

UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS

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**Cambridge International Diploma in Management
Professional Level**

Scheme of Work

4252
Managing the Market
Optional Module



UNIVERSITY *of* CAMBRIDGE
International Examinations

MODULE NUMBER (OPTIONAL) 4252: MANAGING THE MARKET

BRIEF INTRODUCTION AND MODULE OUTLINE

This optional module considers the importance of marketing to the organisation and how to identify and determine suitable and effective marketing strategies. In teaching this it is important to remember that this module is part of a general management qualification and at this level the emphasis should be on the contributions which managers can realistically be expected to make to the overall success of the organisation in the marketplace.

Candidates will need to develop a basic understanding of the significance of different types of markets and market relations e.g. monopoly, oligopoly and perfect competition as well as the economics and implications of supply and demand. The module also introduces a number of key marketing terms, principles and models which will need explaining and contextualising e.g. the marketing mix, market segmentation, product life-cycle.

The module stresses the importance of understanding the position of the organisation within its marketplace and of developing a marketing and customer led orientation.

It introduces candidates to the tactical tools known as the marketing mix and looks at how these can be used to determine a marketing strategy which meets the needs of customers and can be resourced by the capacity of the organisation.

The concepts of pricing, placing and promotion are looked at in more detail.

Candidates should be introduced to different pricing strategies such as competition, demand and cost orientation. They should be able to determine where to pitch the price of a service or product within a particular market segment in order to achieve the required outcome, usually, but not always profitability.

Placing and promotion should focus on a range of concepts including supply chain management and the need to determine and implement cost effective promotional strategies.

Assessment Objectives:

1. Explain the importance to an organisation of developing a marketing orientation
2. Describe and apply marketing mix applications for a product or service
3. Identify and apply pricing practices
4. Describe and apply placing and promoting products and services within a market
5. Develop a marketing plan

RECOMMENDED PRIOR KNOWLEDGE

No prior knowledge is required, however, candidates should be encouraged to research and critically review the marketing strategy of their own and other organisations.

Background reading would also help to promote understanding and it may be useful to direct candidates to research and read up on a particular issue in advance of teaching. Marketing books aimed at non-specialists and case studies will help candidates to familiarise themselves with marketing terms, principles and concepts.

SUGGESTED TEACHING ORDER / SUMMARY SCHEME OF WORK

The module sits fairly comfortably at any point in the Programme and there are no requirements for prior knowledge although some reference is made to core modules.

The Managing the Market module is made up of 5 assessment objectives. It begins with an introductory unit which explains the importance of developing a marketing or customer-led orientation. The next three units focus on the implications of applying the extended marketing mix and the teaching suggestions made in Unit 2 are also applicable to Units 3 and 4. The final Unit brings all this learning together into a marketing plan.

The Units are a guide to the order of teaching, however, there are a number of different ways in which the teaching of this module could be approached and the module lends itself to a more holistic approach.

The column headed **Explanation of Competence Criteria** is designed to give an indication of the main content to be covered and should help with this planning detail.

UNITS / ASSESSMENT OBJECTIVES: SUGGESTED ORDER

1	<p>Identify and explain the importance to an organisation of developing a marketing orientation.</p> <p>This unit stresses the importance of marketing to the organisation and the need to understand the market in which the organisation is operating and its position within the market. Candidates need to understand the concept of customer orientation and should also be introduced to a range of analytical marketing models, including the product life cycle, Ansoff's Matrix / box and the BCG Matrix.</p>
2	<p>Describe and apply marketing mix applications for a product or service.</p> <p>This unit introduces candidates to the extended marketing mix – the 7P's – and evaluates the importance and impact of these to the organisations marketing strategy. Product portfolios and the product life cycle are also important elements of this unit</p>
3	<p>Identify and apply pricing practices.</p> <p>This unit looks at the definition and application of pricing strategy and practice. Candidates should be introduced to different pricing strategies such as competition, demand and cost orientation. They should be able to determine where to pitch the price of a service or product within a particular market segment in order to achieve the required outcome, usually, but not always profitability</p>
4	<p>Describe and apply placing and promoting products and services within a market.</p> <p>This unit looks at the importance of 'place' within the marketing mix and also considers logistical issues and supply chain management. Methods of promoting products and services are explored and the importance of monitoring and measuring levels of customer satisfaction.</p>
5	<p>Devise a marketing plan</p> <p>This unit brings together all the work done in the other units and requires the candidate to propose a marketing plan for the organisation that has been studied.</p>

LIST OF RESOURCES

The Professional Level booklist given in the syllabus for this module includes a good range of appropriate and readable texts. In addition, many non-specialist management textbooks will include relevant sections.

