



BSB52415 – Diploma of Marketing and Communication

Record of Assessment Outcome

Unit of Competency:		BSBMKG501 – Identify and evaluate marketing opportunities	
Student Name:			
Student ID Number:			
Assessor Name:			
Term and Year:			
The student has successfully completed the following assessment task(s):		Yes	No
Assessment 1	Presentation	<input type="checkbox"/>	<input type="checkbox"/>
Assessment 2	Written Report	<input type="checkbox"/>	<input type="checkbox"/>
Overall, the student was assessed as:			
Competent <input type="checkbox"/>		Not Yet Competent <input type="checkbox"/>	
Did the student meet the criteria for the following elements of competency?		Yes	No
1. Identify marketing opportunities		<input type="checkbox"/>	<input type="checkbox"/>
2. Investigate marketing opportunities		<input type="checkbox"/>	<input type="checkbox"/>
3. Evaluate required changes to current operations		<input type="checkbox"/>	<input type="checkbox"/>
The student requires the following skill(s) development before re-assessment:			
Feedback to student on overall performance during assessment:			
The student has been provided with feedback and informed of the assessment result and the reasons for the decision.			
Assessor Name:			
Assessor Signature:		Date:	
I have been provided with feedback on the evidence I have provided. I have been informed of the assessment result and the reasons for the decision.			
Student Name:			
Student Signature:		Date:	

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BSB52415 – Diploma of Marketing and Communication

BSBMKG501 – Identify and evaluate marketing opportunities

Assessment 1 – Presentation

Submission Details			
Student ID Number:			
Student Name:			
Assessor Name:			
Due date:			
Student Declaration:	By signing this declaration, I certify that: <ul style="list-style-type: none">• The assessment work is my own work;• All sources and materials have been acknowledged where required;• I have not copied or plagiarized in any way materials of another person or work of a fellow student.		
Student Signature:			
Assessment Result Details			
Result:	Satisfactory		Not Satisfactory
Feedback to Student:			
Student Declaration:	I have been provided with feedback on my assessment performance / result from Magill College Sydney assessor.		
Student Signature:			
Assessor Signature:			
Date:			



Submission details

The assessment task is due on the date specified by your assessor. Any variations to this arrangement must be approved in writing by your assessor.

Submit this document with any required evidence attached. See specifications below for details.

Performance objective

For this task, you will demonstrate the skills and knowledge required to investigate marketing opportunities.

Assessment description

You will analyse a real organisation or simulated business to identify two marketing opportunities, research potential new markets, assess opportunities with respect to contribution to the business, and explore innovative approaches. You will then prepare a brief presentation for marketing peers to support and explain the two marketing opportunities you have identified.

You may base your analysis and report on:

- an organisation you are familiar with, such as a current or previous workplace, and from which you can access organisational strategic and marketing plans to identify and evaluate marketing opportunities

Note: You should ensure enough information is available for the organisation and relevant markets to complete the assessment task to specification

- BBQfun simulated business.

Procedure

There are two parts to this assessment task. Part A requires you to identify and evaluate two opportunities for your chosen organisation. In Part B, you will explain these opportunities to your peers in a 15–20-minute presentation.

Part A

Part A requires you to identify and evaluate two opportunities for your chosen organisation.

1. Choose an organisation to analyse. Identify two marketing opportunities for the organisation you have chosen.

To identify opportunities, analyse information on your chosen organisation's market and business needs, for example:

- a. comparative market information
- b. competitors' performance
- c. customer requirements
- d. legal and ethical requirements
- e. market share

- f. market trends and developments
- g. new and emerging markets
- h. profitability
- i. sales figures.

Note: Some data in the BBQfun simulated business needs to be updated by you. For your chosen organisation or BBQfun, it is recommended that you use ABS data, for example, to determine demographic and consumer trends.

2. Research potential new markets for the organisation, for example:
 - a. export markets
 - b. segments of the market not currently penetrated.
3. Consider strategic marketing approaches, such as:
 - a. increasing market share
 - b. developing new markets
 - c. developing new products
 - d. diversification.
4. Using a suitable methodology (such as gap analysis, market or marketing analysis, or competitor analysis), identify and decide on two marketing opportunities to focus on and investigate further.

