

---

# Contents

<b>Before you begin</b>	<b>vii</b>
<b>Topic 1: Research marketing information</b>	<b>1</b>
1A Research your organisation's concept of marketing	2
1B Identify and analyse the organisation's marketing plan and relevant policies and procedures	7
1C Identify the need for marketing activities using the existing marketing plan	13
1D Investigate previous marketing activities	18
1E Create a profile of the market segment	20
1F Identify positioning and marketing mix for each target segment	24
1G Identify the outcomes expected from the marketing activities	35
Summary	42
Learning checkpoint 1: Research marketing information	43
<b>Topic 2: Plan marketing activities</b>	<b>49</b>
2A Analyse the market	50
2B Develop work activity plans for marketing activities	61
2C Obtain approval for marketing plans	64
Summary	65
Learning checkpoint 2: Plan marketing activities	66
<b>Topic 3: Implement marketing activities</b>	<b>73</b>
3A Determine and access resources required for marketing activities	74
3B Undertake marketing activities within your job role	81
3C Help assign marketing responsibilities and functions	87
3D Monitor, review and amend marketing activities	91
Summary	95
Learning checkpoint 3: Implement marketing activities	96
<b>Topic 4: Review marketing activities</b>	<b>101</b>
4A Measure and record the outcomes of marketing activities	102
4B Review marketing activities and suggest improvements	109
4C Prepare reports and communicate your findings	114
Summary	122
Learning checkpoint 4: Review marketing activities	123

Here are three examples of marketing strategies.

**Cost-leadership strategy**

The organisation markets itself and its products and services to a broad market and seeks to gain an advantage by having a market position as the lowest-cost provider.

**Differentiation strategy**

The organisation markets itself and its products and services to a broad market and seeks to gain an advantage through the unique quality of its products and services. This is done by offering a product or service that is superior in some way to its competitors'.

**Focus strategy**

- The organisation markets itself and its products to a niche segment of the market using:
- a cost-leadership strategy – the organisation seeks to be the lowest-cost provider in the niche segment
  - a differentiation strategy – the organisation seeks to provide a differentiated product in the niche segment.

## Marketing strategy

Generic marketing strategies are useful for understanding the marketing strategy of your organisation. However, the marketing strategy adopted by your organisation is likely to be more in depth and specific.

The marketing strategy pursued by your organisation will influence the marketing activities that you need to undertake. Marketing activities that focus on a cost-leadership strategy will be different from those that focus on a differentiation strategy. For example, a cost-leadership organisation may use sales promotions such as bonus offers and heavy discounting to market to its customers. A differentiation organisation may use personal selling and customer service to stand out from the competition.

The marketing strategy will also specify the target market. Does the organisation seek to target a broad or wide market of customers, or does it focus on a narrow segment of the market?

**Resources required**

Identify the people who are involved in the activities. Are they all in-house staff or are external experts or technical personnel required? What physical resources are required? For example, does your organisation have resources they regularly use when exhibiting at a trade fair, such as signs and display racks?

**Budget**

Make a note of the size of the budget allocated to each activity. You may need to discuss this with your supervisor to find out how the budget is planned and approved.

**Outcomes**

Knowing what results are expected from the marketing activity helps an organisation monitor and review each activity. By reading the projected outcome you get an idea of where the organisation's focus is and how it endeavours to meet client needs.

**Monitoring and reporting**

Read how marketing personnel plan to monitor and report on the activities. Read previous reports and reviews to see which activities were successful and which did not deliver the expected outcomes. Find out why.

## 1D

## Investigate previous marketing activities

Marketing activities undertaken by the organisation should not be performed in isolation. All future marketing activities must be undertaken in the context of previous marketing activities. Looking at previous marketing activities and their effectiveness provides an indication of what activities should be used in the future.

Each type of marketing activity has benefits but this does not mean that it is suitable for all organisations to use. Advertising in major newspapers may attract business for a city-based clothing retailer but have no benefit for a manufacturer of drill bits.

Looking at the effectiveness of previous marketing activities provides an insight into what does and does not work for your organisation and the reasons why.

