



National Unit specification

General information

Unit title: Local Food Production: Routes to Market

Unit code: H6RG 46

Superclass: NE

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Unit purpose

This Unit is designed to enable learners to understand how to take a local food product, add value to it, position it in the local food market, consider how it could be marketed and also how to place the customer at the centre of the marketing strategy. Learners will explore the fundamentals of financial planning and consider specific issues relating to food production businesses. Having identified their own business model and investigated its viability, the learners will develop their own business plan for an agreed food product.

The Unit is intended for learners who wish to set up their own local food business or work in local food production.

Outcomes

On successful completion of the Unit the learner will be able to:

- 1 Investigate opportunities for adding value to an agreed food product, together with marketing function, customer profiling and management.
- 2 Explore the financial planning of a local food production business.
- 3 Identify a business model and having investigated viability, produce an action plan for an agreed food business idea.

Credit points and level

1.0 National Unit credit at SCQF level 6: (6 SCQF credit points at SCQF level 6)

National Unit specification: General information (cont)

Unit title: Local Food Production: Routes to Market

Recommended entry to the Unit

While entry is at the discretion of the centre, learners would normally be expected to have attained one of the following, or equivalent:

- ◆ NPA Crofting (SCQF level 5)
- ◆ NC in Hospitality (SCQF level 5)
- ◆ NPA Rural skills (SCQF level 5)
- ◆ Business Management (National 5)
- ◆ Business and Marketing (SCQF level 5)

Core Skills

Achievement of this Unit gives automatic certification of the following Core Skills component:

Complete Core Skill None

Core Skill component Critical Thinking at SCQF level 6
Planning and Organising at SCQF level 6

There are also opportunities to develop aspects of Core Skills which are highlighted in the Support Notes of this Unit specification.

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.

This Unit is included in the NPA in Local Food Production at SCQF level 6; however it can also be delivered as a free-standing Unit or as part of another relevant programme.

Equality and inclusion

This Unit specification has been designed to ensure that there are no unnecessary barriers to learning or assessment. The individual needs of learners should be taken into account when planning learning experiences, selecting assessment methods or considering alternative evidence.

Further advice can be found on our website www.sqa.org.uk/assessmentarrangements

National Unit specification: Statement of standards

Unit title: Local Food Production: Routes to Market

Acceptable performance in this Unit will be the satisfactory achievement of the standards set out in this part of the Unit specification. All sections of the statement of standards are mandatory and cannot be altered without reference to SQA.

Outcome 1

Investigate opportunities for adding value to an agreed food product, together with marketing function, customer profiling and management.

Performance Criteria

- (a) Investigate the characteristics of the food market in the local area.
- (b) Investigate the opportunities for adding value to the agreed food product.
- (c) Investigate how to break into the existing market with the agreed food product.
- (d) Describe methods of market research.
- (e) Create a customer profile for the target market for the agreed food product.
- (f) Identify and describe methods to ensure high standards of customer care and how they could be implemented.
- (g) Describe different methods of marketing the food product, including pricing strategies, and explain the costs and benefits to the business of each.

Outcome 2

Explore the financial planning of a local food production business.

Performance Criteria

- (a) Explain the importance of a Cash Flow Forecast in terms of how it will assist the management of the food business's income and expenditure.
- (b) Use figures to produce a balance sheet, explain how it maps income and expenditure and how a profit or loss is calculated.
- (c) Identify issues that make financial planning challenging for food businesses.
- (d) Describe how risk can be managed in food production businesses in order to provide a relatively stable Cash Flow.
- (e) Explain how the business would manage tax.
- (f) Identify sources of business advice and explain the role that an accountant would play in the business.

National Unit specification: Statement of standards (cont)

Unit title: Local Food Production: Routes to Market

Outcome 3

Identify a business model and having investigated viability, produce an action plan for an agreed food business idea.

Performance Criteria

- (a) Identify opportunities and challenges in the local area for the agreed food business idea and select a business model.
- (b) Identify risks related to the agreed food business and rate them according to their likelihood and potential impact and then suggest how to reduce the risk.
- (c) Decide whether the agreed food business idea is viable.
- (d) Identify and describe different aspects of starting up a food business that should be fully explored.
- (e) Investigate how to respond to increased demand for the agreed food product and how to develop the business for a wider market.
- (f) Produce an action plan with specific, measureable, achievable and realistic objectives that will allow the food business idea to be taken forward to start-up.

