



National Certificate of Educational Achievement  
TAUMATA MĀTAURANGA Ā-MOTU KUA TAEA

**2010**

## **Internal Assessment Resource**

Subject Reference: **Business 1.4**

Internal assessment resource reference number:  
**Bus/1/4\_A1**

## **Marketing Mix**

Supports internal assessment for:

Achievement Standard 90840 v1

Apply the marketing mix to a new or existing product

Credits: 3

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**Ministry of Education  
quality assurance status**

For use in internal assessment  
from 2010

### **Teacher Guidelines:**

The following guidelines are supplied to enable teachers to carry out valid and consistent assessment using this internal assessment resource.

### **Context/setting:**

In this activity a student will:

- Choose a new or existing **legal** product, **available in the New Zealand market**. Where possible, it is recommended that a variety of products are used within the class. The product may be chosen by the teacher or the student.
- Identify the target market, including culture and at least three other features, for example age, gender, income, lifestyle.
- Describe the marketing mix of the product. This will involve defining, describing and giving examples of the price, place, product and promotion of the product and the competitor's products.
- Present the material. The teacher or student may choose the method of presentation, for example a report, a poster, a marketing pitch to a panel, a power point, a role play, a portfolio or a video may be used. One of the tasks in this activity requires students to construct two graphs and apply data and interpret it.

### **Conditions:**

The marketing mix will need to be thoroughly taught in class before students are assessed using this assessment activity.

The planning, investigation, and completion of the presentation may be completed in class time or in the student's own time. Students will need to be given clear instructions regarding class time available.

Students will present their findings individually. It is an open book assessment.

If the presentation is not in written form then the student may be required to submit written evidence for marking and moderation, for example if the student does a role play then a copy of the script used may be required. This will need to be added to individual student instructions.

The suggested time allowed for students to complete the assessment tasks is 60-90 minutes.

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**Student Instructions Sheet**

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You will apply your understanding of the marketing mix to a new or existing product.

You will present your findings of the following four elements of the marketing mix:

- Product
- Price
- Place
- Promotion

Your work will be judged on how well you apply the marketing mix to your chosen product. This will involve how well you:

- Fully explain the marketing mix;
- Consistently and accurately apply appropriate skills and ideas;
- Integrate relevant business knowledge;
- Integrate a Māori business concept if relevant to your product.

This is an individual assignment in which you can use any resources you might need, e.g. notes you have taken in class.

You will be provided some class time to write your response to the tasks for assessment (your teacher will advise you about these times).

The format of the presentation of your findings will be negotiated with your teacher.

You must reference all sources of information e.g. class notes, websites etc. This is to help your teacher understand where you got the information from.

## Detailed Task Instructions:

In relation to your chosen product you are required to:

1. **Product**

- a) Describe the product and three features of the target market(s).
- b) Identify and explain a possible stage of the product life cycle. Fully explain one feature of the product's physical packaging and its function, and the product's unique selling point.

If using a service, identify and explain one feature of the product's physical environment, its function and the unique selling point(s).

If relevant, integrate an appropriate Māori business concept.

2. **Price**

State the price of the product and draw a graph that compares the product to the prices of two competitors' products. Fully explain the reasons for the differences in prices shown on your graph.

Draw another graph that shows how your product's pricing has changed over time. Fully explain reasons why these changes in pricing have occurred over time.

Identify and fully explain the product's pricing strategy(ies) used in relation to the target market(s).

If relevant, integrate an appropriate Māori business concept.

3. **Place**

Identify and fully explain the channel(s)/method(s) of distribution in relation to the target market. Compare these to those used by competitors.

If relevant, integrate an appropriate Māori business concept.

4. **Promotion**

Describe and fully explain the promotion strategy(ies) in relation to the target market(s).

If relevant, integrate an appropriate Māori business concept.

**Assessment Schedule: Business/1/4\_A1 - AS90840 - Apply the marketing mix to a new or existing product**

Question	Evidence towards achievement	Evidence towards achievement with Merit	Evidence towards achievement with Excellence
<b>Q 1</b> <b>(a)</b>	<p>The product is described.</p> <p><i>For example - Aroha Spring Water (ASW) is bottled spring water.</i></p> <p>At least three features (income, age, gender, household, geographical area, religion, lifestyle) of the target market are described.</p> <p><i>For example - ASW is marketed at young professional females/ those who lead an active lifestyle/ those with an affinity to tikanga Māori and iwi. The wording “whanaungatanga” on the bottom of the bottle shows this.</i></p>		
<b>(b)</b>	<p>The possible stage of the product life cycle (research and development, introductory, growth, maturity or decline) is identified.</p> <p><i>For example - ASW is a new product at the introductory stage.</i></p>	<p>The stage of the product life cycle is identified and the explanation refers to such things as revenue, costs and/or profit or technology, level of competition, time on market.</p> <p><i>For example – It is likely that ASW is a new product at the introductory stage as ASW has low revenue at present and high costs, so no profits are being made.</i></p>	

