# Higher National Unit specification: general information

**Unit title:** Sales Promotion

**Unit code:** FM0Y 35

**Superclass:** BA

**Publication date:** November 2014

**Source:** Scottish Qualifications Authority

**Version:** 02

## Unit purpose

This Unit is designed to provide candidates with the knowledge and understanding of sales promotion, media and techniques within the marketing communications environment. It is a specialised Unit that will develop the theory and practice of sales promotion methods across consumer, sales force and trade channels. It will facilitate candidates to plan, develop, design and evaluate a sales promotional campaign in order to meet specific marketing objectives.

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

1 Describe the role of sales promotion and sales promotion techniques.
2 Produce a sales promotion plan for an organisation.

## 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 achieved HN Units in general marketing and promotion or equivalent

## Credit points and level

1 Higher National Unit credit at SCQF level 8: (7 SCQF credit points at SCQF level 8*)

**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.*

## General information (cont)

## Core Skills

There are opportunities to develop the Core Skills of *Problem Solving* at SCQF level 6; *Communication* at SCQF level 6 and *Numeracy* at SCQF level 5 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 satisfied the minimum Evidence Requirements for each Outcome.

Outcome 1 may be assessed by a variety of methods, including a closed-book restricted response question paper that covers the Evidence Requirements. It should be noted that Outcome 1 refers to the required underpinning knowledge and theory applicable to the planning and decision making required in Outcome 2.

In Outcome 2, the candidate is to produce a detailed sales promotion plan as well as practical materials which adhere to the relevant legal and voluntary controls of the industry. This may be based on a contemporary case study for either a commercial or not-for-profit organisation and the case study should clearly identify the current situation where opportunities and specific marketing objectives require to be achieved.

# Higher National Unit specification: statement of standards

## Unit title: Sales Promotion

## Unit code: FM0Y 35

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

Describe the role of sales promotion and sales promotions techniques

### Knowledge and/or Skills

- Roles of sales promotion
- Reasons for growth
- Consumer sales promotion techniques
- Trades sales promotion techniques
- Sales force promotion techniques
- Adherence to legal and voluntary controls (UK and EU)
- Use of sales promotion in commercial and not-for-profit organisations

### Evidence Requirements

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

- describe the role of sales promotion in marketing communications
- outline **two** reasons for the growth of the sales promotion
- describe **two** current consumer sales promotion techniques
- describe **one** current trade sales promotion technique
- describe **one** current sales force promotion techniques
- outline legal and voluntary controls on Sales Promotion, for **two** of following:
  - Current UK legislation
  - Current EU legislation
  - Advertising Standards Authority (ASA)
  - Ofcom
  - British Code of Sales Promotion Practice
  - Institute of Sales promotion (ISP)
- provide one actual example of sales promotion for a commercial **and** a not for profit organisation

### Assessment Guidelines

This Outcome may be assessed by a variety of methods, such as a closed-book restricted response paper. It may be carried out in supervised conditions within the classroom environment. A checklist, based on the evidence requirements, could be applied that covers an appropriate range of acceptable responses.

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

## Unit title: Sales Promotion

## Outcome 2

Produce a sales promotion plan for an organisation

### Knowledge and/or Skills

- Sales promotion plan
- Sales promotion materials
- Legal and voluntary controls

### Evidence Requirements

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

- produce a sales promotion plan for an organisation which includes:

  — sales promotion objectives which are based on the organisation's marketing objectives
  — selection and justification of **two** target markets
  — selection and justification of **three** different promotional techniques which are relevant to **two** channel members
  — a schedule for the selected sales promotions which include timings, dates and costings for each of the promotions
  — identification of evaluation methods for the campaign, including qualitative and quantitative methods

- design and produce a practical example of sales promotion materials for **one** of the following:

  — Mail shot (postal or electronic)
  — Poster
  — Leaflet
  — Point-of-sale
  — Advertisement
  — Web page

The candidate must ensure that the sales promotion plan and the practical materials produced adhere to the relevant legal and voluntary controls of the industry.

