Mark Scheme (Results)

Summer 2018

BTEC Level 3 National in Business / Enterprise

Unit 2: Developing a Marketing Campaign (31489H)

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Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
Structure	0	1	2	3	4
	No rewardable material.	• The rationale lacks structure, with isolated references to marketing principles and/or concepts. Uses generic marketing terminology of limited relevance.	• The rationale has a basic structure and attempts to apply relevant marketing principles and/or concepts. Uses some relevant marketing terminology.	• The rationale has a logical structure and applies a variety of relevant marketing principles and/or concepts. Uses relevant marketing terminology.	• The rationale is well written and has a logical structure. Applies a variety of relevant marketing principles and concepts. Uses relevant marketing terminology.

Marking Guidance

Evidence of a well written rationale:

- Good use of language skills – e.g. vocabulary, sentences are coherent/flow.
- Logical structure – work is divided into sections with separate points in separate paragraphs or as separate bullet points, use of headings to divide up material, content is placed into a logical order
- Use of marketing terminology – Marketing terms – either from the unit content or the candidates wider knowledge – are utilised accurately and where relevant. This occurs throughout the activity 1 work.

Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
Marketing aims and objectives	0	1–2	3–4	5–6	7–8
	No rewardable material.	• Learners provide some marketing aims and objectives but there is little development/ explanation relevant to context.	• Learners provide relevant marketing aims and objectives, with development/ explanation relevant to context.	• Learners rationalise relevant marketing aims and objectives, with clear development/ analysis relevant to context.	• There is comprehensive coverage of relevant rationalised marketing aims and objectives, with good development/ evaluation relevant to context.

Indicative Content

Aims and objectives are relevant to and realistic in the context of:

- A small business
- A firm targets a specific niche market, but that also attracts customers from other demographics
- A relatively small marketing budget of £8,000
- A campaign of a length determined by the learner
- The aims and objectives might be differentiated according to the needs of different market segments
    o if targeting middle aged men, objectives might be to increase purchases of related materials such as headphones
    o if targeting teenagers objectives might include increasing sales of related materials such as frames in which records can be displayed.

Possible objectives might include

- Achieve an increase of x% in the number of customers from group x by a given date
- A specified number of visitors to the store per week/month
- A specified number of records of a specific type sold per week/month
- Organise a specific number of events (e.g. live performance, record signings) by a given date

Aims/ objectives should be accompanied by a rationale illustrating the appropriateness of the objective to the context of a small record shop. This might be based on:

- The use of industry sales data to show why a particular level of sales would be achievable
- Statistics for social media engagement among demographic groups to support a target for a specific number of followers on a social media platform
- Links between aims and objectives and the proposed marketing mix – e.g. IF the business is planning to offer a range of 50 titles for record store day, it might be reasonable to expect to sell x% of these records within a day/week/month/year.

Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
Research of and analysis of market information	0 No rewardable material.	1–3	4–6	7–9	10–12

		• Reference will be made to the:
		  ○ case study
		  ○ individual/ independent research
		  ○ wider business market and competitors
		  but it will lack detail and relevance to the context.
		• An interpretation of the reliability and validity of the research might be attempted, but is generic, lacking a grasp of the concepts in this context.
		• Analytical approach is limited and any conclusions provided are generic.
			• Reference will be made to the:
			  ○ case study
			  ○ individual/ independent research
			  ○ wider business market and competitors
			  but it will lack relevance to the context in places.
			• An interpretation of the reliability and validity of the research is attempted, demonstrating a basic grasp of the concepts and their relevance in this context.
			• Analytical approach leads to conclusions being provided but may lack balance and/or relevance in places.
				• References will be made to the:
				  ○ case study
				  ○ individual/ independent research
				  ○ wider business market and competitors
				  which are relevant to the context.
				• An interpretation of the reliability and validity of the research is present and demonstrates a good understanding of the concepts and their relevance in this context.
				• Detailed analytical approach leads to relevant and balanced conclusions.
					• Sustained references will be made to the:
					  ○ case study
					  ○ individual/ independent research
					  ○ wider business market and competitors
					  which are entirely relevant to the context.
					• An interpretation of the reliability and validity of the research is present, and demonstrates a thorough understanding of the concepts and their relevance in this context.
					• Detailed analytical approach leads to entirely relevant and balanced conclusions.

