

Cambridge TECHNICALS LEVEL 3

# BUSINESS

Cambridge  
TECHNICALS  
2016

Unit 6

Marketing strategy

J/507/8153

Guided learning hours: 60

Version 3 Assessment guidance and Opportunities for  
applying learning across units updated - August 2016

## LEVEL 3

### UNIT 6: Marketing strategy

J/507/8153

**Guided learning hours:** 60

**Essential resources required for this unit:** None

**This unit is internally assessed and externally moderated by OCR.**

#### UNIT AIM

---

To ensure that resources are used effectively and the right customer is targeted, businesses must carefully plan their marketing activities. To be successful, marketing activities have to be coherent and coordinated and the marketing strategy plays a key role in achieving this.

In this unit, you will learn about how businesses set different marketing objectives. You will appreciate why segmenting the market is a key activity when planning a marketing strategy as well as the different marketing strategies a business can consider and the tools they use.

You will consider the changing use of digital marketing and the benefits of branding for businesses.

You will consider the different approaches to marketing, for example, when taking a new product to an existing market or entering a totally new market with a new product. You will then be able to use business tools to propose a marketing strategy.

You can build on your skills by studying the other Marketing units in this qualification. If this unit is studied alongside the other marketing units, this will inform your plan and pitch for a marketing campaign.

## TEACHING CONTENT

The teaching content in every unit states what has to be taught to ensure that learners are able to access the highest grades.

Anything which follows an i.e. details what must be taught as part of that area of content. Anything which follows an e.g. is illustrative. It should be noted that where e.g. is used, learners must know and be able to apply relevant examples in their work, although these do not need to be the same ones specified in the unit content.

For internally-assessed units you need to ensure that any assignments you create, or any modifications you make to an assignment, do not expect the learner to do more than they have been taught, but must enable them to access the full range of grades as described in the grading criteria.

Learning outcomes	Teaching content
The Learner will:	Learners must be taught:
<p>1. Understand the purpose of marketing strategies</p>	<p>(When introducing this learning outcome, tutors should cover the meaning of key terms such as:</p> <ul style="list-style-type: none"> <li>• marketing objectives</li> <li>• marketing strategy)</li> </ul> <p>1.1 What marketing objectives might typically cover, i.e.</p> <ul style="list-style-type: none"> <li>• increase revenue</li> <li>• increase customer base (e.g. reach new customers)</li> <li>• increase repeat custom (e.g. improve customer loyalty)</li> <li>• introduce new products or services</li> <li>• increase market share</li> <li>• increase brand awareness (e.g. increase awareness of products and services)</li> <li>• launch advertising campaigns</li> <li>• ensure businesses stay innovative</li> </ul> <p>and that objectives should be SMART (Specific, Measurable, Achievable, Realistic, Timely)</p> <p>1.2 That the role of market segmentation in planning marketing strategies is to understand the target market, e.g.:</p> <ul style="list-style-type: none"> <li>• by dividing potential customers into groups depending on their needs and wants - by age, gender, income, geographical area, buying behaviour</li> <li>• by increasing marketing efficiency through focusing efforts on targeting consumers with similar characteristics and needs - knowing where, when, how and whom to market the product or service to, reducing risk of overspending on marketing budget</li> <li>• by giving businesses commercial advantage if they attract the right customer - increased sales revenue, greater market share</li> </ul>

Learning outcomes	Teaching content
The Learner will:	Learners must be taught:
	<p>1.3 Different marketing strategies, i.e.</p> <ul style="list-style-type: none"> <li>• market penetration (e.g. selling more of the existing product to existing customers)</li> <li>• market development (e.g. selling existing products to new target markets)</li> <li>• product development (e.g. selling new products to new existing markets)</li> <li>• diversification (e.g. selling new products to new markets)</li> <li>• cost leadership (e.g. selling to price-sensitive customers)</li> <li>• differentiation (e.g. unique selling point (USP), added value, branding)</li> </ul> <p>1.4 Approaches to marketing, i.e.</p> <ul style="list-style-type: none"> <li>• niche marketing (e.g. small market segment, focusing a product or service on a subset of the market, defines the product features aimed at satisfying specific market needs)</li> <li>• mass marketing (e.g. appeals to whole market, segment, focuses on high sales and low prices)</li> <li>• product-led/product orientation (e.g. primary focus is on its product, strategy in which a product or service is developed before the business has determined its market, focus on quality and design of product)</li> <li>• market-led/market orientation (e.g. uses market statistics to determine what customers will buy and then produces a product or service to meet those needs)</li> <li>• asset-led (e.g. uses product strengths and the needs of the market, strategy in which attributes of the product are used to market the product)</li> </ul>
2. Understand factors influencing marketing strategies	<p>2.1 Factors influencing marketing strategies, i.e.</p> <ul style="list-style-type: none"> <li>• resources (e.g. budget, skilled employees, time)</li> <li>• businesses at different stages of their life cycle (e.g. start-up compared with a mature business)</li> <li>• different markets (e.g. domestic markets, overseas markets, business to business, business to consumer)</li> <li>• social trends (e.g. health, lifestyle changes)</li> <li>• stakeholders (e.g. actions of competitors, consumer behaviour)</li> <li>• flexibility of the marketing mix</li> <li>• ability to react to unforeseen changes (e.g. changes in customer reaction/demand)</li> <li>• contingency planning (e.g. deal with unlikely events or changes)</li> </ul>