b) cont'd	<p>At least one packaging feature and its function are identified.</p> <p><i>For example – ASW's bottles are made of unbreakable lightweight glass, which can be carried easily by people who drink it.</i></p> <div data-bbox="347 579 658 675"> <p>Here the student has identified a packaging feature and its function</p> </div>	<p>At least one packaging feature and its function are identified and explained.</p> <p><i>For example - ASW's bottles are made of unbreakable lightweight glass, suitable for this product. This packaging appeals to those with active lifestyles. The packaging is easily portable and durable. The packaging is aesthetically appealing and reflects the brand image Aroha.</i></p> <div data-bbox="824 627 1160 715"> <p>The student has explained the packaging in detail</p> </div>	<p>At least one packaging feature and its function are identified and fully explained-</p> <p><i>For example - ASW's bottles are made of unbreakable lightweight glass, suitable for this product. The recycle symbol on the bottle indicates that the packaging is recyclable which relates to its branding and "pure image". This packaging appeals to those with active lifestyles and eco conscious. The packaging is easily portable and durable. The packaging is aesthetically appealing and reflects the brand image Aroha. Aroha is a concept that you cannot "see" and is universal and cross cultural in its appeal. Most NZ'ers are familiar with the term Aroha. Thus the packaging transcends cultures. A competitor, Flinders Range Water, has budget plastic packaging and is not branded recyclable. This is because while the product is actually made of recyclable materials, FRW don't see it as something they need to promote in their packaging. The price is more important than packaging.</i></p> <div data-bbox="1921 675 2190 770"> <p>Comparison to competitor's packaging</p> </div> <div data-bbox="1921 798 2201 1134"> <p>Here the student has integrated the Māori concept by comprehensively applying the concept to the product packaging and its target market. They have also fully explained the product's packaging in relation to its competitor, which adds both depth and breadth to the explanation.</p> </div>
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b) cont'd	<p>At least one unique selling point is identified. A Māori concept is stated.</p> <p><i>For example – its image draws on New Zealand/ Aotearoa’s clean green vision, e.g. name is Aroha.</i></p> <div data-bbox="344 502 705 576"> <p>Here the student has stated the Māori concept.</p> </div>	<p>At least one unique selling point is identified and explained. A Māori concept is included.</p> <p><i>For example – the purity of the product is reflected in its image of Aroha (love and purity), which relates to the clean and green image the product is promoting.</i></p> <div data-bbox="777 502 1160 624"> <p>Here the student has included a Māori concept by including a relevant concept and explained its meaning.</p> </div>	<p>At least one unique selling point is identified and fully explained in relation to another product or its competitors. A Māori concept is integrated.</p> <p><i>For example - the purity of the product (bottled spring water) is reflected in its conceptual branding Aroha (Māori concept relating to purity, love) – which is an aspirational concept appealing to Tangata Whenua, <u>one of the target markets</u>. Its competitor, <del>Flinders Range Water</del>, does not have aspirational/cultural branding (but is cheaper) and therefore does not appeal to the same target market.</i></p>
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Here the student has integrated the Māori concept by comprehensively applying the concept to the product and its target market. They have also fully explained the product in relation to its competitor, which adds both depth and breadth to the explanation.

