



Higher National Unit specification: general information

Unit title: Principles of Marketing

Unit code: DV8T 34

Superclass: BA

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Version: 03

Unit purpose

This Unit is designed to enable candidates to demonstrate an understanding of the basic theory and principles of marketing within different contexts. The Unit also introduces candidates to the concept of marketing research, behavioural aspects of marketing and promotion in order to present an overall view of marketing. It is intended that a more in-depth coverage of these areas will be undertaken in more specialised Units such as Marketing Research Theory, Principles of Promotion, Consumer Behaviour and the Marketing Process, Managing Distribution: An Introduction and the Principles and Practices of Selling.

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

- 1 Explain the concept, development and role of marketing.
- 2 Explain the role and importance and use of marketing information in the development of marketing programmes.
- 3 Explain methods of segmentation and targeting and their use in different types of organisation
- 4 Explain the marketing mix for different organisations.

Recommended prior knowledge and skills

Access to this Unit is at the discretion of the centre, however it would be beneficial if the candidate had competence in Core skills communications at SCQF level 5.

General information (cont)

Credit points and level

2 Higher National Unit credits at SCQF level 7: (16 SCQF credit points at SCQF level 7*)

**SCQF credit points are used to allocate credit to qualifications in the Scottish Credit and Qualifications Framework (SCQF). Each qualification in the Framework is allocated a number of SCQF credit points at an SCQF level. There are 12 SCQF levels, ranging from Access 1 to Doctorates.*

Core Skills

There are opportunities to develop Core Skills of *Communication* at SCQF level 6 in this Unit, although there is no automatic certification of Core Skills or Core Skills components.

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

In order to achieve this Unit, candidates must provide sufficient evidence that they have related marketing theory to business situations. This Unit may be assessed by case study or stimulus materials which address the evidence requirement for each Outcome. A holistic approach to assessment is to be encouraged where possible, provided the evidence requirements for each Outcome are fully met. However, it would be possible to set more than one instrument of assessment for this Unit, where each Outcome could be assessed separately. For example, using case study/stimulus material, candidates could produce responses based on structured questions linked to evidence requirements for each Outcome.

An exemplar pack and marking guidelines have been produced to indicate the national standard of achievement required at SCQF level 7.

Higher National Unit specification: statement of standards

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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

Explain the concept, development and role of marketing

Knowledge and/or Skills

- ◆ Concept and definition of marketing and customer satisfaction
- ◆ Development of marketing
- ◆ Role of marketing and its interaction with other organisational functions
- ◆ The marketing planning process

Evidence Requirements

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ Explain the concept of marketing and the benefits which can be achieved through adopting a marketing approach.
- ◆ Explain the historical development of marketing in terms of the following:
 - production – orientation
 - product – orientation
 - sales – orientation
- ◆ Explain the role of marketing within organisations and its interaction with **two** other business organisational functions, from the following:
 - finance
 - purchasing
 - production
 - research and development
 - human resources
- ◆ Outline the marketing planning process and explain its contribution in the organisation.

Higher National Unit specification: statement of standards (cont)

Unit title: Principles of Marketing

Assessment Guidelines

This Outcome may be assessed by a set of structured questions based on a case study or other piece of stimulus material. The case study/stimulus material encourage the candidate to relate the theory of marketing to a business situation and in doing so it should be possible to generate evidence which indicates that the candidate understands the nature and purpose of marketing. Ideally the case study/stimulus materials are also used in the assessment of Outcomes 2– 4.

Outcome 2

Explain the role and importance and use of marketing information in the development of marketing programmes.

Knowledge and/or Skills

- ◆ Marketing information in the context of marketing planning
- ◆ Factors affecting marketing decisions
- ◆ SWOT analysis

Evidence Requirements

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ explain the importance of marketing information in the planning process
- ◆ identify and explain the internal and external influences affecting an organisation
- ◆ conduct a SWOT analysis

Assessment Guidelines

This Outcome may be assessed by a set of structured questions based on a case study or other piece of stimulus material. The case study/stimulus material encourage the candidate to relate the theory of marketing to a business situation and, in doing so, it should be possible to generate evidence which indicates that the candidate understands the nature and purpose of marketing. Ideally the case study/stimulus materials are also used in the assessment of Outcomes 1, 3 and 4.

Outcome 3

Explain methods of segmentation and targeting and their use in different types of organisation.

