

Level 2 Certificate in Marketing



International
Qualifications from EDI

Annual Qualification Review

2008

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INTRODUCTION

The annual qualification review provides qualification–specific support and guidance to centres. This information is designed to help teachers preparing to teach the subject and to help candidates preparing to take the examination.

The reviews are published in September and take into account candidate performance, demonstrated in both on demand and series examinations, over the preceding 12 months. Global pass rates are published so you can measure the performance of your centre against these.

The review identifies candidate strengths and weaknesses by syllabus topic area and provides examples of good and poorer candidate responses. It should therefore be read in conjunction with details of the structure and learning objectives contained within the syllabus for this qualification found on the website.

The review also identifies any actual or proposed changes to the syllabus or question types together with their implications.

PASS RATE STATISTICS

The following statistics are based on the performance of candidates who took this qualification between 1 October 2007 and 30 September 2008.

Global pass rate 60.83%

Grade distributions

Pass	34.86%
Credit	21.41%
Distinction	4.60%

GENERAL STRENGTHS AND WEAKNESSES

General Strengths and Weaknesses

Strengths

- the majority of candidates are now familiar with the terminology used in marketing
- distinct improvement of the information offered by candidates in their answers
- correct labeling of required diagrams has notably improved

Weaknesses

- candidates failure to read the question set.
- Question 20 always relates to the presentation of data. In every paper 30/40% of candidates fail to score any or full marks because:
 - they supply a graph when a bar chart is asked for and vice versa
 - they do not fully label their data axes properly (or at all)
- poor handwriting resulting in sections of a paper not being marked and zero marks being awarded due to ineligibility

TEACHING POINTS BY SYLLABUS TOPIC

Syllabus Topic 1 Marketing Management

Whilst a definition of marketing is essential, it is also very important that candidates fully understand what this definition means in respect of marketing activity needed by the organisation

Candidates need to fully appreciate the historical backgrounds that led to the different marketing concepts of production, selling and marketing orientations.

Candidates need to know the difference between profit, industrial and non - profit organisations and be able to provide relevant examples of each. The different marketing objectives and likely strategies and tactics to achieve these objectives are essential. Tutors should randomly choose different types of organisations and ask candidates to determine the likely marketing objectives and the possible strategies they might employ to achieve them

For environmental analysis it is sufficient for a candidate to relate the elements of an analytical tool. STEEPLE is considered the ideal tool for EDI papers combined with DEPICT when examining international markets.

An knowledge of a SWOT analysis is required and how this relates primarily to the organisation itself (as opposed to the macro-environment).

Candidates need to be familiar with different types of marketing departments, and to explain the marketing departments role as a liaison and communicator function between the customer and the organisation and how the marketing function is one operational unit within an organisation

A knowledge of what is meant by a "Code of Conduct (or Practice) " and "Statutory Legislation" is required.

Tutors should provide relevant examples of each to ensure candidates do appreciate and understand the differences.

Syllabus Topic 2 Marketing Planning

Information

Candidates must be able to offer explanation of data and information and know the difference between them.

The importance of information as a tool of management planning can be best demonstrated in the following manner.

Present a given marketing scenario to candidates such as:

- Your company is about to launch a new soap powder on the market
 - ask candidates to suggest a marketing strategy

Now give them the same scenario with the following information:

- Your company is about to launch a new soap powder on the market:
 - this is a new market for the company who normally sell toilet soap and deodorants
 - there are several major competitors already in the market
 - the new soap powder has been specifically developed for delicate fibres.

The resulting information should lead to a different marketing strategy.

Candidates need to understand the difference between short, medium and long term planning and tutors should provide relevant scenarios and ask candidates to determine which type of planning they are.

Frequently candidates confuse a Management Information System (MIS) with a Marketing Intelligence System (MkIS). A MkIS is frequently contained within a MIS, but can also be a stand alone system. Candidates should be able to give examples of the type of information contained within each system.

Budgeting & Control

Candidates need to understand the importance of a sales forecast, not simply as a tool for sales planning, but more importantly as its guide to management activity across all functional areas.

Setting objectives and the reason for them is essential learning and candidates should be fully familiar with the acronym SMART and its relationship with objectives.

Tutors should provide candidates with numerous examples of objectives that an organisation might set and then ask candidates how they would assess the success or failure of such objectives, highlighting the need for quick and accurate feedback to take corrective action.

A clear understanding of Management by Objectives (MBO) and Management by Exception (MBE) is required with candidates fully capable of explaining the differences.