National Unit specification: Statement of standards (cont)

Unit title: Local Food Production: Routes to Market

Evidence Requirements for this Unit

Evidence is required to demonstrate that learners have achieved all Outcomes and Performance Criteria.

Outcome 1

Written and/or recorded oral evidence is required to demonstrate that the candidate can:

- (a) Identify a minimum of three characteristics of the food market in the local area.
- (b) Identify at least one opportunity for adding value to the agreed food product.
- (c) Identify characteristics of the agreed food product that will provide a way to break into the existing market.
- (d) Describe two methods of market research.
- (e) Create a customer profile for the target market for the agreed food product.
- (f) Identify and describe a minimum of two methods to ensure high standards of customer care and how they could be implemented.
- (g) Describe a minimum of three different methods of marketing the food product, including pricing strategies, and explain the costs and benefits to the business of each.

Outcome 2

Written and/or recorded oral evidence is required to demonstrate that the candidate can:

- (a) Explain the importance of a Cash Flow Forecast in terms of how it will assist the management of the food business's income and expenditure.
- (b) Use hypothetical figures to produce a balance sheet, explain how it maps income and expenditure and how a profit or loss is calculated.
- (c) Identify at least four issues, specific to food production businesses that make financial planning challenging.
- (d) Describe at least four methods of managing risk in food production businesses in order to provide a relatively stable Cash Flow.
- (e) Explain the features of the following taxes and how the business would manage them: VAT, Income Tax and National Insurance.
- (f) Identify a minimum of two sources of business advice and explain the role that an accountant would play in the business.

National Unit specification: Statement of standards (cont)

Unit title: Local Food Production: Routes to Market

Outcome 3

Written and/or recorded oral evidence is required to demonstrate that the candidate can:

- (a) Identify opportunities and challenges in the local area for the agreed food business idea and select an appropriate business model.
- (b) Identify a minimum of two risks related to the agreed food business and rate them according to their likelihood and potential impact and then for each, suggest a minimum of two actions which could be used to reduce this risk.
- (c) Decide whether the agreed food business idea is viable. Provide two reasons to justify this decision.
- (d) Identify and describe a minimum of three different aspects of starting up a food business that should be fully explored (one of which must relate to food hygiene requirements).
- (e) Investigate how to respond to increased demand for the agreed food product and how to develop the business for a wider market.
- (f) Produce an action plan with five specific, measureable, achievable and realistic actions that will allow the food business idea to be taken forward to start-up.



National Unit Support Notes

Unit title: Local Food Production: Routes to Market

Unit Support Notes are offered as guidance and 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

Suggested topics and themes that could be covered in this Unit are given below for each outcome.

Outcome 1: Investigate opportunities for adding value to an agreed food product, together with marketing function, customer profiling and management.

- (a) Investigate the characteristics of the food market in the local area:
 - ◆ A survey could be carried out to investigate the range of local food produced and of those which are sold in local outlets.
 - ◆ A consumer survey could be conducted to investigate the knowledge that consumers have of what local food is available for purchase locally.
- (b) Investigate the opportunities for adding value to the agreed food product:
 - ◆ Once a food product has been identified by each learner (this could be actual or theoretical) they should investigate how value could be added to their product.
 - ◆ In order to add value to the product, it will be necessary to carry out some processing, although the level of the processing need not be very extensive (eg cleaning, packing and labelling eggs or slaughtering, hanging, butchering, packaging and labelling lamb).
- (c) Investigate how to break into the existing market with the agreed food product.
 - ◆ With reference to the local food market and consumer surveys the learners should investigate what unique selling points their product has that will enable them to break into the local market (eg higher quality product, healthier, locally produced, new product).
- (h) Describe methods of market research. Market research would be needed to establish what customers want and/or need to allow the business to be planned effectively. The **two** main methods of market research should be described. Learners should identify and describe Desk Research and Field Research and include the following information in their description:
 - ◆ **Desk** — research using secondary information already in existence and found via the internet, books, trade journals, CD ROMs, statistical reports, etc.
 - ◆ **Field** — research conducted to gain primary information — gathered direct from source — customers, suppliers — carried out by online survey, postal questionnaire, interview, etc.