Higher National Unit specification: statement of standards (cont)

Unit title: Principles of Marketing

Knowledge and/or Skills

- ◆ Role of segmentation and targeting in marketing planning
- ◆ Segmentation methods
- ◆ Targeting
- ◆ Differences in different industry sectors and organisations

Evidence Requirements

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ Explain the importance of segmentation and targeting in marketing planning.
- ◆ Explain **two** methods of segmentation from the following:
 - demographic
 - geographic
 - geodemographic
 - psychographic
 - behavioural
- ◆ Explain **one** of the following targeting strategies:
 - undifferentiated
 - differentiated
 - concentrated
- ◆ Explain how segmentation and targeting varies for **two** of the following:
 - consumer
 - business to business
 - services
 - not for profit

Assessment Guidelines

This Outcome may be assessed by a set of structured questions based on a case study or other piece of stimulus material. The case study/stimulus material encourage the candidate to relate the theory of marketing to a business situation and, in doing so, it should be possible to generate evidence which indicates that the candidate understands the nature and purpose of marketing. Ideally the case study/stimulus materials are also used in the assessment of Outcomes 1, 2 and 4.

Higher National Unit specification: statement of standards (cont)

Unit title: Principles of Marketing

Outcome 4

Explain the marketing mix for different organisations

Knowledge and/or skills

- ◆ The four Ps of the marketing mix
- ◆ The extended marketing mix
- ◆ Marketing in different organisations

Evidence Requirements

Candidates will need to provide evidence to demonstrate their knowledge and/or skills by showing that they can:

- ◆ Explain **two** product decisions from the following list:
 - variety
 - quality
 - design
 - features
 - benefits
 - branding
 - packaging
 - services
- ◆ Explain the stages of the Product Life Cycle.
- ◆ Explain **two** factors which influence pricing decisions from the following list:
 - supply and demand
 - costs
 - competition
 - consumer perception
 - European/global influences
 - market share and positioning
- ◆ Describe **three** distribution channels.

Higher National Unit specification: statement of standards (cont)

Unit title: Principles of Marketing

- ◆ Explain **two** key elements of the promotional mix from the following:
 - advertising
 - personal selling
 - sales promotion
 - public relations
 - direct marketing

- ◆ Discuss how the marketing mix differs between service and product organisations

Assessment guidelines

This Outcome may be assessed by a set of structured questions based on a case study or other piece of stimulus material. The case study/stimulus material encourages the candidate to relate the theory of marketing to a business situation and, in doing so it should be possible to generate evidence which indicates that the candidate understands the nature and purpose of marketing. Ideally the case study/stimulus materials are also used in the assessment of Outcomes 1 - 3.

Higher National Unit specification: support notes

Unit title: Principles of Marketing

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

This Unit is a mandatory Unit within the Group Award in HNC/D Marketing and is designed to provide candidates with a basic knowledge and understanding of marketing and the operations of a marketing department within an organisation. The Unit also introduces the concept of marketing research and explains the importance of research to the marketing process in addition to introducing the importance of promotion to the marketing mix. Both of these areas will be covered in more depth as part of the HNC/D Marketing Group Award.

This Unit is also suitable for inclusion in a number of Group Awards and HN frameworks. It can be offered as a freestanding Unit as it is not dependent on any previous or wider marketing knowledge. Where it is considered a core Unit it should be offered at an early stage of the programme.

Guidance on the delivery and assessment of this Unit

It is envisaged that an integrated approach to teaching the Unit will be adopted whereby the candidates will appreciate the strong link which exists between the four Outcomes. Although the four outcomes are assessed independently it is essential that the candidates appreciate that marketing decisions are based on effective marketing research.

It is recommended in Outcome 1 that candidates are made aware of the five organisational functions referred to in Evidence Requirements.

It is recommended that the case study be distributed to candidates at the early stages of the Unit in order to relate relevant learning during delivery. For example in Outcome 2, when evaluating internal and external influences affecting organisations candidates should be made aware of how this fits into the Marketing Planning Process.

In Outcome 4 when explaining the marketing mix, it is important that candidates are aware that the physical product is made up of a variety of elements. When discussing 'benefits' of a product, candidates should understand how consumers are looking for benefits of owning/using a product and how organisations convey these benefits in the total product package. For organisations producing processing equipment, agricultural machinery, products with substantial value or technology etc candidates should be made aware of how service is often an essential part of the product and can play a major part in product success.

Higher National Unit specification: support notes (cont)

Unit title: Principles of Marketing

The content of the Unit is designed to allow the teaching of the Unit to be slanted towards different client groups. Marketing is an integral part of all organisations and as such it should be possible to make the Unit relevant to any client group. For example, if the Unit were to be delivered as part of a day release programme then the case study could be designed to reflect their occupational backgrounds in order to deepen the quality of learning experience enjoyed by the candidates.