## Assess the effectiveness of an activity

Many people believe sales and profits are the best and most reliable indicators of the effectiveness of a marketing activity. Although sales and profits can be an indication of effectiveness, there is a range of factors that need to be considered when determining which marketing activities work for an organisation.

Depending on the nature of the marketing activity used, assessing the effectiveness of an activity can be as simple as asking a set list of questions. Your organisation may have a standard assessment procedure.

Here are some example questions to ask when assessing activities.

### Assessing marketing activities

- Did sales increase or decrease after the activity?
- How many customers initiated contact with the business in response to the activity?
- How many customers were prompted to purchase from the organisation as a result of the activity?
- Did customer inquiries increase?
- Did visits to the organisation's website increase?
- Has brand awareness grown?
- Has traffic flow into the store increased?
- What feedback have customers provided and was it predominantly positive or negative?
- Was the activity implemented smoothly – did it run on time and on budget?
- Did the organisation have sufficient resources to implement the activity?
- Was the activity suitable for the organisation, its strategies and the nature of its products and services?
- Did the activity reach its intended audience and communicate the desired message?

### **Loyalty**

Customers are segmented based on their level of loyalty to a particular brand, store or company.

### **Buyer readiness**

Customers are grouped according to how ready they are to buy the product. Customers proceed through stages of buyer readiness, although not always in sequence:

- Unaware of the product
- Aware of the product
- Seeking information
- Informed about the product
- Interested in purchasing
- Intending to buy the product

## **Profile clients**

When profiling your clients, you need to identify the need that drives their decision to purchase from your organisation. For example, is their need based on safety, aesthetics (the look of the product), performance, brand name, social or environmental concerns, price or quality? An answer to these questions, along with the information about market segments, establishes a profile of the segments your organisation deals with.

Here are some example questions when profiling clients.

### **Questions to ask when profiling**

Has the client purchased the product from the organisation before?

How frequently does the client buy?

How much does the client buy each time?

Is the client loyal to the brand?

How does the client decide which brand to buy?

What aspects drive the client to purchase and how important is each aspect?

How and where does the client prefer to purchase the product or service?

Product strategy

Rate of return (profit) required

## Pricing strategy

The pricing of a product or service will depend on a range of pricing factors.

Here are some examples of pricing strategies that can be used.

### Premium pricing

A high price is charged because the product or service is unique, the brand name is strong, or the product or service has benefits that competitors' offerings do not have.

### Penetration pricing

The price is set low because the product is new or unknown. This is done to penetrate the market and gain market share. When the product becomes established, the price is increased over time.

### Economy pricing

The price is always set at a low level because the product occupies a low-end position in the market due to its quality or brand image.

### Skimming pricing

A high price is charged initially because the product is new and offers unique features and benefits not previously available. Then, over time, the price is lowered as competitors enter the market or the product is superseded. (This is the opposite of penetration pricing.)

### Bundle pricing

Products and services are sold as a package or 'bundle' with the price set lower than if each product or service were to be purchased individually. This is common when add-on products are included.

### Competitive pricing

Determining what competitors are charging for the same or a similar product or service and setting your prices at a similar level.

### Market research pricing

Undertaking market research to determine how customers view the product or service, the organisation and its brand name in order to determine what customers are willing to pay for the product or service.

## Placement

Placement represents the channels of distribution the organisation uses to sell its products and services to customers. Placement activities are the tasks involved in actually getting the product or service to the customer. For some organisations this may seem obvious. For example, the distribution channel for a retailer is the network of stores that customers visit. For a doctor, this is the clinic that patients visit.

However, for some organisations, the placement decision is a little more complicated; for example, manufacturers or consumers of industrial products, and wholesalers who can sell through several channels.



## Types of distribution channels

The distribution channel chosen by an organisation, defined by the type of business, its strategic direction and its policies and procedures, must provide the product or service to the customer in the right place and at the right time to meet their needs.

Here are the two types of distribution channels that could be used by an organisation to sell its products and services.

