



BSB60215 Advanced Diploma of Business

Record of Assessment Outcome

Unit of Competency:		BSBMKG608 Develop organisational marketing objectives	
Student Name:			
Student ID Number:			
Assessor Name:			
Term and Year:			
The student has successfully completed the following assessment task(s):		Yes	No
Assessment 1	Project	<input type="checkbox"/>	<input type="checkbox"/>
Assessment 2	Report	<input type="checkbox"/>	<input type="checkbox"/>
Assessment 3	Portfolio of Activities	<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 strategic direction		<input type="checkbox"/>	<input type="checkbox"/>
2. Review marketing performance		<input type="checkbox"/>	<input type="checkbox"/>
3. Scope marketing opportunities		<input type="checkbox"/>	<input type="checkbox"/>
4. Formulate marketing objectives		<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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BSBMKG608 Develop organisational marketing objectives

Assessment 1 – Project

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 plagiarised in any way materials of another person or work of a fellow student and referenced all sources of information.		
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 variation 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

You are required to review the marketing activities of an organisation and complete a range of analyses to review progress of the strategic marketing plan.

Assessment description

You are required to review the strategic marketing objectives for an organisation and meet with the CEO to confirm your understanding of the objectives (your assessor may perform the role of CEO). You also need to complete a range of analyses to confirm and evaluate the organisation's marketing activities, including progress of the organisation against established strategic objectives.

Procedure

Using the case study provided, you have been asked to clarify the current status and strategic directions of the organisation and evaluate their previous marketing activities.

1. Develop a written statement that:
 - a. Describes the mission, purpose, vision and values of the organisation
 - b. Identifies strategic directions and targets for the organisation.

You are required to meet with the CEO (your assessor) and confirm that you have correctly described the strategic directions for the organisation. After receiving confirmation, you need to complete an organisational review:

1. Complete a situational analysis (including a PEST analysis) for the organisation.
2. Identify legal and ethical requirements for the organisation to address sustainability issues.
3. Describe the impact of the organisational strategic direction on current marketing activities.
4. Analyse current key products or services and major markets for strengths, weaknesses, opportunities and threats.
5. Evaluate the effectiveness of previous marketing undertakings, including:
 - a. Performance against established objectives (including profitability)
 - b. Critical success factors
 - c. Areas for improvement and lessons learned.

Specifications:

You must provide:

- A written statement describing the organisation (step 1)
- A brief written summary of the meeting with your CEO (your assessor)
- A written organisational review (steps 2–6)
- Maximum word limit: 2,500 words.

Your assessor will be looking for evidence of:

- Your understanding of organisational objectives
- Understanding and analysis of current marketing activities in relation to the organisation's strategic direction.

Appendix 1: Case Study – Cocoa Delights

You are the Marketing Manager for 'Cocoa Delights', a chain of 15 gourmet dark chocolate stores in Melbourne, specialising in creating handmade dark chocolate products. The organisation is close to reaching its set goals and looking to activate the next phase in its development. The CEO has asked you to undertake an organisational review. To help you get started, the CEO has provided you with:

- The Cocoa Delights marketing plan (December 2020)
- An excerpt of the annual report by the Chair (December 2020)
- A subsequent interview
- The latest IBIS report for the industry.

You review the annual report and note the following statement by the Chair of the Board.

Within the next 5 years, Cocoa Delights will become a national retail brand that satisfies our customers with a range of unique, high quality dark chocolate, as well as providing exceptional customer service from our highly skilled and dedicated staff.

At the time of the annual report, the Chair of the Board was interviewed by a reporter who made the recording available on their website. You watch and listen to the interview and hear the following statements by the Chair of the Board.

Cocoa Delights has always been daring and unconventional. Creativity and innovation have always been our strength and the cornerstone of our success. For our stakeholders, we have always been about stewardship and adhering to professional and moral standards of conduct in all that we do. For employees, we are committed to encouraging self-directed teams; we cultivate leadership and maintain high levels of safety. Externally, we are committed to sustainable environmental practices and offering meaningful value to our customers.

By 2026, I see Cocoa Delights as being a significant retail presence in every Australian capital city, starting with 22 stores in the greater Melbourne area and growing to 100 stores Australia wide.

Our market strength is our ability to source the finest cocoa beans at prices that customers believe represent value for them but also provide the organisation with the required margins and financial returns.