### Assessment Guidelines

This Outcome may be assessed by the candidate responding to a case study/brief of a commercial or not for profit client and provide evidence, as specified in the Evidence Requirements. The assessment may be completed under self direction and out with the classroom due to the nature and organisation of research and production involved.
A checklist may be attached in order to assess and provide suitable feedback.

## Higher National Unit specification: support notes

## Unit title: Sales Promotion

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 40 hours.

## Guidance on the content and context for this Unit

This Unit forms part of the following two Group Awards:

- HNC/D in Marketing (optional Unit)
- HNC/D in Advertising and PR (mandatory Unit)

It may also form part of other Higher National programmes and may be offered as an optional Unit for other Group Awards.

It is intended for candidates who wish to pursue a career in the marketing and promotions field, eg in-house employment in medium to large enterprises that devise their own campaign strategies; specialised sales promotion/direct marketing/communications organisations and consultancies; plus advertising agencies and PR companies that manage external client accounts.

'Sales Promotion agencies are much like advertising agencies… The personal qualities required for a job in sales promotion are also similar, but with a greater need for entrepreneurial skills and a streetwise outlook. Career opportunities are mostly in client handling, providing a very wide and varied role covering everything from serious strategic marketing issues right through to having ideas, writing copy, controlling designers and printers and co-ordinating a vast range of outside suppliers.' Ref: Institute of Sales Promotion

This Unit has been designed to develop the knowledge and skills required in order to plan and design a strategic sales promotion campaign that addresses contemporary marketing issues and objectives. There is a strong emphasis on reality and current industry practice that exists within the framework of UK and EU legal and voluntary requirements. Also, candidates should be made aware that the rapid growth of digital media is having a significant impact on marketing communications including sales promotion, sales promotion techniques and sales promotion materials.

The content and context of this Unit should take all these factors into account.

## Guidance on the delivery and assessment of this Unit

This Unit is designed to be holistic in its approach, therefore it is envisaged that an integrated approach to teaching the Unit will be adopted — whereby candidates will appreciate the strong link between Outcome 1 and its influence on Outcome 2.

It is recommended that up to 60% of the Unit allocation is spent on Outcome 1 as it also provides the knowledge and skills to aid decision making when planning the proposed campaign in Outcome 2. Before candidates are assessed for Outcome 1, it is advised that the tutor allocates class time for a mock / revision paper covering the main evidence requirements for assessment. This may be carried out in class under open-book conditions.

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

## Unit title: Sales Promotion

As there is potentially a range of acceptable answers to questions in Outcome 1, feedback could take the form of a class discussion to focus on main points of reference and correct use of terminology.

In Outcome 1:

Growth of sales promotion:

- aggressive on shelf competition
- growth of direct response marketing
- improved relations between manufacturers, distributors and retailers

Customers' sales promotion techniques:

- coupons
- (self liquidating) premiums
- loyalty schemes
- free samples
- price off
- free prize draws
- competitions

Trade sales promotion techniques:

- buy back allowance
- buying allowance
- free merchandise
- merchandise allowance
- co-operative advertising

Sales force promotion techniques:

- commission
- bonus
- prize(s)
- performance related competitions

There are many secondary academic and professional references that can enhance this Unit.

The website for the Institute of Sales Promotion (www.isp.org.uk) is a suitable resource for information and interactivity. On-line activities can easily be designed for candidates, especially for legal and voluntary controls which cover current UK and EU requirements and issues. There is a 'Sales promotion checklist' outlining the British Code of Sales Promotion Practice and every classification area, eg alcohol, instant wins, children, food labelling and even the Royal Family. There is a variety of examples through their news and awards sites, together with a comprehensive education and a careers section for those keen on developing in this field.