Learning outcomes	Teaching content
The Learner will:	Learners must be taught:
<p>3. Understand digital marketing</p>	<p>(When introducing this learning outcome, tutors should cover the meaning of key terms such as digital marketing e.g. the marketing of products or services using digital channels/media to reach consumers.)</p> <p>3.1 Why businesses have digital marketing strategies, i.e.</p> <ul style="list-style-type: none"> <li>• the changing nature of marketing (e.g. global, 24-hour access, two-way customer interaction, dynamic, controlled/not controlled by a business (e.g. viral), reach, choice of platform)</li> <li>• changes in consumer behaviour (e.g. digital natives)</li> <li>• to reduce costs</li> <li>• to improve reputation (e.g. two-way communication, visibility, keeping up with competitors)</li> <li>• to improve and maintain electronic customer relationship management (e-CRM)</li> <li>• increased participation in social communities and generating interest groups ('Digital tribes')</li> </ul>
<p>4. Know what benefits branding can generate for businesses</p>	<p>(When introducing this learning outcome, tutors should cover the meaning of key terms such as branding is the process involved in creating a unique name and image for a product in the consumers' mind)</p> <p>4.1 The benefits branding can generate, i.e.</p> <ul style="list-style-type: none"> <li>• recognition (e.g. consistent marketing message, consistent customer experience, positioning)</li> <li>• unique selling point (USP), (e.g. how businesses add value for customers)</li> <li>• alignment with customers' beliefs and values (e.g. emotional link with customers, familiarity, trust)</li> </ul>
<p>5. Be able to use business tools to propose marketing strategies</p>	<p>5.1 Business tools used in developing marketing strategies, i.e.</p> <ul style="list-style-type: none"> <li>• Ansoff's Matrix, i.e. <ul style="list-style-type: none"> <li>○ product development</li> <li>○ market penetration</li> <li>○ market development</li> <li>○ diversification</li> </ul> </li> <li>• product portfolio analysis, i.e. the Boston Matrix to consider the market share and growth</li> <li>• Porter's Generic Strategies model to consider competitive advantage</li> <li>• SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis</li> <li>• STEEPLE analysis (Social, Technological, Economic, Environmental, Political, Legal and Ethical)</li> </ul>

Learning outcomes	Teaching content
The Learner will:	Learners must be taught:
	<ul style="list-style-type: none"> <li>• marketing mix, i.e. (4Ps) <ul style="list-style-type: none"> <li>• product, i.e. <ul style="list-style-type: none"> <li>▪ Product mix (e.g. range of products)</li> <li>▪ USP (e.g. added value)</li> </ul> </li> <li>• price, i.e. <ul style="list-style-type: none"> <li>▪ What customers are prepared to pay</li> <li>▪ Compare price to competitors</li> </ul> </li> <li>• place, i.e. <ul style="list-style-type: none"> <li>▪ Accessibility (e.g. ease of purchase)</li> <li>▪ Types of outlets (e.g. shop, market, Internet)</li> </ul> </li> <li>• promotion, i.e. <ul style="list-style-type: none"> <li>▪ Creating customer awareness (e.g. communicating with customers)</li> </ul> </li> </ul> </li> </ul>

## GRADING CRITERIA

LO	Pass	Merit	Distinction
The learner will:	The assessment criteria which are the Pass requirements for this unit.	To achieve a Merit the evidence must show that, in addition to the Pass criteria, the candidate is able to:	To achieve a Distinction the evidence must show that, in addition to the Pass and Merit criteria, the candidate is able to:
1. Understand the purpose of marketing strategies	P1*: Identify SMART marketing objectives for a specific business		D1: Compare two businesses with contrasting marketing strategies and evaluate the impact of the strategy on each business
	P2*: Identify a market segment for a specific business when planning a marketing strategy	M1: Explain the importance to a specific business of market segmentation in planning a marketing strategy	
	P3*: Describe marketing strategies a specific business may consider	M2: Analyse the marketing approach taken and the marketing strategy created by a specific business to market a product	
	P4*: Explain the approaches to marketing a specific business could take		
2. Understand factors influencing marketing strategies	P5*: Explain the factors influencing the marketing strategy of a specific business	M3: Describe the impact of unforeseen changes and unexpected events on the marketing strategy of a specific business	D2: Evaluate how a specific business has reacted to changes in the factors influencing its marketing strategy
3. Understand digital marketing	P6*: Explain why a specific business may consider developing a digital marketing strategy		
4. Know what benefits branding can generate for businesses	P7*: For a specific business, describe what they have done to create brand recognition and unique selling points, and to represent their beliefs and values		
5. Be able to use business tools to propose marketing strategies	P8*: Propose a marketing strategy for a specific business using business tools	M4: Assess the business tools used in a marketing strategy proposal and explain how effective they were	

## ASSESSMENT GUIDANCE

---

It is important for learners to have the opportunity to learn and apply their knowledge and skills to meaningful substantial tasks, in order to successfully achieve the unit.