National Unit Support Notes (cont)

Unit title: Local Food Production: Routes to Market

- (i) Create a customer profile for the target market for the agreed food product. Learners should demonstrate their understanding of customer profiling in the context of the food business idea. This could take the form of a written or oral explanation of profiling referring to customer groupings. For example, customers could be grouped by:
- ◆ Age, location, income, occupation, interests
- (j) Identify and describe methods to ensure high standards of customer care and how they could be implemented. This could include:
- ◆ Surveys/interviews with customers to gain feedback on the product standards and weak areas — This could be done using Internet surveys, local street questionnaires or telephone surveys.
 - ◆ Creating a formalised customer care policy/chapter. This could be written with reference to industry standards and would clarify level of expected quality of the product.
- (k) Describe different methods of marketing the food product, including pricing strategies, and explain the costs and benefits to the business of each. Methods of marketing should include at least three of the following:
- ◆ written communication through letters or direct mail
 - ◆ oral communication by telephone, interviews or meetings (focus groups)
 - ◆ electronic communication by e-mail or internet
 - ◆ visual communication through billboards, etc
 - ◆ Pricing strategies

Candidates should explain the costs and benefits of each method and could include the following points:

Method	Cost	Benefit
Letters	Time consuming to send on a large scale. Some customers may have difficulty understanding written information well.	Detailed information can be given and this can be referred to at a later date.
Direct mail	Many customers will throw away junk mail without reading it. Costly to print and have delivered.	Can be made eye-catching and contain detailed information. Can reach a wide area.
Telephone	Time consuming and customers may feel it an intrusion of privacy.	More personal communication, instant feedback is available.
Interview/meeting	Time-consuming to set up and may only reach a small minority of customers this way.	Personal method of communication. Body language can be seen and detailed discussions had.
E-mail	May be filtered as junk mail. May not receive customers' attention due to a high volume of mail.	Very cost-effective and can be sent to many people at once. Detailed information can be given with files attached.

National Unit Support Notes (cont)

Unit title: Local Food Production: Routes to Market

Method	Cost	Benefit
Website	Requires setup and maintenance to remain updated and accurate. Not all customers will have access to the internet.	Can reach a wide market and is cost-effective.
Billboard	Limited impact and may not be noticed by many customers	More cost-effective than other methods and may be effective around the immediate area of the business
Pricing strategies	May be complicated and be effective for a limited time only	Can attract new customers through attractive pricing

Outcome 2: Explore the financial planning of a local food production business.

- (a) Explain the importance of Cash Flow Forecast in terms of how it will assist the management of the food business's income and expenditure:
- ◆ Purpose of a Cash Flow Forecast is to look ahead and estimate the future cash incoming and outgoing in a business in order to be able to plan to cover costs and ensure adequate finance in place for the business to survive/grow/compete.
 - ◆ This is important as finance is crucial in the early stages of the business to ensure that the business can survive and grow in order. It is important to know how much finance the business will have available for expansion in the future and be able to predict costs to keep them under control.
- (b) Use figures to produce a balance sheet, explain how it maps income and expenditure and how a profit or loss is calculated. Learners should work to produce a hypothetical balance sheet for the agreed food business where they can then calculate a profit or loss, where:
- ◆ **Profit** is money which is earned in trade or business after paying the costs of producing and selling goods and services and the overheads or running costs of the business measured over a specific time period.
 - ◆ **Loss** is when a business spends more money in overheads and operational costs than it earns in selling goods and/or services over a specific time period.
- (c) Identify issues that make financial planning challenging for food businesses. These could include issues such as:
- ◆ Uncontrollable weather.
 - ◆ Loss of soil fertility.
 - ◆ Unforeseen pest/disease infestations.
 - ◆ Unpredictable changes in costs of commodities such as animal/fish feed, fertiliser and fuel.
 - ◆ Irregular times of income, such as after harvest or lambing.