In your analysis, consider types of markets and aspects of the marketing mix, such as distribution, products and types of promotional activities, for example:

- a. e-commerce
 - b. business-to-business marketing
 - c. direct marketing
 - d. ideas marketing
 - e. marketing of goods
 - f. public sector marketing
 - g. services marketing
 - h. telemarketing.
5. Estimate the effect of the two marketing opportunities on the business, for example:
 - a. effect on sales volume
 - b. growth
 - c. market share
 - d. profitability.
 6. Use numerical analysis or statistical methods to forecast effects. For example, use the least squares method to estimate demand. Use estimated demand to calculate effect on sales and profitability.

7. Explore and develop entrepreneurial, innovative or creative options (one for each opportunity) to apply the marketing opportunities in the context of the organisation.

For example, if you identify an e-commerce opportunity, determine how to apply the e-commerce opportunity to the organisation including aspects such as media, web-design to appeal to target markets, integration with existing operations, marketing strategy and overall strategic directions.

Part B

Prepare a 15–20-minute presentation for marketing peers explaining and supporting the two marketing opportunities you have identified. Ensure you complete the following:

1. Describe two marketing opportunities and how you identified them. Describe the process you undertook to analyse your organisation to identify the marketing opportunities. Refer to the current organisational marketing plan and products/services, as well as organisational procedures and protocols.
2. Support your choice of marketing opportunities with reference to market information such as market trends and sales figures. Include relevant statistics.
3. Describe the effect of opportunities on the business, for example:
 - a. sales volume
 - b. growth
 - c. market share
 - d. profitability.

Note: You must use evidence to support your assertions, such as:

- a. refer to quantitative or qualitative data
 - b. show/use results of statistical methods of forecasting demand
 - c. show results of break-even or profit analysis.
2. Describe innovative or creative options (one for each opportunity) to apply the marketing opportunities in the context of the organisation. Refer to aspects of the marketing mix, i.e. product, price, promotion, place (distribution). Refer to, and explain, principles of marketing that apply to your approaches to realising the proposed opportunities.
 3. Use appropriate language and level of formality to satisfy needs of your audience. For example:
 - a. professional but semi-formal language
 - b. technical vocabulary; potential need to define more obscure marketing terms or statistical methodologies
 - c. assume no knowledge of specific organisational policies or marketing strategies
 - d. elicit views and opinions of others by listening and questioning
 - e. provide for response and feedback.
 4. Prepare and keep presentation notes and other materials used in the presentation such as PowerPoint slides and handouts.
 5. Deliver your presentation as per specifications (below).



6. Submit presentation notes, PowerPoint slides, etc. to your assessor. Keep a copy of all documentation for your records.

Specifications

You must:

- Deliver a 15–20-minute presentation
- Submit presentation notes and other materials used in the presentation, such as powerpoint slides and handouts.

Your assessor will be looking for:

- Culturally appropriate communication skills employed to relate to people from diverse backgrounds and people with diverse abilities
- Literacy skills to identify and interpret market information
- Numeracy skills to calculate and evaluate financial information on new marketing options
- Research and evaluation skills to gather information on and interpret market trends to identify marketing opportunities
- Knowledge of the organisational marketing plan, and products and services
- Knowledge of principles of marketing and the marketing mix
- Knowledge of statistical methods and techniques to evaluate marketing opportunities, including forecasting techniques.

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Assessment 2 – Written Report

Submission Details			
Student ID Number:			
Student Name:			
Assessor Name:			
Due date:			
Student Declaration:	By signing this declaration, I certify that: <ul style="list-style-type: none">• The assessment work is my own work;• All sources and materials have been acknowledged where required;• I have not copied or plagiarized in any way materials of another person or work of a fellow student.		
Student Signature:			
Assessment Result Details			
Result:	Satisfactory		Not Satisfactory
Feedback to Student:			
Student Declaration:	I have been provided with feedback on my assessment performance / result from Magill College Sydney assessor.		
Student Signature:			
Assessor Signature:			
Date:			

Submission details

The assessment task is due on the date specified by your assessor. Any variations to this arrangement must be approved in writing by your assessor.