<p><b>Q 2</b></p>	<p>The price of the product is stated and a reference to at least one competitor's price is made.</p> <p><i>For example – ASW is priced between \$4.00 and \$5.00. Its main competitor, the Australian import, Flinders Range Water, is priced at \$3.00 - \$4.00.</i></p>	<p>At least one pricing strategy is explained in detail in relation to the target market.</p> <p><i>For example - ASW uses a price skimming/premium pricing strategy because market research showed strong demand existed for ASW. Some customers during fashion week will pay the premium price due to their demand for a unique version of the product.</i></p> <div data-bbox="757 603 1016 772"> <p><i>Product</i> - The student has explained the strategy with some detail and has included relevant business knowledge.</p> </div> <div data-bbox="1039 603 1254 699"> <p><i>Because</i> - Key word for explain in detail.</p> </div>	<p>At least one pricing strategy is fully explained in relation to the target market.</p> <p><i>For example - ASW uses a price skimming/premium pricing strategy because market research showed strong demand existed for ASW, based on the packaging (portability, durability) and brand image. For fashion week the packaging has a unique limited coveted edition label. Flinders is not at fashion week and its pricing strategy does not change.</i></p> <div data-bbox="1921 338 2213 411"> <p><i>Image</i> - Have taken a Merit answer further.</p> </div> <div data-bbox="1921 485 2213 724"> <p><i>Flinders</i> - The student has fully explained the pricing strategy by making a comparison to another product as well as integrating relevant business knowledge in the answer.</p> </div>
	<p>An appropriate graph is drawn that applies the skill of graphing to one of the tasks.</p> <p>At least one pricing strategy (cost plus pricing, luxury pricing, psychological pricing, competitive pricing, differentiated pricing, promotional pricing, penetration pricing, target pricing, premium/price skimming) is identified.</p> <p><i>For example – ASW uses a price skimming/premium pricing strategy.</i></p>	<p>Two graphs that apply the data to reflect:</p> <ol style="list-style-type: none"> <li>1. Variation within price over time,</li> <li>2. Variation between product and competitors.</li> </ol>	<p>Two graphs that apply the data to reflect and, with full explanations, account with accuracy for;</p> <ol style="list-style-type: none"> <li>1. Variation within price over time,</li> <li>2. Variation between product and competitors.</li> </ol>



<p><b>Q 3</b></p>	<p>At least one channel/method of distribution is identified and reference to at least one competitor's channel/method of distribution is made.</p> <p><i>For example – ASW sells its product at exclusive health clubs, day spas e.g. Teina Day Spa in Rotorua, and restaurants. Flinders Range Water is sold at gyms and cafes.</i></p>	<p>At least one channel/method of distribution is explained in detail in relation to the target market.</p> <p><i>For example – ASW is only sold at outlets such as Fashion week and Teina Day Spa. These outlets reflect the brand image, because the distribution channel is exclusive. This complements the branding of the product appealing to the target market.</i></p> <div data-bbox="779 603 1207 676"> <p>Here the student explains in detail the reason for the distribution channel.</p> </div>	<p>At least one channel/method of distribution is fully explained in relation to the target market.</p> <p><i>For example - ASW is only sold at exclusive outlets which reflect the brand image and matches the target market's perceptions of themselves. This compares to Flinders which uses intensive mass distribution and is not concerned with image whatsoever. Flinders is more focussed on price and volume.</i></p> <div data-bbox="1924 316 2188 389"> <p>Compares - Key word for Excellence.</p> </div>
<p><b>Q 4</b></p>	<p>At least one promotional strategy (any sales promotions, advertising, direct marketing, product launch, competitions) is described.</p> <p><i>For example – ASW has arranged a stand at New Zealand Fashion Week and young Māori designers award at Fashion Week.</i></p>	<p>At least one promotional strategy is explained in relation to the target market.</p> <p><i>For example - ASW has arranged a stand at New Zealand Fashion Week and young Māori Designers Award. This is an exclusive event well attended by the target market and meets branding image through association with excellence in Māori design.</i></p> <div data-bbox="799 1145 1158 1230"> <p>Branding - Student has integrated relevant Māori concepts.</p> </div>	<p>At least one promotional strategy is fully explained in relation to the target market.</p> <p><i>For example - ASW has arranged a stand at New Zealand Fashion Week. This is an exclusive event well attended by the target market. A special edition bottle will be available in outlets during the events at Fashion Week. A promotional product will be available to attendees in "koha kete". Koha kete, aroha, whanaungatanga concepts all support the integration of ASW product branding. Flinders have tried unsuccessfully to be part of fashion week. Their branding is not considered appropriate for the events image.</i></p> <div data-bbox="1924 1193 2188 1315"> <p>Flinders - Comparison to competitor's promotional strategy.</p> </div>

**Overall Judgement Statement for the Standard**

*A grade should be awarded by considering all the evidence presented and making a holistic judgement using the following guides below*

<b>Achievement</b>	<b>Achievement with Merit</b>	<b>Achievement with Excellence</b>
<ul style="list-style-type: none"><li>• Identifying and describing marketing mix.</li><li>• Apply skills.</li><li>• Stating business knowledge.</li><li>• Stating Māori business concept where relevant.</li></ul>	<ul style="list-style-type: none"><li>• Explaining marketing mix.</li><li>• Consistently apply skills.</li><li>• Including business knowledge.</li><li>• Including a Māori business concept where relevant.</li></ul>	<ul style="list-style-type: none"><li>• Fully explaining marketing mix.</li><li>• Consistently and accurately applying skills.</li><li>• Integrating business knowledge.</li><li>• Integrating a Māori business concept where relevant.</li></ul>