National Unit Support Notes (cont)

Unit title: Local Food Production: Routes to Market

- (d) Describe how risk can be managed in food production businesses in order to provide a relatively stable Cash Flow:
- ◆ Investigations into the frequency of factors such as pest and disease infestations and also adverse weather events can be made and hence forecasts prepared to anticipate and to help manage the risk.
 - ◆ Issues such as the loss of soil fertility can be mitigated against, although with cost implications and hence the need for careful financial planning.
 - ◆ Irregular income means that sources of finance will need to be sought and learners should investigate possible sources, such as: banks, finance companies, grants, government support and private investors.
- (e) Explain how the business would manage tax. Features of Income Tax, VAT and National Insurance should be explained together with how the business will manage them:
- ◆ **Income tax** is a tax that is paid to the Government and is calculated based on an individual's 'own circumstances and their level of income. Income tax is deducted directly from employees' pay by their employers. Self-employed people must calculate their own income tax and provide a tax return regularly, paying the correct amount of tax.
 - ◆ **Value Added Tax (VAT)** is a tax charged on most goods and services in the UK. VAT is charged when a VAT-registered business sells to either another business or to a non-business customer. Businesses add VAT to the price they charge when they provide goods and services. When VAT-registered businesses buy goods or services they can generally reclaim the VAT they've paid. A business has to reach a certain level of turnover before they are required to be registered for VAT (currently £79,000 a year — July 2011). If a business is not VAT registered, they cannot charge VAT to customers or reclaim the VAT on goods and services purchased. VAT is charged as a percentage of the price of the product or service which is set by the Government.
 - ◆ Government social security scheme that provides income loss, maternity, and sickness benefits, and retirement pension, to the working population. **National Insurance** is funded by regular contributions by both employees and employers, and by government through taxation which is deducted from salary by the employer. The self-employed are required to calculate and deduct National Insurance themselves via an HMRC self-assessment form.
- (f) Identify sources of business advice and explain the role that an accountant would play in the business. Potential sources of business advice could include:
- ◆ Business Gateway website — **www.bgateway.com**
 - ◆ Companies House website — **www.companieshouse.gov.uk**
 - ◆ HMRC website — www.hmrc.gov.uk
 - ◆ The Federation of Small Businesses — **www.fsb.org.uk/scotland**

National Unit Support Notes (cont)

Unit title: Local Food Production: Routes to Market

Business Gateway

This is a central source of advice and information on a range of general business issues for both start up and existing businesses. The site helps to signpost support, provides the latest information on regulation and tax and is an access point for other public sector services that might be needed now or in the future.

The target markets for the Business Gateway service are:

- ◆ People in Scotland who are seriously thinking about establishing a new business and are likely to take action.
- ◆ Existing businesses with potential for development and growth.

This source will provides a good initial one-stop-shop for information for his business, specifically:

- ◆ finance and grants
- ◆ tax, payroll and company information
- ◆ workplace health and safety
- ◆ environment and efficiency
- ◆ premises and property
- ◆ IT and e-commerce
- ◆ sales and marketing

It will also provide information on where/what organisations he needs to engage with further for more tailored support.

Companies House

This source provides information on legal requirements for a business. The main functions of Companies House are to:

- ◆ Incorporate and dissolve limited companies.
- ◆ Examine and store company information delivered under the Companies Act and related legislation.
- ◆ Make this information available to the public.

They also promote Companies House's services and advise businesses on how to meet their obligations under the Companies Act.

National Unit Support Notes (cont)

Unit title: Local Food Production: Routes to Market

HMRC

This source provides information on taxation. In particular, information is given on topics such as:

- ◆ new business registration
- ◆ filing a company tax return
- ◆ corporation tax
- ◆ VAT
- ◆ starting up in business
- ◆ import and export
- ◆ excise duty and other related taxes
- ◆ capital gains tax

Learners could investigate the services provided by local accountants.

Outcome 3: Identify a business model and having investigated viability, produce an action plan for an agreed food business idea.

- (a) Identify opportunities and challenges in the local area for the agreed food business idea and select a business model.
- ◆ With reference to the local food market and consumer surveys the learners should identify opportunities that exist within the local area, for example the lack of local fish in the shops and also the challenges that exist, for example relatively low average salaries in the area and the premium that will have to be paid for the local food product.
- (b) Identify risks related to the agreed food business and rate them according to their likelihood and potential impact and then suggest how to reduce the risk:

Risk assessment

Learners should identify a minimum of **two risks** related to the business idea and rate them by their likelihood and impact. They should then suggest actions which could be used to reduce this risk.

