and its market conditions, and then an examination of the company's product portfolio. The other elements of the assessment may then be introduced at appropriate intervals. However the assessment of Outcome 5 should take place well in advance of the completion of the project, as it will provide the candidates with an illustration of the process of evaluating a component of the company's marketing effort.

### **Outcome 5**

Evaluate pricing decisions of an organisation

#### **Knowledge and/or skills**

- Nature and range of pricing strategies
- Nature and range of pricing decisions
- Internal factors affecting pricing decisions
- External factors affecting pricing decisions – market conditions
- Relationship between organisational objectives and pricing decisions

- Evaluation of composition of pricing decisions in relation to company objectives and market conditions

### **Higher National Unit specification: statement of standards (cont)**

**Unit title:** Marketing 2: Practice in the Domestic Market

#### **Evidence requirements**

The candidate will need written and/or oral evidence to demonstrate his/her knowledge and/or skills by showing that he/she can:

- analyse the pricing decisions of a company, presented through case study material
- demonstrate the ability to clearly identify the key elements of pricing decisions
- evaluate the effectiveness of pricing decisions in relation to company objectives and prevailing market conditions.

As a guideline the minimum word length for this answer will be in the region of 500-750 words or an oral presentation of a minimum of five minutes.

#### **Assessment guidelines**

The assessment of this Outcome will be through case study material selected and presented by the assessor. The candidate may be given either structured questions, or required to produce his/her answer in the form of an extended response, with more open questions used as guidelines for areas to be covered in the extended response. In the latter case the word length would be expected to be at the upper end of the suggested range; in the former case the word length would be expected to be at the lower end of the suggested range. Oral responses should be recorded. The case study material may be written or video material, or a combination of both.

The candidate should be made aware that the analysis he/she conducts here will be based on similar principles to the analysis carried out in the course of the marketing audit for the company that he/she has selected, if in less detail. It would therefore be appropriate for the assessment of this Outcome to take place within the first third of the allotted time for the Unit.

## **Administrative Information**

**Unit code:** D7XX 35

**Unit title:** Marketing 2: Practice in the Domestic Market

**Superclass category:** BA

**Date of publication:** December 2001

**Source:** SQA

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## **Higher National Unit specification: support notes**

### **Unit title: Marketing 2: Practice in the Domestic Market**

This part of the Unit specification is offered as guidance. The support notes are not mandatory.

While the exact time allocated to this Unit is at the discretion of the centre, the notional design length is 80 hours.

### **Guidance on the content and context for this Unit**

While this Unit is taught within the general context of a specialist level understanding of the principles and application of marketing theory to real world exemplars – as opposed to a general introduction – it need not nor should be tied to any particular industrial or service sector.

As it is possible that this Unit may be taken by a wide range of candidates, some of whom may be undertaking the Unit as part of a wider vocational course, it is appropriate to draw exemplar material from, and to base case study material on areas of the industrial or service sectors which are relevant to the experience of candidates.

### **Guidance on the delivery and assessment of this Unit**

The general assessment strategy in this Unit, is a holistic one, aiming to achieve as much integration of Outcomes as possible.

The marketing audit is a project which is begun in simple outline at an early stage of the Unit – a company selected and the market and product portfolio identified – and then returned to at later stages of the Unit. It is envisaged that the teaching of the separate knowledge components of this Unit will therefore precede each step of the marketing audit, although it may be considered appropriate to leave the candidates the last third of the Unit to work on the bulk of their project, given that a considerable amount of time will need to be allocated to researching material. It is important, however, that candidates have impressed upon them the need to work on the gathering of material as soon as possible after the start of the Unit.

The reason for not incorporating Outcome 5 into the overall project is that this represents an area of the marketing strategy of a company – pricing decisions – about which it is hardest to obtain information. Pricing strategy information may often be commercially sensitive, and it may prove difficult or impossible for some candidates to research this information for the company they have chosen. The same is not true of Outcomes 1, 2, 3 and 4 – product, distribution, promotional and marketing function decisions, and these are suitable as the subject of individual research. A further advantage in assessing Outcome 5 with a free standing case study is the opportunity to demonstrate to candidates the process of analysis before they complete this with all parts of their own project.