Syllabus Topic 3 Customer & Consumer Behaviour

Candidates should appreciate the position of the consumer in the channel of distribution and be able to provide a simple diagram to illustrate this.

Tutors should provide numerous examples to illustrate the difference between a customer and a consumer and fully explain the difference between the two. Candidates need to understand the difference between a product benefit and a consumer benefit and tutors need to provide examples, using common products and services, for candidates to assess and understand the differences.

Candidates need to know ALL the elements of a Decision Making Unit (DMU) and a useful tool is the acronym SPADE-F. An industrial DMU has exactly the same elements with the addition of "G" the gatekeeper. The role of the gatekeeper needs to be clearly explained and the type of staff position that might occupy such a role.

Similarly the Decision Making Process (DMP) needs to be learnt with the ability to reproduce the relevant diagram to illustrate this.

Many candidates know the Maslow Hierarchy of Needs Model, but very few can number the model in the correct manner. Numbering begins **AT THE BOTTOM** and ascends, not at the top and descends. Although knowing the concept of the model, candidates can rarely give examples of the type of products or services that are supplied in the market to satisfy the relevant needs. Tutors should frequently test candidates ability to do this.

Segmentation

It is absolutely vital that candidates have a full grasp of the concepts, theories and practice of segmentation - it is after all the most fundamental of marketing tools

Candidates must be able to provide an acceptable definition of segmentation - clearly demonstrating that it is the breaking down of a total market into more relevant and manageable portions

Fully understand the **difference** between the bases of segmentation and segment evaluation.

Bases refer to how segments are created using differing criteria such as demographics - behavioural - family life cycle - geographic and geo-demographic etc. Candidates need to know the elements involved in each segmentation method.

Evaluation refers to how an organisation might review a segment and decide whether to attack or enter into it using such criteria as - measurability - profitability - accessibility etc

Candidates must fully understand the concept of targeting and its implications for the marketing mix as well as what is meant by mass, selective and niche marketing.

Candidates need to understand the difference between positioning (as a concept) a product in the mind of the customer or consumer, and physical positioning of a product in a retail outlet.

Syllabus Topic 4 Marketing Research

Understanding:

Candidates need to be able to provide an acceptable definition of marketing research and know the difference between marketing research and market research.

Tool of management

Candidates should understand what is meant by quantitative and qualitative research, primary and secondary research and explain the differences between them. Candidates should fully understand why secondary research should always be undertaken before primary research.

Methodology

Methods of obtaining primary research should be explained using observation, experimentation and questionnaires. Tutors should give candidates examples of the type of research required and ask candidates to decide on the most suitable method of obtaining such information. Various methods of using questionnaires explored such as face to face, telephone, postal and panels. A knowledge of the advantages and disadvantages of using questionnaire research should be given

Tutors should ensure that candidates fully realise the difference between methods of research (how to carry it out) and types of research (different varieties). Methods include ad-hoc, tracking studies omnibus research etc and types of research refers to competitor research, price research, product research etc.

Syllabus Topic 5 The Marketing Mix

Understanding

A definition of the marketing mix is essential as is knowledge of all the seven components of the mix.

Candidates should fully understand the relationship between the 7Ps and the 7Cs of the marketing mix as both sides of any transaction.

Explain that every transaction of any description has several elements of the marketing mix in action - tutors should give numerous scenarios and ask candidates to identify which elements are essential to the example offered.

The use of individual marketing mixes for different segments should be fully explained and tutors should link this back to studies relating to segmentation and targeting.

Product

Candidates need to know the Product Life Cycle (PLC) and the Boston Consulting Group Matrix (BCGM) and be able to draw the correctly labelled relevant diagrams to illustrate these concepts. Able to offer explanations of each stage of either model and to demonstrate the direct link between the two models

Tutors should ask candidates to examine various products and services and to identify the physical, functional and emotional benefits of such.

Candidates need to recognise that organisations seek to establish Unique Selling Points (Proposition) USP for their products and services in an effort to establish competitive advantage. Tutors should offer examples of such and ask students to identify the type of USP an organisation might try to attain.

Price

Candidates need to review and understand what price means to the organisation and what it means to the customer.

The relationship between price, quality and demand must be explored and candidates must be able to offer examples of when a high price may be charged, or when a low price must be charged.

Tutors should offer candidates examples of products and services and ask candidates to decide which elements constitute value such as durability, ease of use, status, life span, aesthetic appeal etc.