From a teaching perspective, the following strategic management textbooks include excellent sections on environmental analysis and strategic positioning, although as these are more akin to Higher Professional Level, care must be taken when preparing material for use at Professional Level:

 Thompson, Strategic Management
 Johnson and K Scholes, Exploring Corporate Strategy (Text and Cases version)

MBA Management Models by Sue Harding and Trevor Long is also recommended as it provides an excellent summary of the management models most commonly used in this and other modules.

There is also a good range of readable and interesting case studies available. These focus on various aspects of market management and strategic management. Many of these are available on line, for example, through The Times 100 website or the CMI . Kotler et al, Principles of Marketing and Johnson and Scholes, Exploring Corporate Strategy (Text and Cases version) are also good sources of case study material, although care needs to be taken with the level.

UNIT 1: Identify and explain the importance to an organisation of developing a marketing orientation

Recommended prior knowledge: No prior knowledge is required, however, candidates should be encouraged to research and critically review the marketing strategy of their own and other organisations.

Background reading would also help to promote understanding and it may be useful to direct candidates to research and read up on a particular issue in advance of teaching. The Professional Level booklist for this module includes a good range of appropriate and readable texts. In addition, many non-specialist management textbooks will include relevant sections. Marketing books aimed at non-specialists and case studies will help candidates to familiarise themselves with marketing terms, principles and concepts.

Outline: This unit stresses the importance of marketing to the organisation and the need to understand the market in which the organisation is operating and its position within the market.

Candidates need to understand the concept of customer orientation and should also be introduced to a range of analytical marketing models, including the product life cycle, Ansoff's product – market matrix and the BCG market share / market growth matrix.

COMPETENCE CRITERIA		EXPLANATION OF COMPETENCE CRITERIA	SUGGESTED TEACHING ACTIVITIES
1.1	Identify the importance of marketing and the factors within the marketing environment	<ul style="list-style-type: none">explain the importance of marketing to the organisation and the main principles and concepts of marketingidentify key marketing models e.g. Boston and Ansoff Matrix	<p>This unit should provide an introduction to the module and explore the importance of marketing and marketing strategy to the organisation. Candidates need to be introduced to key marketing concepts and a range of analytical models which can then be referred back to throughout the module. (see module introduction and syllabus)</p> <p>Case studies of high profile organisations familiar to candidates can help them to appreciate the importance of marketing as well as many of the key principles.</p> <p>To demonstrate different types of strategy try and select a broad range of organisations and ask candidates to critically review their strategy's and identify the underpinning philosophy.</p> <p>Ask candidates to work in groups to prepare an overview of the organisations strategy which can then be presented and discussed.</p> <p>Candidates may need some pointer questions to help with this e.g. are they product or customer orientated?, What customer or market segments have they targeted? Do they promote on price or quality? What is their pricing strategy? Have they diversified?</p>

			<p>The main concepts and models can be explained and applied with reference to the same organisations or, applied to candidates own organisations. For example, they could apply the BCG matrix to their organisations product portfolio .</p>
1.2	Identify customers in a range of organisations	<ul style="list-style-type: none"> • identify key customer groups (internal and external) and explain the factors which influence customer behaviour? • prepare a customer/ supplier chain • identify opportunities to add value 	<p>Focusing on their own organisations, ask candidates to identify the market / s in which they operate and describe the main features of these. Preparing a simple positioning map (price/quality) will help candidates to appreciate the need to research and analyse the market (and competitors), and to develop a strategy to steer an organisation into the position required for future success.</p> <p>This could be followed up with a PEST (and SWOT) to assess the organisations capability, and information to inform a marketing strategy.</p> <p>This may also be an appropriate point to briefly introduce the methods which organisations use to research and gather market and customer intelligence. Including the advances made because of technological developments e.g. internet and telephone shopping, loyalty cards.</p> <p>Building on the analysis of their own organisations help candidates to prepare a customer/supplier chain and to identify opportunities to add value. Remind candidates of the value chain.</p> <p>Focus on external customers and ask candidates to identify and differentiate between customer groups. Relate to the factors which influence buyer behaviour and market segmentation.</p> <p>Explain how organisations use market segmentation to determine strategy.</p>
1.3	Distinguish between customer led and product led organisations and explain the advantages of each	<ul style="list-style-type: none"> • explain the concept, advantages and limitations of customer led and product led organisations • what is meant by customer relationship management and how can this be achieved? 	<p>Use profiles or case studies to explain the difference between customer led and product led organisations. Discuss the features, advantages and constraints of each – and their appropriateness to different types of market and market conditions e.g. supply and demand elasticity, perfect competition, monopoly, oligopoly.</p> <p>Explore the nature of customer expectations and customer relations management.</p>

UNIT 2: .Describe and apply marketing mix applications for a product or service

Recommended prior knowledge: No prior knowledge is required, however, candidates should be encouraged to research and critically review the marketing strategy of their own and other organisations.