In the matrix provided, *Likelihood* is given a rating between 1 and 5 as follows:

- 1 — extremely unlikely
- 2 — unlikely
- 3 — possible
- 4 — probable
- 5 — almost certain

Impact is given a rating of between 1 and 5 as follows:

- 1 — insignificant
- 2 — minor
- 3 — significant
- 4 — major
- 5 — catastrophic

National Unit Support Notes (cont)

Unit title: Local Food Production: Routes to Market

Likelihood and *Impact* are then cross-referenced on the matrix below to give an overall *low*, *medium* or *high* risk rating (as detailed in Table 1).

Overall rating

Low
Medium
High

Table 1

		LIKELIHOOD				
IMPACT		Extremely unlikely	Unlikely	Possible	Probable	Almost certain
	Insignificant	Low	Low	Low	Low	Low
	Minor	Low	Low	Low	Low	Medium
	Significant	Low	Low	Low	Medium	High
	Major	Low	Low	Medium	Medium	High
	Catastrophic	Low	Medium	Medium	High	High

- (c) Decide whether the agreed food business idea is viable.
 - ◆ Learners should evaluate the viability of the agreed food business based on the risk assessment and the research material gathered. They should make a decision about whether the idea can be taken and provide at least two reasons to justify the decision.
- (d) Identify and describe different aspects of starting up a food business that should be fully explored.
 - ◆ Learners should identify those aspects of the business that are unique to a food business, such as specific legislation relating to the keeping of and movement of animals, health and safety requirements relating to food production and specifically food hygiene requirements.
- (e) Investigate how to respond to increased demand for the agreed food product and how to develop the business for a wider market:
 - ◆ Consideration should be given to the possibility of the product being very successful and how the business could then be expanded to respond to a higher than expected demand and how it might be developed for a wider market. This would require planning for a greater scale of production with additional staff required, further financial support and revised Cash Flow Forecasts. A new marketing strategy would also be required and further consideration of the customer profiles.
 - ◆ It is not necessary to revisit all of these aspects in detail, but a brief report to provide evidence that expansion of the business has been investigated is required.

National Unit Support Notes (cont)

Unit title: Local Food Production: Routes to Market

- (f) Produce an action plan with specific, measureable, achievable and realistic objectives that will allow the food business idea to be taken forward to start-up.
 - ◆ Learners should produce an action plan which will identify what needs to be explored further to enable their agreed food business ideas forward. The action plan should consist of **five** actions that are specific, measurable, achievable, realistic and define the timescales for achievement.

Guidance on approaches to delivery of this Unit

This Unit involves a theoretical exercise in identifying a local food product and taking it through the processes necessary for business start-up.

In **Outcome 1** learners get to know their local food context by looking at the local food market and finding out what products are currently available, what are not and carrying out a survey to investigate what knowledge the consumers have of their local food market.

The learners will identify a local food product (actual or theoretical) that will fit a gap in the market and consider how they could add value, involving some form of processing. They will consider how to break into the existing market and identify the unique selling points of the product. Market research would then need to be carried out and the learners should be aware of and able to describe the two main methods.

The learners would need to understand who their potential customers are and what their motivations might be for purchasing the product. They will therefore create typical customer profiles for their business ideas and should be able to describe how to ensure high standards of customer care.

Finally, learners should look into methods of marketing and be able to describe at least three methods in detail and also include their costs and benefits.

Outcome 2 gives learners the opportunity to explore the financial planning aspects of the proposed food business. This will involve looking into the role of cash flow forecasts and balance sheets.

There are a number of issues that relate specifically to food production businesses which make financial planning very challenging and learners have the opportunity to consider these and to describe how to manage risk within the business. They will also consider how the business would manage its tax obligations and also investigate where business advice could be sought.

Outcome 3 culminates in the production of a business plan in which learners will detail how the proposed business idea would be taken to start-up. There is a further chance to consider the local food market, from the point of view of opportunities and challenges and then to carry out a risk assessment of the business in order to measure its viability.

National Unit Support Notes (cont)

Unit title: Local Food Production: Routes to Market

There are a variety of issues that relate specifically to food based enterprises such as food hygiene regulations and other legislation governing the raising of animals and health and safety requirements relating to food production. Learners will need to consider the relevance of these in relation to their business ideas. They should also have the opportunity to consider how the business might respond to increased demand for the product and how the business might develop in order to supply a wider market.

Finally, the learners should prepare an action plan which details how the business idea might be taken forward to start-up.

Guidance on approaches to assessment of this Unit

Evidence can be generated using different types of assessment. The following are suggestions only. There may be other methods that would be more suitable to learners.