### Indirect distribution

Indirect distribution involves distributing products through intermediaries who then distribute it to the end-user or customer. This is common in manufacturing industries. The manufacturer distributes the product to a wholesaler, who distributes it to a network of retailers, who then sell it to the customer.

- Manufacturer
- Wholesaler
- Retailer
- Customer

### Direct distribution

Direct distribution is when the manufacturer of the product sells directly to the customer. This is common in markets for larger products, such as mining equipment, as well as for service providers who provide their service straight to the customer.

- Manufacturer/service provider
- Customer

## Develop marketing outcomes

All businesses need to develop marketing outcomes or objectives to:

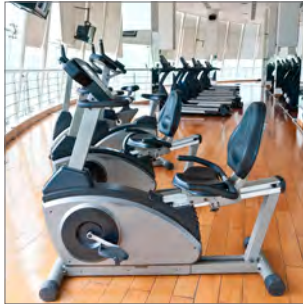
- formally outline what they expect to achieve as a result of their marketing efforts
- enable marketing performance to be measured and compared to expected outcomes to determine whether marketing activities were successful
- motivate team members and coordinate efforts to achieve a common goal.

Marketing outcomes or objectives need to be SMART (specific, measurable, attainable, relevant and timely).

## Specific outcomes

Outcomes must be clear and precise about what is to be achieved. They should not be open to interpretation. Outcomes must be straightforward and focused.

Here is an example of a poorly written outcome versus a well-written (or specific) outcome for sales staff at a gym.



### Poorly written outcome

Improve organisational performance.



### Specific outcome

Improve organisational performance by increasing the number of new customers joining and retaining existing customers.

## Measurable outcomes

Outcomes should be quantifiable; that is, they should be expressed as a number, ratio, fraction, frequency or something that can be directly measured. A measurable outcome helps the business stay on track to achieve it.

Here is an example of a poorly written outcome versus a well-written (or measurable) outcome.



**Placement**

- Total number of distributors
- Total/percentage of new distributors
- Total/percentage of retained or existing distributors
- Customer delivery times

## Example: identify marketing activity outcomes

Here is an example that shows marketing outcomes sought by various types of organisations. Notice how the outcomes vary depending on the nature of the organisation and the business it is in.

Organisation	Marketing outcomes
Manufacturer of chocolate bars	<ul style="list-style-type: none"> <li>• Increased sales</li> <li>• Increased brand awareness</li> <li>• Increased number of distributors stocking the product</li> <li>• Increased range/number of products offered</li> <li>• Increased shelf space given to the product in customers' stores</li> </ul>
Political party	<ul style="list-style-type: none"> <li>• Increased voter awareness of the party and its policies</li> <li>• Improved brand image and understanding of what the party stands for</li> <li>• Increased number of votes</li> <li>• Increased number of seats in parliament</li> <li>• Increased funds raised for election campaigns</li> </ul>
Entertainment venue	<ul style="list-style-type: none"> <li>• Increased sales</li> <li>• Improved perception of customer service</li> <li>• Increased awareness of venue, accessibility and facilities</li> <li>• Increased total number of seats sold</li> <li>• Increased percentage of sell-outs</li> <li>• Increased number of performances</li> <li>• Increased customer satisfaction with performances</li> <li>• Reduced number of customer complaints</li> <li>• Increased number of volunteers enlisted</li> <li>• Increased number of subscribers</li> </ul>

## 2A

## Analyse the market

When analysing the market, your aim is to produce a comprehensive picture of the clients, their needs and the market in which they operate.

Here are the points you need to consider when analysing the market.

Market analysis
A definition of the market you are dealing with; market size, growth rate, other statistics
Basic market segmentation
SWOT analysis
Competitor analysis
Results of previous marketing activities – effect on market share, sales and profits
Target-client profiles

### Analysis

Marketing information must be analysed effectively in order to:

- define the market that your organisation competes in
- determine the market's size and growth rate
- identify the customer segments that exist in the overall market
- select key segments to target with your product or service offerings.

### Define the market

Make sure you can accurately define the market your organisation competes in. For example:

- A city bakery offers a wide selection of goods to clients drawn from a wide geographic area with varied demographics and lifestyles.
- A phone company targets its new generation products to 'early adopters' (those people who want the latest telecommunication devices).





