



Australian Government

Department of Education, Employment and Workplace Relations

BSBMKG507A Interpret Market Trends And Developments

Revision Number: 1

BSBMKG507A Interpret Market Trends And Developments

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to conduct an analysis of market data in order to determine organisational and competitor business performance, and to prepare market and business forecasts that assist in targeting marketing activities and in drawing up a marketing plan. No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.
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Application of the Unit

Application of the unit	This unit applies to marketing professionals who use statistical techniques to analyse organisational and competitor marketing performance, and to interpret new and emerging trends when forecasting future business needs. Information gathered is used to assist in developing an organisation's marketing plan and to determine the current or potential future success of marketing strategies.
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Interpret trends and market developments	1.1. Use statistical analysis of market data to interpret market trends and developments 1.2. Analyse market trends and developments for their potential impact on the business 1.3. Use measures of central tendency or dispersion and correlations between sets of data for quantitative interpretation of comparative market data 1.4. Perform qualitative analysis of comparative market information as a basis for reviewing business performance 1.5. Analyse the market performance of existing and potential competitors and their products or services, to identify potential opportunities or threats
2. Analyse qualitative results	2.1. Analyse performance data from all areas of the business to determine success of marketing activities 2.2. Identify over-performing and under-performing products and services to be considered for redevelopment or withdrawal 2.3. Forecast existing and emerging market needs based on information available using forecasting techniques
3. Report on market data	3.1. Prepare, plot and interpret data for visual presentation 3.2. Assess visual presentation for potential problems, and take any necessary corrective action 3.3. Report on analysis of market data to meet organisational requirements in terms of content, format, level of detail and scheduling

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- facilitation and presentation skills to present statistical findings
- literacy skills to prepare reports containing complex ideas and concepts
- numeracy skills to use a range of statistical analysis techniques and elementary probability.

Required knowledge

- economic, social, and industry directions and trends
- key provisions of relevant legislation from all forms of government, codes of practice and national standards that may affect aspects of business operations such as:
 - anti-discrimination legislation
 - consumer laws including appropriate state/territory legislation
 - ethical principles
 - marketing codes of practice and conduct such as the Australian Direct Marketing Association (ADMA) Direct Marketing Code of Practice
 - privacy laws
 - Trade Practices Act
- software applications especially spreadsheets and statistical packages, and use of the internet
- statistical methods and techniques, and reporting formats.

Evidence Guide

EVIDENCE GUIDE

The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.

Overview of assessment

Critical aspects for assessment and evidence required to demonstrate competency in this unit

Evidence of the following is essential:

- applying a range of statistical techniques to analyse market trends and developments, current marketing performance and comparative market information
- documenting analysis of market data including visual presentation of findings.

Context of and specific resources for assessment

Assessment must ensure:

- access to office equipment and resources.

Method of assessment

A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit:

- analysis of responses to case studies and scenarios
- assessment of written reports presenting findings of statistical analysis
- demonstration of statistical and forecasting techniques in the workplace
- direct questioning combined with review of portfolios of evidence and third party workplace reports of on-the-job performance by the candidate
- observation of presentations
- oral or written questioning
- review of authenticated documents from the workplace or training environment
- review of testimony from team members, colleagues, supervisors or managers.

Guidance information for assessment

Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended, for example:

- BSBMKG401B Profile the market
- BSBMKG402B Analyse consumer behaviour for specific markets
- BSBMKG501B Identify and evaluate marketing opportunities.

Range Statement

RANGE STATEMENT

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

Statistical analysis may include:

- conversion rate of leads to sales
- measures of central tendency particularly for such things as:
 - average order value
 - average response rate
- measures of dispersion
- nature and degree of relationship between variables
- net response rate
- normal distribution probability curve
- sampling
- time series analysis such as:
 - speed of response curve
 - recency or frequency grids
 - lifetime value of customers
 - net present value of customers

Data may include:

- charts
- curves
- graphs
- spreadsheets

Market trends and developments may include:

- changes in technology
- changes in supplier prices
- demographic trends
- ecological and environmental trends
- economic trends (local, regional, national, international)
- government activities e.g. interest rates, deregulation
- industrial trends
- penetration of new technologies
- social and cultural factors

Measures of central tendency or

- cross-tabulations for grouped or ungrouped

RANGE STATEMENT	
<i>dispersion and correlations</i> may include:	- data • mean • median • mode • Z, T and chi square tests
<i>Sets of data</i> may include:	• geodemographic segmentations available from proprietary suppliers such as: • ACORN • MOSAIC • PRIZM • segmentation by customer lists such as: • average order value by units or dollars • geography • lifetime value by units, dollars and transactions • recency and frequency or response/purchase • segmentation of the prospect list by: • demographic match with customers • geographic match with customers • psychographic match with customers
<i>Comparative market information</i> may include:	• best practice information • books and articles, including: • academic • business • general • industry • brochures • direct mail packages • documentaries and interviews on broadcast media • inter-firm comparison data • international benchmarking • internet • public or proprietary research • speeches
<i>Performance of existing and potential competitors</i> may include:	• comparisons about: • corporate share price • market share

RANGE STATEMENT	
	• number of customers • profitability • sales in units or dollars
Opportunities may include:	• alliances • cooperative ventures • exports • extending, expanding or otherwise changing an existing business through: • increasing customer numbers • increasing average order value • increasing lifetime value of the customer • reducing costs of marketing • improving current products/services • developing new distribution channels • franchising • joint ventures • new products or services for existing markets • new products or services for new markets • potential for greater penetration of existing markets with existing products or services • strategic alliances
Threats may include:	• new competitor entering the market • new products or services being launched by existing competitors • increased number of inactive customers resulting in reduced average lifetime • reduced average order value resulting in reduced average lifetime value
Forecasting techniques may include:	• Delphi techniques • model building • projection • scenario planning • surveys of intentions • top-down forecasting bottom-up forecasting

Unit Sector(s)

Unit sector	
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Competency field

Competency field	Business Development - Marketing
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Co-requisite units

Co-requisite units		