Outcome 1: Investigate opportunities for adding value to an agreed food product, together with marketing function, customer profiling and management.

Outcome 2: Explore the financial planning of a local food production business.

Outcome 3: Identify a business model and having investigated viability, produce an action plan for an agreed food business idea.

The evidence for each outcome is probably best presented as a single report (including the customer surveys for Outcome 1 and action plan for Outcome 3) on completion of the outcome. The reports could be in the form of a written document, a detailed poster or a recorded oral presentation to the group.

Whatever form the reports take, they must reflect the level of the qualification at SCQF level 6.

Centres are reminded that prior verification of centre-devised assessments would help to ensure that the national standard is being met. Where learners experience a range of assessment methods, this helps them to develop different skills that should be transferable to work or further and higher education.

Opportunities for 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 social software. Centres which wish to use e-assessment must ensure that the national standard is applied to all learner evidence and that conditions of assessment as specified in the Evidence Requirements are met, regardless of the mode of gathering evidence. The most up-to-date guidance on the use of e-assessment to support SQA's qualifications is available at www.sqa.org.uk/e-assessment.

National Unit Support Notes (cont)

Unit title: Local Food Production: Routes to Market

Opportunities for developing Core and other essential skills

There is no automatic certification of Core Skills or Core Skills components in this Unit, however there may be opportunities to develop the Core Skills of *Communication*, *Numeracy*, *ICT*, *Problem Solving* and *Working with Others* all at SCQF Level 6.

Depending on the format of the evidence produced for all three Outcomes of this Unit there may be opportunities to develop the Core Skills of *Communication* (Written and/or Oral components) and *Numeracy* (Using Numbers and/or Using Graphical Information components) and *Information and Communication Technology (ICT)* (Accessing Information and Providing/Creating Information components).

The production of a plan in **Outcome 3** may provide opportunities to develop the Core Skill of *Problem Solving* (Critical Thinking and Planning and Organising components).

If candidates work collectively within this Unit there may also be opportunities to develop the Core Skill of *Working with Others*.

In addition to the Core Skills noted above there may also be opportunities to develop other essential skills, especially in the context of this Unit, in Employability and Enterprise.

This Unit has the Critical Thinking and Planning and Organising components of Problem Solving embedded in it. This means that when candidates achieve the Unit, their Core Skills profile will also be updated to show they have achieved Critical Thinking at SCQF level 6 and Planning and Organising at SCQF level 6.

History of changes to Unit

Version	Description of change	Date

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General information for learners

Unit title: Local Food Production: Routes to Market

This section will help you decide whether this is the Unit for you by explaining what the Unit is about, what you should know or be able to do before you start, what you will need to do during the Unit and opportunities for further learning and employment.

If you are a learner who has developed an understanding of the local food market and you have acquired practical skills in producing a food product, but you do not have the knowledge and skills to advance that product as a business idea, then this Unit will help you achieve that end.

During the Unit you will identify a hypothetical local food product to which you could add value and market in your local area. You will consider the local food market and your likely potential customers and consider how the product might be priced and marketed. You will delve into financial planning in order to understand how the business can be kept on track. You will carry out a financial risk assessment so that you can assess the viability of the business idea and then produce a hypothetical action plan, detailing how the business could be taken forward to start-up.

In **Outcome 1** you will identify a potential food product and then investigate the food market in your area, by conducting a number of surveys, by way of setting the scene and providing a context for your product. You will then investigate opportunities for adding value to as well as how to carry out market research. You will need to consider who your potential customers are and therefore you will learn how to create customer profiles. Finally you will consider how to market the food product and how to use different pricing strategies.

Outcome 2 covers aspects of financial planning and allows you to focus specifically on the unique characteristics of food production businesses, such as the effect of unpredictable weather patterns on production. Factors like these make it vitally important to assess the financial risks and also the viability of the potential business and **Outcome 3** focusses on these aspects and then moves on to bring the whole Unit to a conclusion through the preparation of an action plan which will detail how the product could be taken to start-up.

Each outcome will be assessed separately and you will be asked to prepare a report for each outcome which will allow you to detail the findings of your independent research and to record the results of your surveys, risk assessment and action plan.

The reports could be in a variety of forms, for instance a written document, a detailed poster or a recorded oral presentation to the group. You will need to consider what would be the most appropriate format to convey your findings from each outcome.