#### Size, growth and market share

The relative size, growth and market share of competitors must be monitored to determine your organisation's marketing response. The actions of larger competitors with significant market shares will directly influence how you market your organisation's products and services.



#### Competitive advantage

A competitive advantage is something the competitor does better than other organisations. A competitive advantage is a resource that provides a unique selling point for a competitor, such as a well-known brand, proprietary technology, excellent customer service or superior product quality.

## Analyse political, economic, social and technological factors

It is worthwhile to analyse the current political, economic, social and technological factors that may affect the marketing activities you plan.

### Political analysis

The political environment is a macro-environment factor for an organisation and refers to the actions by governments, departments, laws, agencies and pressure groups that affect how the organisation operates. These pressures are in force not only in Australia but also in other countries in which the organisation has operations.

### Political variables

The decisions made by governments and their agencies can directly affect the organisation and its marketing activities. Political factors can have a broad effect on all organisations, or can be directed towards particular areas or industries.

Here are some of the political variables that you may need to analyse.

#### Political variables

The level of political stability and the risk of political instability; for example, frequent changes of government that destabilise the economy

Laws and regulations that affect the organisation's business operations

## Weaknesses

Weaknesses are areas where the organisation is weak or vulnerable relative to competitors.

Here are examples of weaknesses.

Organisational weaknesses
Small market share
Poor brand awareness
Lack of marketing experience
Poor finances
Obsolete technology
Rundown or poorly located retail stores
No established market position
Poor-quality products or services

## Opportunities

Opportunities are factors in the external environment that the organisation can use to gain an advantage over competitors. These are opportunities for all organisations in the industry.

Here are examples of opportunities.

External opportunities
Growing markets
New markets
High levels of consumer or business spending
Elimination of trade barriers

- marketing staff
- general administrative staff
- desktop publishers, graphic designers and photographers
- copywriters
- printers, sign-writers, tradespeople
- web designers and IT staff
- accounting and finance staff
- human resources staff.

## Other resources

Besides human resources, you will need to think about material resources, such as the following.

Other resources to plan for include:

- computers
- sales equipment
- meeting rooms
- vehicles
- machinery
- display stands
- promotional materials.

## Time lines

A time line of when each activity will be completed must be provided to guide the marketing activity and keep it on track to meet deadlines.

Check time lines with your manager/supervisor to confirm expected dates. Be aware that external circumstances may cause dates to change, so have contingency plans ready to ensure activities are implemented as planned.



## Monitor and evaluate activity plans

A crucial responsibility when developing work activity plans is to ensure you include how each activity will be monitored, evaluated and reported on. Specify the reporting procedures for each activity in terms of who is accountable and any reports that must be completed.

How this is done may depend on the type and duration of each activity. For example, management may require a daily, weekly or monthly progress report. Results are important as it may mean the activity needs to be modified immediately.

There needs to be provision in the activity plan to show how you will assess the effectiveness of all marketing activities and identify whether the outcomes were met. Outline how performance will be monitored and assessed for each activity.

# 3A

## Determine and access resources required for marketing activities

If marketing plans are to be implemented successfully, they need adequate resources, such as people, time, money, equipment and materials.

A thorough analysis of the resources required is needed to implement the marketing plan successfully. You must also determine if you can obtain these resources and the procedures for accessing them.

### Analyse resources

The range of resources that may be required to implement a marketing plan is wide. However, time is one organisational resource that you must manage when implementing any marketing plan. Just like IT or money, time is a finite resource for the business.

All marketing outcomes must have a time frame attached to them. Work activity plans are then developed and these must specify the time frame for completing each marketing activity.

Consider the time management issues listed below when managing time.

#### Time management



##### Flexible time frames

Sometimes time can't be managed as you planned because things come up that affect the time frames of individual tasks and therefore the completion date. To accurately determine how much time you will need to implement your marketing plan, you need to understand the tasks involved and allow for contingencies. A flexible time frame allows you to absorb delays and take advantage of idle time as it happens.