During your interview with the CEO, you ask about the changes taking place in legislation that could impact on Cocoa Delight's operation. The CEO explains:

There is a big push by governments on the issue of sustainability. This focuses mostly on the environmental issues of waste management and energy conservation. In the past, Cocoa Delights stores have been deliberately designed to be bright and comfortable places to shop. This meant a significant cost in electricity usage to run the lights and air-conditioners. With the new laws, we are going to have to find ways to provide customers with what they want, without the high electricity usage.

Another issue that the government is looking at is having the country of manufacture clearly stated on imported products, although at present the government is allowing the industry to self-regulate rather than pass laws. Cocoa Delights has always practiced this activity and is proud to be Australian made. We see this as an opportunity to increase our market-share, as some of our competitors are selling chocolate products that are imported from countries with a poor reputation for quality and employment ethics.

You then ask about the new phase in the strategic plan, which the CEO describes as a big step:

We now need to change our focus from local suppliers of services to national ones, and to think about opportunities to save money by gaining a wider geographic benefit and choosing media with a national reach. We currently utilise BrisNews locally for magazines. Our PR consultant is a local firm named Lombards. To achieve our goals, we would need to utilise the likes of Holt & Burrows, a nationally recognised consultancy.

When asked about the current marketing plan against actual results for the year, the CEO reports:

We achieved our store growth and sales growth but our gross profit margins are currently sitting on 46%. I think we are still below the threshold for gourmet chocolate and hot drinks, which we predict should be at an average gross profit of 63%. Expansion in sales and cost effectiveness are key issues here. We have spent \$60,000 on radio advertising and \$280,000 overall, including PR, magazines and direct marketing. While this radio advertising expenditure achieved sales results, it was at a significant cost that was not initially planned for. PR has been particularly useful, resulting in many write-ups on our unique offer.

The customer loyalty lists had achieved a total of 34,500 and a survey indicates that 58% of people in the target market recognise the Cocoa Delights brand and what it represents.

Overall, our SWOT analysis in 2020 is still valid for today. Not much has changed in that regard.

Studying the latest IBIS report for the industry, you note the following differences between Cocoa Delights' marketing plan from 2020 and their current situation.

- Interest rates are stagnant
- Unemployment has increased to 9%
- The social trend towards people eating chocolate is growing stronger than anticipated
- Broadband (NBN) rollout has been mostly completed, allowing the organisation's internet marketing plans to move ahead.



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Assessment 2 – 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 plagiarised in any way materials of another person or work of a fellow student and referenced all sources of information.		
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 variation 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

You are required to develop a report analysing several business opportunities for an organisation.

Assessment description

You are required to review the case study information provided, and complete a report comparing several business opportunities available to the organisation. As part of this review, you need to consider both internal and external factors, as well as costs, benefits and likely fit of the opportunity.

Procedure

You have been appointed the new Marketing Manager for 'Cocoa Delights', a chain of 15 gourmet chocolate stores in Melbourne. From the provided case study, complete a viability report for each of the marketing opportunities. Include information under the following headings:

1. Cost and benefits: An analysis of costs and benefits for the organisation, based on the information provided
2. PEST: A completed PEST analysis
3. Risk: A completed risk analysis, including approaches available to manage the identified risk (risk management strategy)
4. Fit: A description of the likely fit of the opportunity with organisation goals and capabilities
5. Impact: A description of the likely impact of the opportunity on current business activities and customer base.

Specifications:

You must provide:

- A written viability report (steps 1 to 5 of procedures)
- Word limit: 1,500 to 2,000 words.

Your assessor will be looking for evidence of:

- Compare available business opportunities
- Consider internal and external factors, costs and benefits
- Analyse opportunities in terms of organisational goals and capabilities
- Evaluate impacts on the organisation and on the customer base.

Appendix 1 – Case Study – Cocoa Delights

The Chair of the Board outlined the organisation's vision in the following statement:

'By 2026, I see Cocoa Delights with a significant retail presence in every Australian capital city, starting with 22 stores in the greater Melbourne area and growing to 100 stores Australia wide'

To achieve this vision, the Board has been exploring various options, including:

- Fund and run the expansion program as a wholly-owned operation
- To franchise
- To take up the option of a joint venture.

The CEO has approached you to examine the two options of either franchising or joint venture partner and provide a report on each. The CEO has provided you with a consultant's report on the franchising option, and a proposal from Haigh's Chocolates on the joint venture option.

You have been asked to prepare a PEST analysis on the operating environment for both proposals, and then examine issues of costs and benefits, risk, fit and potential impact of each of the proposals.

Using the IBIS industry analysis, you identify the following aspects of the operating environment.