Professional magazines, such as 'The Drum' and 'The Drum Yearbook' for Scotland outline current initiatives in Scotland. On a UK-scale there is 'Campaign' magazine and 'Marketing Week' plus a wide range of incentive and promotional publications. Refer to British Rate and Data (BRAD) for listings.

Many local promotional companies are usually pleased to send their sales literature, brochures and examples for educational use. It would be a good idea to invite a local professional to talk to candidates about both their company and client activities.

On a day to day basis, we are surrounded by sales promotions. Candidates should be encouraged to 'show and tell' using their knowledge to evaluate the potential strengths and weaknesses of sales promotions across a variety of medias, including digital media. By referring to actual examples they will promote further shared knowledge to the class.

In Outcome 2:

When selecting and justifying promotion techniques that adhere to legal and voluntary controls, relevant to channel members, the channel members to be considered include:

- Manufacturer
- Sales force
- Distributor
- Consumer

Case Study Guidance:

- Be based on an actual organisation that does or will benefit from a sales promotion campaign.
- Could be either not-for-profit, eg Local Authority Sports Centre or Tickety Boo tea (Billy Connolly's charity brand) or commercial, eg a local cinema or theatre or even a local branch of a café or bar restaurant chain such as The Hard Rock Café.
- Be a brand/organisation with a local presence that can be accessed/researched by candidates.
- Include problems or opportunities relating to sales; turnover; flow; new product/service launches; competition etc
- Identify different target market groups.
- Include an appropriate budget and timeframe– eg between £10,000–£15,000 for spending over a period of one to two months maximum as this could facilitate different sales promotions at different times for different target market groups.

Candidates should design at least three different sales promotion techniques to meet their stated objectives. At least two different target groups should be communicated to. For example, a local sports centre could have a campaign aimed at local school children to use the facilities over the summer holidays. There may also be a campaign aimed at local employers offering corporate membership for their own employees. In addition, a campaign could be considered to increase sales/use of the new refurbished cafeteria to staff and current customers. These proposals should clearly meet the overall objectives. They should be fully outlined by profiling the targets, identifying and outlining the types of sales promotions, how they will be implemented and communicated / promoted.

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

## Unit title: Sales Promotion

A schedule of sales promotions and their activities should be presented in a user friendly manner. Days, dates and times should be indicated with possible availability/restrictions outlined. For example, for a local sports centre, a school children's 'Summer Fun' loyalty card may only run over the July/August holiday period, available mid-week, up to 4.30pm in order to smooth out flow. Promotions/incentives to use certain facilities on different days may also be included. There could even be a 'Summer Fun' launch day with various activities, prizes, demonstrations, give-aways etc on the Saturday before the start of the school holidays.

Sales promotions for healthy 'Summer Fun' lunches and snacks offering discounts and free drinks, fruit etc. during the holiday period could also be considered.

An outline for the cost of each promotion should cover all expenses, including media used to communicate the promotion. Part of planning may also include PR activities such as issuing press releases or organising a sponsor to get more out of the budget. Also staff training may be considered for implementing the promotion(s) — this could be as basic as organising staff briefing sessions or meetings. Candidates should spend up to, but not exceed, the budget. Prices should be looked up for media, print/production costs, as well for as prizes and free merchandise to some degree. This can be done via BRAD, websites or direct contact with local suppliers.

Evaluation can be a list of how they will evaluate each promotion. For example, how many attended the 'Summer Fun' launch day? How many loyalty cards were issued? What were the sales and participation of different facilities over the holiday period?

To facilitate further creative input, candidates should design at least one example of sales promotion media, eg an advert for a local newspaper; a poster sent out to schools; information leaflets distributed on launch day; or a web page to be added to the sports centre's website. If candidates have no/limited CAD experience then tidy visuals, drawings, paste-ups are acceptable.