##### Overlapping tasks

It is likely that during the implementation process you will have tasks that run simultaneously and overlap. This can place demands on people who are involved in both tasks. In this situation, you need to carefully plan and prioritise their work to ensure time is adequately allocated.



##### Dependent tasks

When implementing a marketing plan, there may be tasks that rely on the completion of other tasks before they can be performed. This can result in bottlenecks, where tasks are held up because a dependent task has not been completed. This can create idle time, as people waiting for another task to be completed have nothing to do.

Here are some examples of the technology you require.

Useful technology
Computers (desktop and laptop) and software
Smartphones
Internet and email access
Printers
Digital cameras (still and video)
Digital projectors

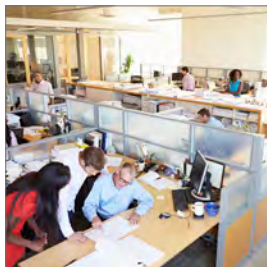
## Suppliers

When implementing a marketing plan, you may need to find suppliers for products, promotional materials and other inputs.

Here are some examples of when you will need to consider suppliers.



**The products the organisation sells** – you may need display, demonstration or sample products, and you must make sure you have sufficient stock to meet the orders your campaign aims to generate



**Contract or hire labour** – you may need additional staff hours to organise and run the campaign, and to deal with the inquiries and orders your campaign aims to generate

## Example: marketing responsibilities



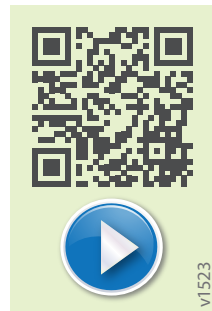
Amelia works for a registered training organisation that runs accredited and non-accredited courses in hospitality and cookery. She is directed by her manager to oversee a new marketing campaign aimed at increasing market share. The market segment is people who want a career in hospitality as well as 'foodies' (people who enjoy cooking as a hobby).

The marketing activities include a full-colour middle-page spread in the local paper of all the courses on offer in the new year, an advertisement to be shown at local cinemas for four weeks and a television advertisement to coincide with the cinema advertisement.

Although Amelia has handled print advertising before, she knows that the expertise needed to create advertisements for cinema and television will come from outsourcing. Amelia also believes that the newspaper advertisement needs to be styled to create a professional and consistent approach to the marketing campaign.

Amelia meets with four advertising agencies to gather information on costs and time lines and to assess what each one can offer. After consulting with her manager, she chooses an agency that has run campaigns on a similar scale.

The marketing campaign is deemed successful. Enrolments in accredited and non-accredited courses are up 25 per cent in the first semester of the new year.



## Practice task 13

1. Collect some promotional material that has really made an impression on you. Why did this material make an impression on you?

2. When would you need to outsource activities in your marketing plan?

3. What are the disadvantages of outsourcing?



## Summary

1. Marketing implementation involves using the marketing plan to generate a list of activities and tasks to be performed.
2. If marketing plans are to be implemented successfully, they require adequate resources to back them up.
3. The resources required to implement a marketing plan include time, money, staff, information technology, suppliers and promotional materials.
4. The marketing activities outlined in the work activity plan need to be broken down into a series of smaller tasks.
5. A Gantt chart can be developed for the overall marketing program as well as for each separate marketing activity to be performed.
6. Personnel required to implement a marketing activity include desktop publishers, graphic artists and designers, copywriters, administrators, marketing specialists, printers, sign-writers and tradespeople.
7. External consultants and specialists can be used if the skills required are not available internally.
8. As marketing activities are implemented, the progress of tasks and team members must be monitored for quality, timeliness, budget and strategic impact.
9. You must select the most suitable methods to monitor the progress of marketing activities such as meetings, discussions, emails, presentations or supervision of performance.
10. When marketing activities are not going to plan, corrective action must be taken and work activity plans amended.
11. Contingency planning is an effective tool for managing issues that arise while marketing activities are being implemented.