Feedback to learners: you can discuss work-in-progress towards summative assessment with learners to make sure it's being done in a planned and timely manner. It also provides an opportunity for you to check the authenticity of the work. You must intervene if you feel there's a health and safety risk.

Learners should use their own words when producing evidence of their knowledge and understanding. When learners use their own words it reduces the possibility of learners' work being identified as plagiarised. If a learner does use someone else's words and ideas in their work, they must acknowledge it, and this is done through referencing. Just quoting and referencing someone else's work will not show that the learner knows or understands it. It has to be clear in the work how the learner is using the material they have referenced **to inform their** thoughts, ideas or conclusions.

For more information about internal assessment, including feedback, authentication and plagiarism, see the centre handbook. Information about how to reference is in the OCR *Guide to Referencing* available on our website: <http://www.ocr.org.uk/i-want-to/skills-guides/>.

All pass criteria could be assessed by considering one specific business (but this is not a requirement). Careful consideration should be given to the business selected. Learners choosing a business need to consider if they can meet the criteria successfully with the information available to them.

For LO5, learners are not required to use all of the tools detailed in the teaching content to propose a strategy. However, it should be recognised that in business, the more information you have, the better informed you are to propose a strategy.

## SYNOPTIC ASSESSMENT

---

It will be possible for learners to make connections between other units over and above the unit containing the key tasks for synoptic assessment, please see section 6 of the centre handbook for more detail. We have indicated in this unit where these links are with an asterisk and provided more detail in the next section.



## \*OPPORTUNITIES FOR APPLYING LEARNING ACROSS UNITS

This identifies opportunities for developing links between teaching and learning with other units in the business suite.

Name of other unit and related LO	This unit and specified LO
<b>Unit 1 The business environment</b> LO1 Understand different types of businesses and their objectives LO6 Understand the external influences and constraints on businesses and how businesses could respond LO8 Be able to assess the performance of businesses to inform future business activities	LO1 Understand the purpose of marketing strategies LO2 Understand factors influencing marketing strategies LO5 Be able to use business tools to propose marketing strategies
<b>Unit 3 Business decisions</b> LO4 Understand how marketing information informs business decisions	LO5 Be able to use business tools to propose marketing strategies
<b>Unit 4 Customers and communication</b> LO2 Understand how to communicate with Customers	LO4 Know what benefits branding can generate for businesses
<b>Unit 5 Marketing and market research</b> LO1 Understand the role of marketing in businesses LO4 Be able to validate and present market research findings	LO1 Understand the purpose of marketing strategies
<b>Unit 7 Marketing campaign</b> LO3 Understand how businesses use digital marketing and the impact it has on businesses and their customers	LO3 Understand digital marketing
<b>Unit 11 Accounting concepts</b> LO1 Understand why businesses keep accurate accounting records	LO2 Understand factors influencing marketing strategies
<b>Unit 12 Financial accounting</b> LO4 Use ratios to assess the performance of businesses	LO5 Be able to use business tools to propose marketing strategies
<b>Unit 13 Management accounting</b> LO2 Be able to use break even analysis	LO5 Be able to use business tools to propose marketing strategies
<b>Unit 15 Change management</b> LO4 Understand the impacts of change on businesses and stakeholders	LO2 Understand factors influencing marketing strategies
<b>Unit 16 Principles of project management</b> LO1 Understand the stages of project management LO4 Be able to prepare project plans	LO1 Understand the purpose of marketing strategies

Name of other unit and related LO	This unit and specified LO
<b>Unit 17 Responsible business practices</b> LO1 Understand how business operate responsibly	LO2 Understand factors influencing marketing strategies
<b>Unit 19 International business</b> LO2 Understand the opportunities and challenges that businesses face when operating internationally	LO1 Understand the purpose of marketing strategies
<b>Unit 22 Delivering a business project</b> LO1 Be able to scope a project	LO1 Understand the purpose of marketing strategies

To find out more

**[ocr.org.uk/business](http://ocr.org.uk/business)**

or call our Customer Contact Centre on **02476 851509**

Alternatively, you can email us on **[vocational.qualifications@ocr.org.uk](mailto:vocational.qualifications@ocr.org.uk)**



OCR is part of Cambridge Assessment, a department of the University of Cambridge.

For staff training purposes and as part of our quality assurance programme your call may be recorded or monitored. ©OCR 2015 Oxford Cambridge and RSA Examinations is a Company Limited by Guarantee. Registered in England. Registered office 1 Hills Road, Cambridge CB1 2EU. Registered company number 3484466. OCR is an exempt charity.