Background reading would also help to promote understanding and it may be useful to direct candidates to research and read up on a particular issue in advance of teaching. The Professional Level booklist for this module includes a good range of appropriate and readable texts. In addition, many non-specialist management textbooks will include relevant sections. Marketing books aimed at non-specialists and case studies will help candidates to familiarise themselves with marketing terms, principles and concepts.

Outline: This unit introduces candidates to the extended marketing mix – the 7P's – and evaluates the importance and impact of these to the organisations marketing strategy. Product portfolios and the product life cycle are also important elements of this unit

COMPETENCE CRITERIA		EXPLANATION OF COMPETENCE CRITERIA	SUGGESTED TEACHING ACTIVITIES
2.1	Explain the tactical tools known as the marketing mix	<ul style="list-style-type: none">explain the importance and application of the extended marketing mix – the 7P's – to the marketing strategy	<p><u>Whole Unit</u></p> <p>This unit builds on the analysis and situation review undertaken in unit 1.</p> <p>From unit 1 candidates should appreciate that putting together a suitable marketing strategy requires critical decisions to be made about the marketing of products or services - and that these must be based on a detailed analysis of the organisations market position, strategic objectives and capability.</p> <p>Before explaining the marketing mix ensure that candidates understand and can apply the product life cycle and can relate this to the Boston Matrix .</p> <p>They also need to be familiar with Ansoff's product - market Matrix and the options it presents.</p> <p>Application of the marketing mix can appear quite complex to candidates. It can be helpful to select one organisation (or scenario) and a small product portfolio to which the mix can be applied. Once candidates are clear about the importance and impact of each tool they can apply them to other organisations and markets.</p>

2.2	Identify and evaluate the importance and impact of each element of the marketing mix to the marketing strategy		<p>Introduce candidates to the '4 P's' first (i.e. Product, place, price and promotion) as these are the ones most commonly given, and then introduce the extended mix (people, physical environment, process).</p> <p>Take candidates through each of the P's and explain, using clear examples, the importance and impact of each. Re-visit and apply relevant models to explain and analyse the impact of decisions</p> <p>For example, for Product, use Ansoff's Matrix to identify the options open to organisations e.g. product development or diversification. Ask candidates to consider the suitability of these options for the study organisation/portfolio – which existing products could be developed and in what way? How could the organisation diversify? Encourage candidates to apply other analytical models to help with these decisions e.g. when considering product development or diversification they should look at product life cycles and the current performance of products – are they question marks / problem children or stars?</p> <p>Ensure candidates appreciate the complexity of these decisions and strategies and how sensitive they are to changes in both the internal and external environment . It can be useful to re-visit PEST and consider how a change in the political or economic environment may impact upon the suitability and success of a particular strategic marketing decision e.g. an economic downturn may reduce disposal income and bring about the need for a change in pricing strategy.</p> <p>The importance and means of evaluating the impact of decisions should be discussed in some detail. Candidates should consider how they will elicit information to ensure the continued appropriateness of the strategy. What sources of information will they use and how will they measure performance/success?</p>
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UNIT 3: Identify and apply pricing practices

Recommended prior knowledge: No prior knowledge is required, however, candidates should be encouraged to research and critically review the marketing strategy of their own and other organisations.

Background reading would also help to promote understanding and it may be useful to direct candidates to research and read up on a particular issue in advance of teaching. The Professional Level booklist for this module includes a good range of appropriate and readable texts. In addition, many non-specialist management textbooks will include relevant sections. Marketing books aimed at non-specialists and case studies will help candidates to familiarise themselves with marketing terms, principles and concepts.

Outline: This unit looks at the definition and application of pricing strategy and practice. Candidates should be introduced to different pricing strategies such as competition, demand and cost orientation. They should be able to determine where to pitch the price of a service or product within a particular market segment in order to achieve the required outcome, usually, but not always profitability.

COMPETENCE CRITERIA		EXPLANATION OF COMPETENCE CRITERIA	SUGGESTED TEACHING ACTIVITIES
3.1	Define a pricing strategy	<ul style="list-style-type: none">explain the different ways in which organisations might approach the issue of pricing	Price is one of the 4 P's and the competence criteria for this unit should be covered in the same way as for the other marketing mix tools – and as part of Unit 2.
3.2	Apply a pricing strategy	<ul style="list-style-type: none">discuss and apply pricing strategy, with reference to product life cycles and market segmentationexplain how pricing affects customer behaviour	<p>Candidates should be introduced to different pricing strategies, their application and implications. They should be able to determine where to pitch the price of a particular product / service within an identified market segment in order to achieve the required outcome or profitability.</p> <p>Customer expectations, perceptions and behaviour in relation to price should be discussed, and it is interesting and valuable to ask candidates to explore how, as a potential customer, price affects their behaviour.</p>

UNIT 4: Describe and apply placing and promoting products and services within a market

Recommended prior knowledge: No prior knowledge is required, however, candidates should be encouraged to research and critically review the marketing strategy of their own and other organisations.