Submit this document with any required evidence attached. See specifications below for details.

Performance objective

For this task, you will demonstrate the skills and knowledge required to investigate marketing opportunities and evaluate required changes to current operations.

Assessment description

In response to a simulated business scenario, you will evaluate three marketing opportunities that have been identified for you, rank them in terms of viability and likely contribution to the business, and assess the impact of the top-ranked opportunity on operations. You will then prepare a report for the Board of Directors documenting identified marketing opportunities and required changes.

Procedure

There are two parts to this assessment task. Both parts relate to three new opportunities that need to be evaluated. Part A requires you to read all materials and to evaluate and complete the information in the BBQfun sales data worksheet. In part B you will prepare a report for a Board of Directors to outline, evaluate and rank the opportunities.

Part A

1. Read all materials required for this activity: this procedure, BBQfun simulated business, information supplied in the scenario, and information supplied in the BBQfun sales data worksheet of this assessment task.

Scenario

You are the Marketing Manager at BBQfun. You and your team have identified three marketing opportunities to evaluate. They are:

- manufacture and sell own brand
- sell products through e-commerce
- sell products at bargain prices.

The first opportunity is to manufacture and retail own-branded barbecues and products. Manufacture would take place at a leased plant in India as BBQfun has no manufacturing capability. Also, manufacture in Australia would be too expensive.

The second opportunity is to offer all products in an online store. Stock could be stored at no extra cost at existing stores. Customers would cover delivery costs.

The third option is to aim to increase market share by cutting the cost of products and aiming at mass appeal.

Further information is provided in the BBQfun sales data worksheet.

Each opportunity will be promoted through a \$500,000 television, internet and email advertising campaign (cost accounted for in approved budget).

You will need to review the BBQfun simulated business information to determine organisational fit, profitability and operational implications for each of the three opportunities.

On the basis of the profitability index (opportunity cost estimated to be 8%) and a full appreciation of other, non-financial factors, you will need to rank these opportunities and choose one top-rated opportunity for further evaluation.

After ranking the three opportunities, you will complete your evaluation in terms of impact on operations. Information is provided in the BBQfun sales data worksheet.

You will then need to provide a report to the Board of Directors documenting your evaluation of identified marketing opportunities and required changes to operations.

2. Using all the information that you have been provided, fill in the blank spaces (the shaded boxes) in the BBQfun sales data worksheet in the following order:
 - a. Forecast the total market potential for the coming financial year.
 - b. Use the market share for each opportunity and the total market potential to forecast the number of buyers in each category for the e-commerce market opportunity.
 - c. Use the number of buyers from market potential tables to calculate the unit sales volumes for the e-commerce and bargain market opportunities.
 - d. From this information, calculate estimated total revenue and gross profit.
 - e. Use the additional fixed costs and the BBQfun simulated budget to determine the net profit for each opportunity.
 - f. Use gross profit and total fixed costs from each opportunity to calculate the profitability index for each opportunity.
 - g. Use information from this assessment task and the BBQfun simulated business to calculate total cost of operational changes.
3. Complete your own research to supplement the information you have been provided with. Ensure that you have all the information that will enable you to address all the requirements of the report.