Indicative Content

Learners research can take a number of forms but might include:

- Quantitative data relating to the retail market for vinyl records
  e.g. the number of firms in the market (retailers as competitors, reference to production problems due to a lack of manufacturing capacity), the value of sales in a given period of time, the number of records and associated products purchased in a given period of time, the relative market share of different firms, the number of consumers, data related to competition from video-on-demand/ streaming services, data relating to the decline in online piracy
  Prices of records on the secondary market e.g. second-hand record shops, record fairs, online marketplaces

- Qualitative data relating to the market for vinyl records
  the names of the main retailers in the market – e.g. Supermarkets, HMV, Independent stores such as Rough Trade
  Details of customer perceptions of records – e.g. difference in sound quality compared to CD's/streaming/downloads, details of expert/popular opinions relating to the market for vinyl records e.g. reasons for trends such as young people buying records as display items, profiles of consumers in the market for vinyl records (e.g. demographic details, psychographic details)

- Market data relating to products in direct and/or indirect competition with vinyl records
  e.g. streaming services, piracy, downloads, CD's, other niche/specialist formats e.g. the increasing demand for cassettes/ postcard clubs etc, new pressings vs vintage editions,

- News/ current events relating to vinyl records, the market for recorded music, e.g.:

    o Liam gallaghers solo album becomes the biggest selling album of 2017 and the fastest selling record on vinyl for 25 years.
    o Over $200m spent on Discogs in 2017.
    o Success of record store day 2018
    o Sony start pressing vinyl records for the first time since 1989

- Data relating to the general economic context of the case study business
  e.g. changes in disposable income, costs of substitutes such as streaming services,

Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
Justification	0	1–3	4–6	7–8	9–10
	No rewardable material.	• Any evaluation will be limited to unsupported statements and opinions. Analytical tools are referenced but not utilised. • Consideration of 'appropriateness' of the justification will be limited.	• An evaluation will be presented, following evidence of analytical tools being used. • Consideration of 'appropriateness' of the justification will also be attempted.	• A variety of analytical tools may be used leading to a coherent justified evaluation. • Appropriateness rationale has a logical structure and applies a variety of relevant marketing principles and/or concepts. Uses relevant marketing terminology.	• Different analytical tools are used leading to a coherent justified evaluation. • Appropriateness will be fully addressed in the context of the additional scenario presented. Full use of marketing principles and of marketing terminology.

Indicative Content

SWOT and PESTLE analysis might include some combination of:

- Costs associated with different marketing campaigns
    o E.g. HMV, Rough Trade, Tesco

- Forms of media/ promotion used by
    o Records Shops
    o Record Companies

- Details of the demographic profile of record buyers
    o Older male consumer buying records for listening
    o Younger consumers (male and female) buying records for aesthetic reasons.

- The music market in general
    o Inversion of the old business model – e.g. that tours used to be a loss leader for albums nut now the opposite is likely to be true.
    o Changes in the way the music is consumed – e.g. a move from ownership of music on physical formats towards access to music via streaming services

- Social factors
    o Increased social media use and consequent changes in the way that music is promoted and consumed e.g. sharing videos on social platforms
    o Sharing of playlists using streaming applications
    o Increased fragmentation in the media market – rise of digital radio, radio stations now competing with podcasts for ever smaller audiences – allows for more precise targeting of consumers but also reduces the opportunities for gaining exposure to a mass audience
    o Increasing popularity of events such as music festivals – opportunities for sale of records etc as a complimentary good

- Economic factors
    o Weak economic growth
    o Stagnant wage growth – potential impact on discretionary purchases such as records

- Technological factors
    o Rise in streaming
    o Increasing trend away from dedicated portable music players to playing music on mobile phone apps amongst the young
    o Popularity of Bluetooth headphones as a fashion accessory
    o Increasing fragmentation of media channels (radio and television) and the rise in popularity of podcasts among other factors changing the way that music fans learn about new artists/ releases
    o Increase in bands self-releasing records (physical and digital) via platforms such as bandcamp

- Political factors
    o Funding for arts/ culture
    o Campaigns against/negative publicity for certain types of music e.g. drill

Justification will:

- Explicitly relate to the research gathered
- Explicitly relate to the case study and will show an understanding of the needs of customers/ consumers in the vinyl record/ recorded music market.

Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
The marketing mix to include: **Message** **Mix** **Media**	**0** No rewardable material.	**1–6** • An outline marketing mix will be presented which is generic and/or unrealistic in the context of the scenario. • A marketing message may be included but references to an appropriate marketing mix (from above) will be weak. • Coverage of media will be limited to generic ideas. • Any justification are limited and the extended mix is not considered.	**7–11** • A marketing mix will be presented covering most aspects which may occasionally be generic and/or unrealistic in the context of the scenario. • A marketing message will be included but references to an appropriate marketing mix (from above) may not be sustained. • Coverage of media will have some relevance to the context. • Imbalanced justifications are provided and may make reference to the extended mix.	**12–16** • The marketing mix presented covers most aspects in detail with illustration using 4Ps and applied in context. • Reference to extended marketing mix where applicable. • Most aspects of the marketing campaign will be covered in some detail, and in context with a clear marketing message. • Coverage of media is comprehensive and evidences selectivity relevant to the context. • Justifications are balanced and in context of extended mix.	**17–20** • The marketing mix presented, covers all aspects in detail with illustration using 4Ps and applied in context. • Reference to the extended marketing mix where applicable. • All aspects of the marketing campaign will be covered in detail and in context with a clear and considered marketing message. • Coverage of media is comprehensive and evidences selectivity relevant to the context. • Balanced for choices and in context of extended mix.

Indicative Content

Product – Details of the products/services offered to customers such as:

- Special editions e.g. gatefold, coloured vinyl
- Reissues e.g. classic albums
- New releases
- Bonus content e.g. download codes
- Sales of complementary goods – e.g. record players, cleaning kits, frames, headphones
- Reference to the product lifecycle of albums, bonus points if this is linked to genre

Price – selection of an appropriate pricing strategy for different records:

- Premiums for special editions or rare records
- Market pricing for regular releases
- Differential pricing for formats – e.g. singles, EP's, albums

Place – explanation of the distribution channel for records

- Sales through the existing shop
- Sales via other channels – e.g. record club, online
- Reference to competition with direct(ish) channels e.g. bands selling through crowdfunding sites such as pledge music

Promotion – Selection of appropriate methods of promotion that are relevant to the context of selling records, particularly in the context of a relatively low budget

- Flyering/ flyposting – e.g. placing posters on disused buildings, in shops, handing out leaflets at events e.g. gigs, festivals
- Building of "street teams" – use of volunteers/members of a fanbase to facilitate word of mouth promotion, particularly through online channels
- The use of social media platforms e.g. groups on social network sites, posting of messages, updates on new releases etc
- Events such as performances or record signings
- Sponsorship of events e.g. gigs, club nights
- Advertising in local media – e.g. newspapers

Discussion of the budget associated with each form of promotion, including recognition of the costs associated with social media.

Recognition that "word of mouth" is something that is built through the effective use of other marketing techniques and is not a promotional method in and of itself.

The extended marketing mix

People – Discussion of how wax perfection staff can engage with customers and consumers, such as:

- Training staff to understand equipment such as record players or headphones so they can advise customers
- Recruiting staff with interests in specific genres e.g. world music, throat singing
- Creating a culture appropriate to a record shop (e.g. appropriate disdain for everything released before/ after year x/ produced by Justin Bieber etc)

Physical Environment – making the store reflect the needs of the target market.