The latest materials and examples from current marketing and business practice should be used to illustrate and highlight marketing theory. In addition to exposition, explanation and discussion, candidates should be given the opportunity to gather research information for themselves and should be encouraged to make use of relevant academic websites and on-line resources.

Assessment Guidance

Where case study/stimulus materials are used, it is suggested that the same materials are used for all four Outcomes as this will help integrate the assessment of this Unit.

Assessment for each of the Outcomes could be along the lines of:

- ◆ Completed under open-book conditions, with candidates having advanced knowledge of the case study/stimulus materials and assessment questions as this helps encourage them to relate their knowledge to a particular business situation rather than merely regurgitate theory.
- ◆ In the form of structured questions. The number of questions is at the discretion of the centre, but it is envisaged that there would be 4 to 5 questions for each Outcome.
- ◆ Where written responses are provided to the structured questions, to ensure all evidence requirements are covered, it is recommended that the following word counts would be required for each Outcome:

Outcome 1: Total of 1,000 words approximately.

Outcome 2: Total of 1,000 words approximately.

Outcome 3: Total of 1,000 words approximately.

Outcome 4: Total of 1,500 words approximately.

However the final decision on the length of responses is at the discretion of the centre.

- ◆ Different sets of questions based on the same case study/stimulus material would allow the assessor a variety of materials which can be mixed and matched for reassessment.
- ◆ Alternatively the same or similar questions might be used in conjunction with alternative case study/stimulus materials.

Higher National Unit specification: support notes (cont)

Unit title: Principles of Marketing

Opportunities for developing Core Skills

There are no Core Skills embedded in this Unit. However, the following table gives some examples of the opportunities for developing Core Skills within this Unit.

Core Skill	SCQF level	Opportunities for development
Communication	Level 6	The tasks required by this Unit can contribute to the reading and writing aspects of this Core Skill.
Written Communication (Reading)	Level 6	Candidates are expected to read and understand complex written information.
Written Communication (Writing)	Level 6	Where candidates provide written responses, they have to produce well-structured and clear responses and present written reports to a standard acceptable in industry; they have to express essential ideas and complex information.

Open learning

If this Unit is delivered by open or flexible learning, additional resources and materials will be required for candidate support, assessment and quality assurance. For further information and advice please refer to the SQA website (www.sqa.org.uk)

Opportunities for the use of e-assessment

E-assessment may be appropriate for some assessments in this Unit. By e-assessment we mean assessment which is supported by Information and Communication Technology (ICT), such as e-testing or the use of e-portfolios or e-checklists. Centres which wish to use e-assessment must ensure that the national standard is applied to all candidate evidence and that conditions of assessment as specified in the Evidence Requirements are met, regardless of the mode of gathering evidence. Further advice is available in *SQA Guidelines on Online Assessment for Further Education (AA1641, March 2003)*.

Higher National Unit specification: support notes (cont)

Unit title: Principles of Marketing

Disabled candidates and/or those with additional support needs

The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments, or considering whether any reasonable adjustments may be required. Further advice can be found on our website www.sqa.org.uk/assessmentarrangements.

History of changes to Unit

Version	Description of change	Date
02	Small amend to title of Outcome 3. Clarification of Evidence Requirements with removal of terms such as 'a minimum of'. Assessment guidance more flexible and more concise with much text moved to the Support Notes. Enhance information on Communication Core Skills. Information for Candidates amended appropriately.	16/06/11
03	Typo (repeated text) deleted from Outcome 3; final Evidence Requirement.	10/11/11

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General information for candidates

Unit title: Principles of Marketing

This Unit introduces you to the basic concepts of marketing, marketing research and the marketing planning process. It explains the nature and purpose of marketing in both profit and non-profit making organisations.

You will need to undertake the following to successfully achieve this Unit:

- 1 Marketing should be at the heart of all organisations and you will consider marketing's pivotal role in relation to other organisational functions and the marketing planning process.
- 2 This Unit also considers the role of marketing research and you will take into account different methods of gathering data from both internal and external sources.
- 3 Organisations cannot function without customers. In this Outcome you will consider the importance of customers in the marketing process.
- 4 You will reflect on organisations' product, pricing, promotional and distribution for different markets. In addition, this Unit relates to the marketing of both products and services.

Throughout the Unit you will be encouraged to relate marketing theory to specific types of organisations and to specific business situations.

The assessment for this Unit can take several forms, eg providing responses to a set of questions based on a case study issued to you in advance; however your tutor will give you full details.

On completion of the Unit you will be able to explain the importance of marketing, marketing research and marketing planning to different organisations.