Market position and image

Customer satisfaction surveys, feedback and complaints

Customer levels

Website traffic

Team member feedback

Promotional reach and frequency

Supplier/stockist levels

## Sales and profit levels

Many organisations see increased sales and profits as the ultimate aim of all marketing activities. Sales and profits are an indicator of business success but determining whether there is a direct relationship between a marketing strategy and increased sales and profits is difficult.

This is because it is hard to separate the effect of a marketing activity from other factors that may have increased sales and profits, such as improved economic conditions and cost savings in the value chain. Market intelligence and economic data can help to tease out the effects in some cases.

There can also be a time lag between the marketing activities and their impact on sales and profits. If sales and profits are analysed too soon after implementation, then the effect of marketing activities may not yet be realised.

## Market share

The market share is the proportion of the total available market that the organisation services. It is a good indicator of the effectiveness of marketing activities because the goal of most businesses is to outperform competitors. If marketing strategies have been devised in response to a competitor's products and services, market position or marketing activities, then market share is a reliable indicator of whether the organisation's marketing activities are effective.

## 4B

## Review marketing activities and suggest improvements

On their own, measures don't indicate the effectiveness of the marketing strategy. These measures need to be compared to the marketing outcomes, objectives or goals to determine whether the marketing strategy was a success and if any improvements and corrective action are required.

### Compare results with desired marketing outcomes

If you make marketing outcomes measurable, comparing the actual and planned results will be straightforward, and you will be able to assess the effectiveness of the campaign on your own terms.

For some campaigns, it may be appropriate to express particular marketing outcomes in qualitative terms. This data is expressed in categories, rather than numerical results. These outcomes are more difficult to assess for their effectiveness than quantitative marketing outcomes but there are tools for doing this.

For example, how would you measure customer satisfaction? You can see below that the second question gives you more information (categories) in this example – 40 of the customers who answered 'yes' when asked a direct yes/no question gave a neutral response when asked a 'how' question.



Yes/no question	'How' question
Were you satisfied with our customer service?	How satisfied were you with our customer service?
Yes/No	Very satisfied; somewhat satisfied; neither satisfied nor dissatisfied; somewhat dissatisfied; very dissatisfied
Yes = 70 No = 30	Very satisfied = 5 Somewhat satisfied = 25 Neither satisfied nor dissatisfied = 40 Somewhat dissatisfied = 25 Very dissatisfied = 5

### Variance analysis

Variance analysis is a control tool used for comparing the effectiveness of marketing activities against outcomes or objectives. Variance analysis works by taking the actual outcome recorded and comparing it with the desired outcome such as sales levels, brand awareness, customer numbers, repeat business, website traffic or customer satisfaction levels.

# 4C

## Prepare reports and communicate your findings

The outcomes of your marketing activities and the improvements you have recommended must be documented and communicated to others in the organisation. Reporting requirements in your organisation may require you to report on marketing activities to your manager, senior management, board of directors or marketing team members.

### Present findings

The way you present your findings is important because others in the organisation may use them to make significant and far-reaching decisions. The recommendations and suggested improvements you are providing must be based on evidence and supported by research data.

### Content of reports and presentations

Reports on marketing activities can be made via a written report or an audiovisual presentation. You need to gather and organise evidence before you present and report on marketing activities.

To report on marketing activities, you need to:

- formulate a strategy for the audience or readership
- develop a clear report structure
- support your points with evidence and examples
- be prepared to respond to questions and challenges.

### Formulate a strategy for the specific audience

Your report needs to be structured so it provides all of the key information and is tailored to the specific needs of the audience or readership. You need to know what is it you are communicating and why.

The purpose of the report is to provide information on marketing activities, their results and improvements for the future. Keep this in mind and do not overload the report with unnecessary details that could cloud the report's underlying purpose.



### Informal reports

The audience or reader for your report could be your manager or supervisor, a group of senior managers, a board of directors or the marketing team. Each of these groups will have different requirements. For example, if you are presenting a report to a large group of marketing team members, you may need to prepare an electronic presentation that outlines which tasks were implemented effectively and which were not, along with a summary of how each team member performed. This could be presented in an informal manner.