Candidates should be able to offer a simple explanation of various pricing strategies such as:

- cost plus
- penetration
- psychological
- skimming
- bundling
- opportunity
- negotiation

and when they are likely to be used.

Place

Tutors should ensure that candidates are fully aware of the conventional channels of distribution. Being able to reproduce the relevant diagrams and explain the component parts and their roles in the channel. Tutors should give candidates different types of products and services (including industrial products) and ask them to produce a diagram of the probable distribution channel

A knowledge of the push/pull models of distribution (and the relevant diagrams) and how they work are required.

Explain what is meant by Just in Time management (JIT) and ensure candidates can offer several advantages of this method of distribution.

Candidates need to understand what is meant by after marketing, what the objectives of after marketing are and be able to give several examples of after marketing tactics used by organisations

Promotion

This element of the mix has its own syllabus topic - see Syllabus Topic 6 below

People/Participants

Tutors should ensure that this element of the extended mix refers to the people in the organization and specifically service personnel. It has no relation to the customer, suppliers or any other external publics that may have contact with the organisation,

Tutors should ensure candidates understand all those elements and characteristics that are essential for a member of staff and those elements or characteristics that would be desirable.

Process

This element relates purely to how the service is to be delivered to the customer and has no relation to manufacturing facilities or methods, distributors or finance house etc - all of which are frequently offered as answers.

Tutors should examine numerous service operations with candidates and examine exactly how the service is presented. Examine payment operations, queuing systems, complaints procedures. Facilities to assist in the service operation, changing rooms, lifts, bag packing, waiting areas etc

Physical Evidence/Environment

Candidates must fully understand that environment refers to the place where the service is carried out and has no relation to the physical external environment as a macro element.

Tutors should ask candidates to examine current service operations and evaluate what is being offered in terms of service ambience such as colour schemes, fixtures and fittings, back ground music, lighting levels etc. All these elements contribute towards the customer experience and enjoyment.

Ensure by using practical examples from the market place that staff understand how corporate identity in respect of house colours, staff uniforms, vehicle or store livery, named carrier bags etc all contribute towards the physical evidence

Syllabus Topic 6 Promotion

Understanding

Candidates should be able to offer a definition of the promotional mix and the purpose of such. Be able to offer the tools used within the mix to include advertising, sales promotion, direct selling and public relations.

Tutors should give candidates examples of different products and services and ask candidates which elements of the marketing mix could/would be used in a communications campaign. Tractors are not advertised on television, tooth paste manufacturers do not attend exhibitions, dentists do not offer 2 for the price of 1, manufacturers of ball point pens do not sponsor football teams, retailers of fruit and vegetables do not have a direct sales force.

Communication General

Candidates should be able to provide a simple diagram of a communication model and explain the key elements of sender, coding, channel, decoding, receiver and feedback.

The push, pull model of distribution should be revisited and the key elements of the communication mix assigned to each model.

Promotion Communication

Candidates need to be able to explain the difference between above the line, below the line and through then line activities. Tutors should offer examples of different campaigns and ask candidates to identify which elements are which.

Tutors need to revisit targeting, positioning, unique selling proposition combined with product and user benefits and highlight how different elements of the promotional mix are used to achieve these objectives.

Candidates need to be able to explain the difference between naming a product and the branding of a product. Examples of products (and services) should be offered and candidates asked to think of names that might be appropriate giving reasons for such a choice.

Control

Candidates need to know the different methods used to establish promotional budgets and tutors need to re-visit the methods for measuring and controlling objectives performance.

Agencies

Candidates need to be able to offer numerous examples of different types of agencies that might be used for promotional purposes and be able to explain the difference between:

- a media independent
- a full service agency
- an a la carte agency

Public Relations

Candidates need to be able to offer a definition of public relations and understand what is meant by the term media. Candidates should know the 5 W's and H of a news release

Tutors should offer suggestions to candidates and ask them to distinguish as to whether the scenario is public relations activity or simply publicity gained.

Advertising

A correct definition is required with candidates able to explain exactly what the definition means in terms of practical operation.

The various roles and types of advertising should be understood and tutors should ask candidates to provide the key elements of an advertisement for different scenarios (product launch, sales promotion, recruitment or corporate advertising)

Sales Promotion

A suitable definition with a full understanding that it is a short term incentive strategy need to be taught.