Background reading would also help to promote understanding and it may be useful to direct candidates to research and read up on a particular issue in advance of teaching. The Professional Level booklist for this module includes a good range of appropriate and readable texts. In addition, many non-specialist management textbooks will include relevant sections. Marketing books aimed at non-specialists and case studies will help candidates to familiarise themselves with marketing terms, principles and concepts.

Outline: This unit looks at the importance of 'place' within the marketing mix and also considers logistical issues and supply chain management. Methods of promoting products and services are explored and the importance of monitoring and measuring levels of customer satisfaction.

COMPETENCE CRITERIA		EXPLANATION OF COMPETENCE CRITERIA	SUGGESTED TEACHING ACTIVITIES
4.1	Identify and discuss the concept and importance of place within the market	<ul style="list-style-type: none">• what is the importance and significance of place within the marketing mix?• what are the logistical implications of place?	<p>Place and promotion are integral parts of the marketing mix and the competence criteria for this unit should be covered in the same way as for the other marketing mix tools – and as part of Unit 2.</p> <p>Place should consider the importance to the customer of having the right product in the right place at the right time, and the implications of this for the organisation's operations.</p> <p>Production and distribution issues, including supply chain management should be re-visited and contextualised. These are covered in the optional module Managing Operations.</p> <p>Customers changing expectations about place and accessibility should also be explored.</p>

4.2	Promote products and services	<ul style="list-style-type: none"> • what is the importance and significance of promotion within the marketing mix? • what cost effective and suitable methods are available 	<p>Promotion should look at how the organisations products/services are promoted and communicated to existing and potential customers i.e. marketing communications</p> <p>Candidates need to appreciate that customers may use the quality and style of communications as an indicator of the overall quality and style of the product, and that promotion needs to be tailored to market segments i.e. a market concept approach.</p> <p>Resource and cost issues need discussing. Candidates need to understand how to determine the cost effectiveness of promotional strategies e.g. Cost benefit analysis.</p> <p>The module does not require candidates to propose a marketing strategy, however, it is useful for candidates to pull together all the analysis and evaluation which they have carried out and to prepare an outline proposal for either the study organisation or their own organisation.</p> <p>Throughout the previous units candidates will have identified and evaluated the strategic marketing options appropriate to the organisation.</p> <p>Based on this analysis candidates should propose a comprehensive marketing strategy for the study organisation.</p> <p>The preparation of detailed implementation plans will have been covered in other modules (Strategic Management) and it is sufficient for candidates to produce a business like strategy proposal.</p> <p>The proposal must be comprehensive and obviously stem from the candidates research and analysis. The justification must show an understanding of wider managerial considerations , including financial viability and strategic change management . It must also demonstrate an understanding of the importance of aligning marketing strategy with business strategy and the organisations plans for the future.</p> <p>It can be interesting and valuable for each group of candidates to present their proposals to the rest of the group. This can lead to an interesting discussion about the validity and reliability of various analytical tools and the sensitivity of strategic decisions to analysis.</p> <p>Conclude the module with a reminder of the role of the manager in determining and implementing marketing strategy.</p>
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UNIT 5: Develop a marketing plan

Recommended prior knowledge: No prior knowledge is required, however, candidates should be encouraged to research and critically review the marketing strategy of their own and other organisations.

Background reading would also help to promote understanding and it may be useful to direct candidates to research and read up on a particular issue in advance of teaching. The Professional Level booklist for this module includes a good range of appropriate and readable texts. In addition, many non-specialist management textbooks will include relevant sections. Marketing books aimed at non-specialists and case studies will help candidates to familiarise themselves with marketing terms, principles and concepts.

Outline: This unit brings together the work done in the previous units into a proposed marketing plan. It takes into account issues of implementation.

COMPETENCE CRITERIA		EXPLANATION OF COMPETENCE CRITERIA	SUGGESTED TEACHING ACTIVITIES
5.1	Identify the characteristics of an effective marketing plan	<ul style="list-style-type: none">what should a marketing plan look like and what goes into it to make it understandable to users?	Summarise the work done so far and explore with the candidates how to bring this together into a workable plan. Get them to identify what are the key characteristics of a marketing plan. Bring out the link between the desired outcomes of the plan and the overall marketing strategy of the organisation. Discuss issues of time, tasks and resources.
5.2	Implement a marketing plan	<ul style="list-style-type: none">put into place the factors needed to translate plans into actions	Ask what the plan needs to make it capable of implementation. This will bring out issues such as objectives, tasks and monitoring. Basic project management concepts apply here and should be explored in the context of the marketing plan. Also the effects of change that the marketing plan may bring about (links here to the Managing Change module).