According to the IBIS report, interest rates are rising in the short-term but expected to level out at sustainable levels for the coming three years. Disposable income has reduced due to rising interest rates, however, this shortfall is expected to be recovered in the long-term, with wage increases expected to outstrip inflation rates by 2%. Unemployment levels are also increasing and expected to climb steadily to 9% in the coming years.

The Government has passed legislation that requires businesses to monitor and reduce their waste and energy use. Significant penalties are planned for businesses that don't comply with the new directive.

Technological developments with the broadband (NBN) rollout across Australia have been delayed, although the rollout is continuing and will be completed by the end of 2020. Internet retailing options are expanding, and most 'bricks and mortar' retailers are taking advantage of this new technology. Technological developments with the addition of NBN across most residential and commercial properties in Australia have allowed internet retailing options to expand. Social media has been a key vehicle for marketing in recent years.

Cocoa Delights will try to capitalise on the social trend of consumers being more health conscious, by promoting the health benefits of dark chocolates and offer the largest range of dark chocolate varieties and products.

You review the consultant's report on the franchising option with the CEO and note the following:

- The franchising concept will result in fast growth and could achieve the 100 store target within three years. Franchisees bring their own capital and they provide a ready solution to the store manager shortage.
- Introduction of greater legal issues, with each store operating on a separate legal agreement.
- Current store managers are encouraged to run the store 'as if it was their own business' but the lack of an equivalent financial reward does not inspire many managers to put in the hours required. Franchising continues this theme but achieves greater results due to the increased rewards for hard-working store managers.



- Potentially greater conflict between local-minded business owners and the interests of a national brand.
- Proven Melbourne stores provide easy marketing and acceptance of franchise sales.
- Significant government laws protect franchisees, increasing the need for strict compliance by the organisation.
- Expansion would start in Sydney and move to a new city once profitability is reached in Sydney.

You also review the proposal by Haigh's Chocolates with the CEO and note the following:

- Haigh's Chocolates overview: Mid-sized operations of only a few stores per city. Haigh's sell chocolates at mid-ranged prices. No imported goods. Extensive advertising. Medium to high quality product. Currently have stores in Melbourne, Sydney and Adelaide.
- View themselves as operating in different market segments within the same industry.
- Haigh's already understands the markets in the three established capital cities, and are looking to open a few stores soon in Brisbane. They have the necessary contacts for essential services, council compliance and state government compliance issues.
- There may be a conflict of interest between what is good for Haigh's and what is good for Cocoa Delights.
- The rollout to 100 stores is expected to take 5–7 years.
- Advertising would be cheaper, given that they already access media via extensive advertising for Haigh's Chocolates.
- Joint brand advertising could be conducted because the market segments are complementary rather than competitive.
- Customers could enjoy greater access to all of the product groups, including the cheaper range of chocolate.
- Association with a mass produced product and brand could impact negatively on Cocoa Delights' premier reputation for quality chocolate.
- Haigh's Chocolates will help establish Cocoa Delights' brand awareness with access to low-cost combined media buys in other capital cities.
- Haigh's Chocolates will share advertising space on billboard, advertising and PR articles.
- Concerns over Haigh's Chocolate's past advertising practices.
- Joint industry-wide promotions will allow Cocoa Delights to establish early traction in its goals for market share in other capital cities.



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Assessment 3 – Portfolio of Activities

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 plagiarised in any way materials of another person or work of a fellow student and referenced all sources of information.		
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 variation 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

You are required to develop short-term and long-term measurable marketing objectives for an organisation.

Assessment description

You are required to review the strategic directions of an organisation and develop marketing objectives that reflect the organisation. For each of the marketing objectives identified, you need to define how they will be measured, and justify how they are aligned with organisational strategic directions.

Procedure

For the business opportunity identified in the case study, you need to draft marketing objectives that reflect the strategic directions of the organisation. You then need to meet with the CEO (your assessor) to discuss the short-term and long-term objectives that you have outlined. Each objective must clearly describe what is to be achieved (i.e. overall KPI) and how it is attainable.

Marketing objectives should be presented to the CEO in written format, and respond to each of the following statements:

1. **Compatibility:** How is the objective compatible with the organisation's strategic direction and purpose?
2. **Consistent:** How is the objective consistent with the current and future needs of the business?
3. **Equipped:** How is the objective compatible with organisational projections for capability, resources and finances?
4. **Legals:** Does the objective meet the legal and ethical requirements affecting the business? List relevant legislation from all forms of government, codes of practice and national standards that affect the organisation.