Overall, candidates are expected to produce a client friendly campaign that realistically could be implemented. It is good practice to ask candidates to submit a brief proposal before the actual assessment to ensure their ideas are realistic, relevant and do not contravene legal or voluntary codes. Brief tutorials are therefore advised and should continue with two further "client" meetings for advice and support.

Where the sales promotion plan is word processed, it should look professional eg a title page, list of contents and (sub) headings. Grammar and spelling should be accurate. Where the candidate's response is written, it is suggested that the sales promotion plan will be around 1,000 words. But this word count does not include the sales promotion material.

Tutors may design an appropriate checklist which should also provide room for comment to allow candidates to amend or improve their plan.

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

## **Unit title:** Sales Promotion

## 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 | Both Outcomes 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 | Candidates have to produce well-structured and clear responses addressing the Evidence Requirements, which can be in written format. Candidates will be required to produce a promotional plan, design practical materials, and to respond to questions which may be in controlled conditions. |
| **Problem Solving** | Level 6 | When producing the promotion plan, candidates will analyse and seek solutions to a range of theoretical and practical problems, and will identify and work towards specific targets and objectives. This will provide opportunities to develop elements of planning, critical thinking and general problem solving skills to an advanced level. |
| **Numeracy** | Level 5 | Candidates will need to work within a cost budget when planning sales promotion activities, and identify quantitative methods of evaluating the success of the campaign. |

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

**Unit title:** Sales Promotion

## 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 refer to 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).*

## 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 | Insertion of short guidance in Support Notes (in Guidance on the content and context and delivery and assessment) of this Unit re inclusion of the impact of digital marketing on sales promotion, sales promotion techniques and sales promotion materials etc. | 04/11/14 |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

© Scottish Qualifications Authority 2011, 2014

This publication may be reproduced in whole or in part for educational purposes provided that no profit is derived from reproduction and that, if reproduced in part, the source is acknowledged.

Additional copies of this Unit specification can be purchased from the Scottish Qualifications Authority. Please contact the Business Development and Customer Support team, telephone 0303 333 0330.

## General information for candidates

## Unit title: Sales Promotion

This Unit has been designed to develop your marketing communications knowledge by specialising in sales promotion practice and techniques.

On completion of this Unit, you should be able to:

- Describe the role of sales promotion and sales promotion techniques.
- Produce a sales promotion plan for an organisation.

You will initially gain an in-depth insight into the various objectives and opportunities sales promotion can offer. Outcome 1 provides the underpinning knowledge that will then be developed to facilitate your decision making when designing a sales promotion campaign for Outcome 2. The majority of the course time will therefore be allocated to Outcome 1.

Outcome 1 identifies and outlines different sales promotion techniques available to consumer, sales force and trade areas. You may have seen these before, but this course will enable you to classify them accurately and understand how they actually work in the various push and pull strategies derived. Reference to current practice and examples will be developed and you will be encouraged to access many resources including, the Institute of Sales Promotion's (ISP) comprehensive website to support your studies. This is especially appropriate for learning about the laws and voluntary requirements different sales promotions must adhere to, not only in the UK but also in the EU.

Outcome 2 involves you producing a sales promotion plan for an organisation (commercial or not-for-profit) that you will be aware of and that has a regional presence. This client/organisation will have identified problems and/or opportunities that will require a sales promotion strategy. You will also be required to produce an example of sales promotion material, eg a local press advert, a poster, a leaflet or a web page. Your plan and sales promotion materials must adhere to the relevant legal and voluntary controls of the industry.

Throughout the Unit you will be relating theory to actual practice using recent industry examples across a variety of organisations and media. The knowledge and skills developed will promote strategic application in the form of your proposed sales promotion campaign.

This Unit therefore aims to be challenging with creative and strategic problem-solving opportunities.

The assessments for this Unit can take a variety of forms and are likely to include responding to a question paper and producing a detailed sales plan and practical support materials. Your tutor will advise you of exact assessment arrangements.