- Playing new release/classic records in the background to stimulate interest
- Use of POS – staff recommendation cards for specific records, material provided by record labels, unique and distinctive items
- Captivating displays highlighting new or popular releases – e.g top 10 chart,
- Merchandising complementary goods nearby to maximise opportunities for add on sales – eg. Posters, tshirts, record players, headphones, cleaning kits

Process – Procedures associated with sale of records, such as:

- Systems for offering advice to customers
- Training procedures for staff
- How to manage the actual sale – e.g. offering customers a record club subscription, signing customers up to a mailing list, highlighting related purchases
- Returns procedures

NB- The process of manufacturing records is not relevant to this aspect of the work and credit should not be given to descriptions of it.

Marketing Message

An appropriate message that relates to the benefits of vinyl records e.g. quality of the music, collectability of special editions,

Students will emphasise that marketing communication activity is focussed in some way on a particular market segment that they are trying to target. Depending on specific customer needs identified by the learner, this might include:

- Price/value, especially for rare or special edition items
- Advantages of physical formats over digital formats
- Aesthetic quality of records – e.g. as an item to display on a shelf or on a wall

Marketing messages will be clearly articulated and will show some understanding of the type of product being sold.

Media Selection

Selection of media will reflect the budget of £8,000. In order to qualify as realistic, the use of channels such as fly posting/ leafleting must also include an appropriate allocation of funds for the production of the advert as well as the cost of placing the adverts.

Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
Budget	**0**	**1–2**	**3–4**	**5–6**	**7–8**
	No rewardable material.	• Budget restricted to generic detail, with limited relevance to marketing activity in context.	• Budget shows a basic understanding of costs for aspects of the marketing activity in context.	• Budget used realistically demonstrating detailed understanding of costs of most aspects of the marketing activity in context.	• Budget used realistically with detailed understanding of the costs of all aspects of the marketing activity in context.

Indicative Content

Costs will be broken down in some way – e.g. on a weekly and monthly basis.

Specific sums of money will be allocated to individual promotional activities.

There will be some break down of the specific promotional activities – e.g.

- cost of using staff to make posts on social media,
- costs of printing leaflets, posters etc,
- costs of producing video content

Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
Timescale	**0**	**1**	**2**	**3**	**4**
	No rewardable material.	• Timescale is unrealistic in the context of the plan.	• Timescale is generally realistic in the context of the plan. May contain occasional lapses.	• Timescale is realistic in the context of the plan.	• Timescale is thorough and entirely realistic in the context of the plan.

Indicative Content

- Promotional activity will be spread throughout the period.
- Learners might produce
    - a "gantt chart" style plan (e.g. a table where boxes have been shaded in)
    - a calendar
    - a list of dates and durations of activities
- there will be a precise start and end date for specific elements of the campaign

Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
Presentation	0	1	2	3	4
	No rewardable material.	• Plan lacks professional format which leads to lack of clarity. • Contains many communication errors. • Contains few references to appropriate marketing terminology.	• Plan shows a clear but basic professional format. • Contains occasional communication errors. • Contains references to appropriate marketing terminology.	• Plan format is clear and looks professional. • Contains few communication errors. • Contains sustained references to appropriate marketing terminology.	• Plan has a professional format. • Contains no communication errors. • Appropriate marketing terminology is used throughout.

Marking Guidance

Evidence of a well written plan:

- Good use of language skills – e.g. vocabulary, SPAG generally correct, sentences are coherent/flow.
- Logical structure – work is divided into sections with separate points in separate paragraphs or as separate bullet points, use of headings to divide up material, content is placed into a logical order
- Use of marketing terminology – Marketing terms – either from the unit content or the candidates wider knowledge – are utilised accurately and where relevant. This occurs throughout the activity 2 work.
- Communication errors are not considered to be intrusive where they are:
  - Infrequent
  - Do not distort meaning/ comprehensibility of the text

In general, learners should be capitalising names/start of sentences, using full stops/commas correctly, using an appropriate standard of formal written language bearing in mind that the work is being produced by a teenager between the ages of 16 and 18 whilst under exam conditions.