Candidates need to appreciate the reasons for sales promotions and what the relevant advantages and disadvantages might be for both the organisation and the consumer.

Candidates will be required to offer a variety of examples of sales promotions for both products and services. Tutors should have candidates practice this by supplying numerous examples and asking for their suggestions.

Personal Selling

Candidates must be able to provide a suitable definition and explain what the definition means when put into action.

The 4 key elements of a sales call must be understood as well as the need for territory and journey planning to reduce time and costs whilst ensuring that major accounts are properly serviced.

Syllabus Topic 7 General Issues

Packaging

Candidates need to be able to offer the 5 key roles of packaging and also to be able to offer 5 legal requirements of labeling with regards to the packaging of food items.

The role of packaging as "The Silent Salesman" needs to be explored and why packaging has become so important in modern retail operations

Direct response & database marketing

Candidates must be able to explain the differences between a database and database marketing and provide a suitable definition of each.

Candidates need to understand how database marketing is operated and be able to offer some advantages and disadvantages of this communication method

International

Candidates need to understand the difference between, international, multi-national and global marketing and the implications for the marketing mix.

A very brief knowledge of different methods an organisation might use to enter international markets is required such as agents, distributors, direct export, franchise etc.. Tutors should offer different product and service scenarios and ask candidates to select an appropriate entry method.

*[A full knowledge of entry methods with their relevant advantages and disadvantages is **not** required at this level]*

In the 21st century it is now essential that candidates have a brief knowledge of what the Internet is, how the Internet is **NOT** the world wide web (WWW) and what is meant by a website. A knowledge of **what** eCommerce is (as opposed to how it operates) is required.

Tutors should have candidates consider how global communications through the Internet, satellite television, mobile telephones and multi-national publications has impacted on marketing and the consumer demand for products.

FURTHER GUIDANCE

EXAMPLES OF CANDIDATE RESPONSES

A selection of candidate answers:

Q. Give 5 bases that can be used to segment a market

A. Age - Gender - Religion - Education - Income

This answer would score 1 mark only as all answers are elements of demographics.

Correct Answer: Demographics - Geographic - Behavioural - Geo-demographics - Life styles

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Q. What does the following relate to in relation to objectives

A. S = Smart
M = Modern
A = Actual
R = Real
T = Timed

This answer would score 1 mark for timed

Correct answer:

S = Specific
M = Measurable
A = Agreed
R = Relevant
T = Timed

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Q. Explain what is meant by:

A. MBO management by objectives

MBE management by exception

This answer would score 2 marks - as the question asks for an explanation.

Correct answer

MBO This refers to management by objectives where staff meet with management to discuss and agree specific objectives

MBE Refers to management by exception whereby managers are informed of exceptions or variances to the objectives so that action can be taken.

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Q. From the following list, underline those items which are data and not information.

A.

48 Mr John Smith, teacher Customer number
\$400 Product number 6 Date of birth
Telephone directory Atlas Product catalogue

This answer would score 1 mark for 48

Correct answer

From the following list, **underline** those items which are **data** and not information.

5

48 Mr John Smith, teacher Customer number
\$400 Product number 6 Date of birth
Telephone directory Atlas Product catalogue

Q. Briefly explain 5 different segmentation criteria for assessing the potential of a segment

A. Demographics, social-grade, behavioural, ACORN, Occupation

This answer would score no marks as all answers are incorrect

Correct answer

Measurable, Profitable, Identifiable, Accessible, Sustainable

Q. Identify any 5 items of information that have to be given on the labels of any food products

A. Brand name, date of manufacture, price, product code, weight

This answer would score 1 mark for weight - none of the others are legal requirements even though they may appear on labels

Correct answers (from)

Weight/volume, ingredients, expiry or use by date, country of origin, storage instructions, health warnings, preparation instructions.

Q. Underline 5 examples of physical evidence from the following list.

A.

Staff uniforms credit card payment system thick carpet trained staff
lifts between floors background music smiling staff comfortable seats
customer help desk staff name badges many pay points goods on display

This answer would score 1 mark for staff name badges

Correct answers (from)

Staff uniforms credit card payment system thick carpet trained staff
lifts between floors background music smiling staff comfortable seats
customer help desk staff name badges many pay points goods on display

EDI

International House
Siskin Parkway East
Middlemarch Business Park
Coventry CV3 4PE
UK

Tel. +44 (0) 8707 202909

Fax. +44 (0) 2476 516505

Email. enquiries@ediplc.com

www.ediplc.com



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