Part B

1. Complete a report according to the following requirements.

2. Referring to the BBQfun simulated business documentation, analyse the three opportunities outlined in the scenario in terms of likely fit with organisational goals and capabilities. Consider:
 - a. organisational marketing plan, structure, products and services
 - b. principles of marketing and the marketing mix
 - c. additional marketing information such as survey results in the BBQfun sales data worksheet.
3. Using information in the BBQfun sales data worksheet, evaluate each opportunity in terms of impact to current business and customer base. Evaluation should include investigation of:
 - a. sales volume for each opportunity in upcoming financial year
 - b. gross and net profit for each opportunity
 - c. use numerical analysis or statistical methods to forecast, for example, the size of potential markets.
4. Consider also:
 - a. impact on growth plans
 - b. market share
 - c. knockout factors to rule out opportunities.
5. Assess external factors that may be relevant to each opportunity. Identify (in outline) all of:
 - a. codes of practice and models
 - b. regulations
 - c. relevant legislation.
6. Refer to relevant BBQfun policies and procedures.
7. Referring to BBQfun simulated business documentation, summarise major costs, benefits and risks associated with each opportunity, including risks associated with potential competitors. Identify at least two strategies or approaches to mitigate risk.
8. Using information in the BBQfun sales data worksheet, assess the return on investment for each opportunity. Calculate the profitability index for each opportunity.
9. Based on your analysis so far, rank the three marketing opportunities. Justify your ranking in terms of both financial and non-financial factors (such as organisational fit).
10. Using information from the BBQfun sales data worksheet, for the top-ranked marketing opportunity, identify changes to current operations in order to take advantage of the opportunity. Ensure changes identified are adequate to:
 - a. service an increased or different customer base
 - b. ensure continued quality of service.
11. Ensure you can justify changes on the basis of maintaining quality.
12. Using information from the BBQfun sales data worksheet, estimate and justify resource requirements and costs for changed operations. Consider:
 - a. additional staff
 - b. distribution costs

- c. equipment
 - d. promotional costs
 - e. staff training.
13. Prepare the report for the Board of Directors to document your evaluation of the three marketing opportunities and operational changes for the top-ranked opportunity. Ensure you include the following in your report:
- a. An executive summary.
 - b. The results of your investigation of marketing opportunities in steps 3–8. Document the results of your investigation at **each** step. Consider documenting each step separately, under its own section heading.
 - c. For the top-ranked opportunity, the results of your evaluation of required changes to operations in steps 9–10. Document the results of your evaluation at **each** step. Consider documenting each step separately, under its own section heading.
14. Ensure your report is written with appropriate language and level of formality to satisfy needs of your readers:
- a. formal language
 - b. technical vocabulary, for example, no need to define terms such as ‘marketing mix’
 - c. assume knowledge of organisational policies, marketing strategies.
15. Submit your report as per specifications below. Keep a copy of your report for your records.

Specifications

You must submit:

- Evaluation report for the Board of Directors that covers all of the listed requirements.

Your assessor will be looking for:

- Literacy skills to identify and interpret market information, to write in a formal style appropriate to a professional audience and to document outcomes and requirements
- Numeracy skills to calculate and evaluate financial information on new marketing options
- Knowledge of key provisions of relevant legislation from all forms of government, codes of practice and standards that may affect aspects of business operations, such as:
 - Anti-discrimination legislation and the principles of equal opportunity, equity and diversity
 - Ethical principles
 - Marketing codes of practice and conduct such as the *Australian Direct Marketing Association (ADMA) Code of Practice*, the *Free TV Australia Commercial Television Industry Code of Practice*, and the *Australian Guidelines for Electronic Commerce*
 - *Competition and Consumer Act 2010*
 - Privacy laws.
- Knowledge of the organisational marketing plan, structure, products and services
- Knowledge of principles of marketing and the marketing mix



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- Knowledge of statistical methods and techniques to evaluate marketing opportunities, including forecasting techniques.

Appendix 1 – BBQfun sales data worksheet

Performance

Market share (projected*):

Assume market share constant across all products.

Financial year (FY)	Local independents	The Yard	BBQs R us	Outdoorz	BBQfun
FY 2013–14	30%	0%	25%	23%	22%
FY 2014–15	30%	0%	27%	23%	20%
FY 2015–13	30%	0%	22%	25%	23%
*FY 2016–17	30%	0%	22%	24%	24%

Sales performance:

Financial year (FY)	Total sales
FY 2013–14	8,500,000
FY 2014–15	10,000,000
FY 2015–13	9,000,000
FY 2015–16	9,500,000

Estimated total market potential for FY 2012–13 (SE Qld)

Calculate potential sales for marketing opportunities.