## **Higher National Unit specification: support notes (cont)**

### **Unit title:** Marketing 2: Practice in the Domestic Market

Formative work will be an important part of this Unit. It is recommended that the assessment of Outcome 5 should take place in the first third of the Unit, for the reason that it will provide candidates with experience of analysing elements of the marketing effort, and a possible model for analysis. It may be considered appropriate to carry out some formative analytical work before even this stand-alone case study is attempted. Further formative work should be used to ensure that underpinning knowledge is being acquired, and to build analytical and evaluative skills. This may take the form of short exercises, or small formative case studies, as well as general classroom discussion.

Given the specialist nature of this Unit it may not be particularly suitable for integration with other Units, although there may be some elements that overlap. The most likely component for integration would be the consideration of the promotional mix of the company, as this may have relevance to areas covered in a Level 8 Unit which deals with advertising. However the assessment strategy for this Unit is not likely to utilise integration with other Units to any great extent.

### **Open learning**

Given that this Unit has a strong knowledge component it may be a possible candidate for an open learning or distance learning approach. This delivery strategy could present problems in certain areas, in particular the negotiation of a subject for the marketing audit. However, with appropriate assessor input this could be tackled, and given that there is a considerable amount of individual research needed in this Unit a distance or open learning approach could be effective. The other area which might present problems is the construction of case studies, where copyright issues may have to be addressed.

For further information and advice, please see *Assessment and Quality Assurance for Open and Distance Learning* (SQA, February 2001 – publication code A1030).

### **Special needs**

This Unit specification is intended to ensure that there are no artificial barriers to learning or assessment. Special needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments or considering special alternative Outcomes for Units. For information on these, please refer to the SQA document *Guidance on Special Assessment and Certification Arrangements for Candidates with Special Needs and Candidates for whom English is an additional language* (SQA, 2000).

## **General information for candidates**

### **Unit title: Marketing 2: Practice in the Domestic Market**

This specialist marketing Unit looks at the theoretical ideas of marketing and applies them to real world situations and companies. More to the point, it asks you to apply them to real world situations, by carrying out research on the marketing strategies of a company of your own choice.

The company you choose is up to you, although you will be guided in this choice by your assessor. What is important is that your choice reflects your own knowledge and background, or areas of special interest. This Unit can apply to a wide range of possible specialist areas of industry, as well as industry in general, and so it is possible for you to focus on the area which suits you, whether this is in the service industries, in production, in leisure, public sector, or anywhere else.

In the course of this Unit you will research and write a major project – a Marketing Audit – which will examine the marketing effort of the company you select. This will involve contacting the company, and researching as much information about them, their product and their market as you can. You will also carry out some case study work, which will help you to build up the analytical skills needed for this Unit.

Before you are assessed you will have the opportunity to discuss and develop these skills and ideas, with real world case study material to illustrate the concepts.

There are two assessments in this Unit:

#### **Outcomes 1, 2, 3 and 4 are assessed together.**

You will be asked to produce a written project in the form of a marketing audit. This will involve selecting an organisation, and conducting a marketing audit of its product, promotional and distribution decisions as well as its marketing function.

As a guideline your completed project will be in the range of 2000 – 3000 words, and should include supporting statistical and/or illustrative material drawn from research into the company and, if applicable, other external sources of research.

You will be able to choose the organisation on which your project is based, in consultation with your assessor.

#### **Outcome 5**

You will be asked to analyse the pricing decisions of a company, presented through case study material. As a guideline the minimum word length for this answer will be in the region of 500-700 words or a five minute oral presentation.

## **General information for candidates (cont)**

### **Unit title:** Marketing 2: Practice in the Domestic Market

On completion of the Unit you should be able to:

1. Evaluate product decisions of an organisation
2. Evaluate distribution decisions of an organisation
3. Evaluate promotional decisions of an organisation
4. Evaluate the marketing function of an organisation
5. Evaluate pricing decisions of an organisation