



Australian Government

Department of Education, Employment and Workplace Relations

BSBMKG502B Establish and adjust the marketing mix

Revision Number: 1

BSBMKG502B Establish and adjust the marketing mix

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	<p>This unit describes the performance outcomes, skills and knowledge required to determine the optimum marketing mix for a business through analysis of inter related marketing components.</p> <p>No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.</p>
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Application of the Unit

Application of the unit	<p>This unit applies to individuals in marketing management roles responsible for developing the marketing and promotional mix within an organisation. They may also adjust the marketing mix when new marketing opportunities have been identified.</p> <p>The skills and knowledge required to evaluate and identify new market opportunities are covered in BSBMKG501B Identify and evaluate marketing opportunities.</p>
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units	

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Evaluate each component of the marketing mix	1.1. Identify key <i>characteristics of products or services</i> and estimate their significance to the market 1.2. Review pricing policy and analyse <i>pricing variables</i> to determine their effect on demand 1.3. Analyse <i>promotional methods</i> to determine their importance to <i>marketing</i> outcomes 1.4. Review <i>channels of distribution</i> and estimate their significance in relation to marketing outcomes 1.5. Identify and analyse <i>level of customer service</i> provision to determine its significance to marketing outcomes 1.6. Identify potential customer base and key pressure points for success 1.7. Analyse and test the effect of the components of <i>marketing mix</i> on each other, and establish their relative importance to customer base
2. Determine marketing mix for specific markets	2.1. Identify and assess environmental factors for their impact on marketing mix 2.2. Identify <i>consumer priorities, needs and preferences</i> that affect marketing mix 2.3. Consider product, pricing, promotional, distribution and service variations, and evaluate these against marketing objectives, target market characteristics and desired positioning 2.4. Select marketing mix that best satisfies target market and meets marketing objectives 2.5. Ensure marketing mix decision meets organisational, strategic and operational marketing objectives
3. Monitor and adjust marketing mix	3.1. Monitor marketing mix against marketing performance and isolate components for testing 3.2. Evaluate implications of altering one or more components of marketing mix in relation to market factors and consumer response 3.3. Adjust components of marketing mix in response to test results and evaluation of market response 3.4. Ensure adjusted marketing mix meets budgetary requirements 3.5. Ensure adjusted marketing mix continues to meet organisational, strategic and operational marketing objectives, and desired positioning

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- culturally appropriate communication skills to relate to people from diverse backgrounds and people with diverse abilities
- literacy skills to identify market information, to write in a range of styles for different audiences and to interpret requirements
- numeracy skills to interpret testing results and to manage marketing budgets
- organisational and time management skills to design and adjust a marketing mix.

Required knowledge

- key provisions of relevant legislation from all forms of government that may affect aspects business operations, codes of practice and national standards such as:
 - anti-discrimination legislation and principles of equal opportunity, equity and diversity
 - ethical principles
 - marketing codes of practice and conduct such as the Australian Direct Marketing Association (ADMA) Direct Marketing Code of Practice; Free TV Australia Commercial Television Industry Code of Practice
 - privacy laws
 - Trade Practices Act
- organisational policies, procedures, products and services
- principles and concepts of marketing such as consumer or buyer behaviour and elements of marketing mix
- statistical techniques.

Evidence Guide

EVIDENCE GUIDE	
<p>The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.</p>	
Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	<p>Evidence of the following is essential:</p> <ul style="list-style-type: none"> • developing a report containing a description of activities undertaken to establish a marketing mix in an organisation, including information on each element of the marketing mix, such as: <ul style="list-style-type: none"> • levels of customer service to be provided • how a product or service will be distributed • how a product or service will be priced • whether additional products or services will be offered • how the product or service will be promoted • reporting on at least one review of the success of marketing mix activities developed including coverage of any necessary adjustments made.
Context of and specific resources for assessment	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> • access to an actual or simulated workplace • access to office equipment and resources • access to organisational and marketing strategic plans.
Method of assessment	<p>A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit:</p> <ul style="list-style-type: none"> • analysis of responses to case studies and scenarios • assessment of written reports on the marketing mix • direct questioning combined with review of portfolios of evidence and third party workplace reports of on-the-job performance by the candidate • observation of presentations on the marketing mix or changes made to the marketing mix • oral or written questioning to assess knowledge and understanding • review of authenticated documents from the workplace or training environment

EVIDENCE GUIDE	
	<ul style="list-style-type: none">• review of testimony from team members, colleagues, supervisors or managers.
Guidance information for assessment	<p>Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended, for example:</p> <ul style="list-style-type: none">• BSBMKG501B Identify and evaluate marketing opportunities• other marketing units.

Range Statement

RANGE STATEMENT

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

Characteristics of products or services may include:

- brand
- brand loyalty
- compatibility with other products, services or equipment
- degree of customisation
- design
- durability
- ease of maintenance
- features
- flexibility
- functional performance
- innovativeness
- occupational health and safety issues
- packaging
- pollution hazard reduction
- quality
- range of size, colour or other factors
- reduction of risks to health and safety, such as noise
- robustness
- styling
- technical features
- upgrading
- volumes available

Pricing variables may include:

- cost of ownership
- credit terms
- discount percentages
- discount structure
- financial deals
- leasing arrangements
- price point chosen
- psychological elements
- residual value

RANGE STATEMENT	
	<ul style="list-style-type: none"> • sales • special offers • stage payments
Promotional methods may include:	<ul style="list-style-type: none"> • impersonal promotion such as: <ul style="list-style-type: none"> • advertising • sales promotion • personal promotion such as: <ul style="list-style-type: none"> • direct marketing • face-to-face selling • personal selling • segmentation
Marketing may include:	<ul style="list-style-type: none"> • business-to-business marketing • direct marketing • ideas marketing • marketing of goods • public sector marketing • services marketing • telemarketing
Channels of distribution may include:	<ul style="list-style-type: none"> • dealers • delivery service • distributors • e-business • franchisees • internet • mail order • podcasts • re-seller • retail • self-service • telesales • wholesale
Level of customer service may include:	<ul style="list-style-type: none"> • after sales service • call centre support • electronic client service • no customer service • one-on-one personal service • sales assistance for problems or queries only
Marketing mix may include:	<ul style="list-style-type: none"> • customer service variables • distribution variables

RANGE STATEMENT	
	<ul style="list-style-type: none"> • pricing variables • product or service variables • promotional variables
<i>Customer priorities, needs and preferences</i> may include:	<ul style="list-style-type: none"> • required or preferred products/services • preferred price point • preferred purchase volume in units and in dollars • preferred method of payment • preferred time and place for responding • preferred time and place to take delivery • preferred medium to respond to direct response offers such as: <ul style="list-style-type: none"> • in person • mail • phone • website

Unit Sector(s)

Unit sector	
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Competency field

Competency field	Business Development - Marketing
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Co-requisite units

Co-requisite units	