Total market potential (with potential online sales included)

Use to calculate potential sales with e-commerce included in FY 2012–13.

Financial year (FY)	BBQs	Outdoor Furniture	BBQ Accessories	Total
FY 2012–13	25,000	13,000	42,000	80,000
FY 2013–14	35,000	15,000	58,000	108,000
FY 2014–15	40,000	17,000	68,000	125,000
FY 2015–13	45,000	19,000	75,000	139,000

FY 2016–17

Own branded products

Assume market share of 24% for BBQfun to calculate projected number of units to sell for each item in FY 2012–13.

	BBQs	Outdoor Furniture	BBQ Accessories
Number of buyers	30,000	13,000	56,000
Quantity	1	1	3
Average price	\$600	\$850	\$50

Bargain market

Assume market share of 25% for BBQfun.

	BBQs	Outdoor Furniture	BBQ Accessories
Number of buyers	40,000	20,000	70,000
Quantity	1	1	3
Average price	\$500	\$650	\$40

With E-commerce

Assume market share of 24% for BBQfun.

	BBQs	Outdoor Furniture	BBQ Accessories
Number of buyers			
Quantity	1	1	3
Average price	\$620	\$880	\$55

Opportunities and profit figures for calculation

	Own brand	E-commerce	Bargain market
Sales volume (units)	BBQ: 7,200	BBQ:	BBQ:
	Furniture: 3,120	Furniture:	Furniture:
	Accessories: 40,320	Accessories:	Accessories:
Price	BBQ: \$600	BBQ: \$620	BBQ: \$500
	Furniture: \$850	Furniture: \$880	Furniture: \$650
	Accessories: \$50	Accessories: \$55	Accessories: \$40
Unit contribution margin	BBQ: \$500	BBQ: \$300	BBQ: \$200
	Furniture: \$600	Furniture: \$420	Furniture: \$220
	Accessories: \$40	Accessories: \$20	Accessories: \$10
Total revenue			
Total gross profit FY 2016–17			
Additional fixed costs	Add lease: \$1,000,000 Add labour: \$500,000 Add plant (depreciation): \$500,000	Add training: \$50,000 Add online store development: \$100,000 Add new plant and equipment (depreciation): \$150,000 Add labour: \$250,000 Add reconfiguring of warehouse/ office: \$50,000	See approved budget (no change in fixed costs)
Total net profit FY 2016–17			

Profitability index figures for calculation

	Own brand	E-commerce	Bargain market
Cash flow 2016–17	(Use gross profit)	(Use gross profit)	(Use gross profit)
Opportunity cost	8%	8%	8%
Present value of future cash flows			
Present value of initial investment	(Use total fixed costs)	(Use total fixed costs)	(Use total fixed costs)
Profitability index			

Operational changes

After consulting with the management team at BBQfun, you determine:

- high risk of customer service quality problems for online customers
- high risk of staff misunderstanding changes and considering online sales as threat to jobs
- eight online sales and customer service people will be needed to manage increased online customers
- since stores are overstaffed, need for online people could be met from drawing from existing employees at the two stores
- currently no staff have online customer service skills
- management would like to develop people through retraining rather than hire new staff to handle online sales
- six delivery trucks needed to enable distribution
- website will take 50 days to develop
- three forklifts needed
- four additional warehouse workers needed
- six additional drivers needed
- office space may need to be reconfigured.



Available resources and costs

Resources	Costs	
Additional staff	\$25,000 year average	Additional staff costs:
Plant and equipment depreciation	<ul style="list-style-type: none"> • Delivery trucks (\$20,000 each) • Forklifts (\$10,000 each) 	Plant and equipment costs:
Promotional costs	\$500,000	
Website developers	Contractors (\$2,000/day)	Website development cost:
Staff training	Online customer service training (\$3,000 per staff member)	Staff training cost:
Management change leadership training for store managers and team leaders	\$3,000 each	Management and leadership training cost:
Warehouse and office reconfiguration	Reconfiguration cost:	
Total		