From your list of short-term and long-term marketing objectives, the CEO will assist in identifying key long-term strategic objectives for the organisation. For each key long-term strategic objective, you need to develop a brief written report that describes:

1. The key performance indicators (KPIs), apportioned to product/service and market sector
2. A risk management strategy

Specifications:

You must provide:

- A written set of objectives with supporting statements, as presented to your CEO (your assessor)
- A brief written summary of the meeting with your CEO (your assessor)
- A written report describing key long-term strategic objectives.

Your assessor will be looking for evidence of:

- Evidence that you have examined the case study and reviewed organisational requirements to develop marketing objectives.
- Maximum word limit: 2,000 words.

Appendix 1 – Case Study

The CEO has informed you that the Board have considered your analysis of the two expansion opportunities (franchising or joint venture), along with their own assessment of a wholly-owned company expansion and decided to go ahead with the joint venture proposed by Haigh's Chocolates.

The CEO has asked you to develop some marketing objectives for the expansion plan.

You arrange a meeting with the CEO and take along Cocoa Delights' marketing plan from 2020 and the Haigh's proposal to help you determine the new marketing objectives.

You note the targets in the Cocoa Delights Marketing Plan for 2020 focus on building brand awareness amongst customers. The CEO explains that this is a benchmark that Cocoa Delights would like to achieve in all markets in which it operates. This is in keeping with the Chair of the Board's statement, *'By 2026, I see Cocoa Delights with a significant presence in retail chocolate in every Australian capital city'*.

The CEO states that, in Melbourne, it was brand awareness that helped to secure the key objectives of market penetration and share, and that this should continue to be the goal. Brand awareness will be achieved by the joint venture TV advertising campaign, costing the company \$1.1 million in each new market. This money has been set aside in the budget, as has provisions for an increase in staff for the marketing department to help manage the campaign. Priorities for the plan are to ensure that the branding exercise complies with the *Competition and Consumer Act 2010*¹, and that it is not associated with activities that are not in the community's best interests. Established markets will allocate 20% of the advertising budget for brand awareness rather than product promotion.

Managing brand awareness is an overall company responsibility. All managers and executives will be charged with the responsibility to display the brand prominently in stores, advertising, packaging, staff uniforms, vehicles and in PR articles. The key to managing this target will be regular feedback from surveys and research conducted by national consultants Holt & Burrows.

You also note that the sales analysis of existing Melbourne stores shows handmade chocolate at 45%, partly handmade at 25%, machine made chocolate at 15%, together with the hot beverages at 15%. The CEO explains that, initially, the handmade chocolate gains early traction with the market, followed by uptake in other categories. For this reason, the CEO suggests that a target of 30% for machine made chocolate would indicate that the new markets were on track to achieve the overall sales target.

Often a new customer's first purchase is from the Dark Decadence range, and this provides an opportunity to sign them up for a loyalty program. Therefore, the initial advertising budget will feature items from this category, and also be the focus of the front entrance prominent display during the initial period.

In terms of market share, the vision of the company is to dominate the markets in which Cocoa Delights operates. The CEO explains that Cocoa Delights has approximately 18% of the Melbourne gourmet chocolate market, and they expect to replicate and increase this rate in the long-term for every capital city in which they operate. From a position of dominance, the company is able to achieve its sales targets, as well as the gross margins required to succeed.

A full marketing plan will be developed, with resources including access to Holt & Burrows and 5% of turnover allocated to finance the budget to achieve this target. The company will need to ensure that it complies with the competition rules set by the ACCC for the market dominant player. To achieve this market share, it is very important that stores achieve their break-even target of \$3 million per annum. It is estimated that new markets will need to achieve about 15% market share before break-even sales levels are secured.

¹ On 1 January 2011, *The Trade Practices Act 1974* was renamed the *Competition and Consumer Act 2010*.



Working closely with the joint venture partner should open doors to established marketing channels that will ensure the achievement of this target. Legal agreements with Haigh's Chocolates, covering a Cocoa Delights veto right, will ensure that all marketing is conducted in a clearly defined ethical and legislative compliant way. The following notes are from your Haigh's Chocolates proposal review:

- Haigh's Chocolates overview: Mid-sized operations of only a few stores per city. Haigh's sell chocolates at mid ranged prices. No imported goods. Extensive advertising. Medium to high quality product. Currently has stores in Melbourne, Sydney & Adelaide. Strong in the replacement segment rather than new and refurbished dwellings.
- View themselves as operating in different market segments within the same industry.
- Haigh's already understands the markets in the three established capital cities and are looking to open a few stores soon in Brisbane. They have the necessary contacts for essential services and council/ state government compliance issues.
- There may be a conflict of interest between what is good for Haigh's and what is good for Cocoa Delights.
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