



Australian Government

Department of Education, Employment and Workplace Relations

SIBXRES501A Investigate new products and services

Revision Number: 2

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Modification History

Not applicable.

Unit Descriptor

This unit describes the performance outcomes, skills and knowledge required to investigate, plan for and introduce new products and services. Personal services managers regularly investigate new products and services in order to change or enhance the business product or service range. They may be required to apply initiative and judgement, using a range of problem-solving and decision-making strategies.

Application of the Unit

This unit applies to the full range of personal services environments and may include single or multiple outlet businesses. Personal services managers may also be small business owners.

Licensing/Regulatory Information

No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.

Pre-Requisites

Nil

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements and Performance Criteria

Element

Elements describe the essential outcomes of a unit of competency.

- 1 Analyse market.
- 2 Plan product and service range.
- 3 Maintain supplier relations.
- 4 Negotiate supply of goods.
- 5 Monitor quality control.

Performance Criteria

Performance criteria describe the achievement of the element. Where information is detailed in the range statement. Assessment of evidence guide.

- 1.1 Identify workplace **marketing**
- 1.2 Informally monitor **client requirements** and client needs.
- 1.3 Monitor workplace **product** for individual items and seasonal trends.
- 1.4 Identify **opportunities to improve**
- 1.5 Research and identify potential **supplier claims**, and potential **market competition**
- 1.6 Identify **market competition**
- 2.1 Assess the salon product and **and procedures**, market analysis and impact and existing workplace **techniques** for conducted.
- 2.2 Identify **new techniques** for conducted.
- 2.3 Identify workplace space requirements mix according to the market
- 3.1 Establish and maintain **relationships**
- 3.2 Identify new and existing suppliers **performance indicators** and
- 4.1 Negotiate and implement workplace policies and procedures
- 4.2 Monitor stock and supplier appropriate required remedial
- 4.3 Convey records of negotiations **personnel** within designated
- 4.4 Take immediate corrective action with supply are indicated.
- 4.5 Analyse, evaluate and amend according to management, seasonal
- 5.1 Establish merchandise quality **legal requirements**, minimum and workplace policies and
- 5.2 Monitor **merchandise quality**
- 5.3 Record stock return figures

6 Introduce product range.

6.1 Inform staff of new product range and provide staff training.

6.2 Demonstrate, promote and sell new products according to workplace merchandise strategy.

7 Maximise profit.

7.1 Calculate or estimate individual product budget targets.

7.2 Develop product range assortment and set targets.

7.3 Maximise profit margins in product range.

7.4 Determine workplace pricing strategy according to stated net profit margin.

7.5 Negotiate specifications for new products.

8 Rationalise stock.

8.1 Update product range at regular intervals.

8.2 Identify product lines to be discontinued and effects on profit.

8.3 Consolidate stock as required.

Required Skills and Knowledge

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

Required skills

The following skills must be assessed as part of this unit:

- analytical skills to investigate products and services, including:
 - evaluation and analysis of market trends and projections
 - evaluation of supplier product claims
 - evaluation and analysis of sales figures and investment levels
 - evaluation and analysis of space requirements
- problem-solving skills to negotiate with suppliers
- planning and organising skills relevant to staff training
- literacy skills to research, source, read, comprehend and apply relevant information to evaluate products and equipment relevant to the range of services that may be offered by the business
- numeracy skills to cost and plan expenditure on new products and equipment
- technical skills to safely use new products and equipment.

Required knowledge

The following knowledge must be assessed as part of this unit:

- workplace policies and procedures in regard to merchandising and marketing
- legislation and statutory requirements, including consumer law, in regard to merchandising and marketing
- policies and procedures in relation to investigation of products and services, including:
 - industry codes of practice
 - market needs
 - range of products and services available
 - methods for substantiating claims of product and equipment performance
 - legislative requirements for the safe application of new technologies
 - current and future stock levels
 - existing and possible new suppliers
 - salon quality control procedures and requirements
 - salon environmental control procedures and requirements
 - staff product training policies
 - profit requirements.

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.

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

Evidence of the following is essential:

- applying research skills to source, identify and evaluate new products, equipment and services, including:
 - product performance
 - organisational capability to use new technology
 - staff training costs
 - risks and benefits to clients
 - risks and benefits to the business
- applying workplace policies and procedures in regard to:
 - market analysis
 - environmental impact controls
 - planning
 - procurement and rationalisation of product and service ranges
- maintaining supplier relations, including:
 - negotiating supply of goods
 - rationalising stock
 - monitoring quality control
- communicating product range information to team members.

Context of and specific resources for assessment

Assessment must ensure that:

- that competency is consistently demonstrated over a period of time and observed by the assessor or the technical expert working in partnership with the assessor as described in the Assessment Guidelines
- that competency is demonstrated in the workplace or a simulated workplace environment in a range of real workplace situations which may include client interruptions and involvement in other related activities normally expected in the workplace.

Assessment must ensure access to:

- the internet
- appropriate text and online resources
- information on professional and retail products and suppliers

- information regarding new products and equipment from a professional services range
- relevant workplace documentation including:
 - manufacturer's equipment instructions
 - product instructions
 - manufacturer safety data sheets
 - workplace policies and procedures manuals
- a range of clients with different product and service requirements.

For further guidance on the use of an appropriate simulated environment, refer to the Assessment Guidelines in this Training Package.

Methods of assessment

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

- observation of learners performing a range of tasks in an actual or simulated work environment, over sufficient time to demonstrate handling of a range of contingencies, including:
 - performing market analysis
 - negotiating supply of goods
 - rationalising stock
- research reports, case studies, and written and oral questioning appropriate to the language and literacy level of the learner, to assess knowledge and understanding of investigating new products and services, including:
 - market analysis
 - product and equipment evaluation
 - quality standards
 - profit margins
- completion of workplace documentation relevant to investigating new products and services procedures
- third-party reports from technical experts
- completion of self-paced learning materials, including personal reflection and feedback from a trainer, coach or supervisor.

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

- SIBXPSM502A Manage treatment services and sales delivery.

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.

Marketing and merchandising policies may include:

- current market position
- target markets
- quality control policies and procedures
- pricing, labelling and packaging requirements
- net profit margin.

Client requirements may include:

- price
- quality
- range.

Market trends may include:

- popularity of new and emerging technologies
- popularity of products with minimal environmental impact
- increased demand for some products and services
- decline of some services.

Product and service range may include:

- new or existing stock
- new or existing services
- new techniques.

Opportunities to improve sales and services may include:

- expansion of existing services
- introduction of new services
- increasing service capability through staff education and training
- equipment upgrade
- image update.

New products and services may include:

- new generation hair reduction equipment, including:
 - intense pulsed light systems
 - laser systems
- skin care products and equipment
- nail care products and equipment
- massage services
- relaxation services.

Supplier claims must include:

- substantiated ***research, such as:***
 - objective technical methods
 - clinical testing
 - sensory analysis by trained panels or by

- consumers
 - consumer or market research
 - published and peer reviewed outcomes.
- Market competition** may include:
- salons
 - day spas
 - private operators.
- Workplace policies and procedures** may include:
- pricing/profit margins
 - product placement
 - supplier payment
 - client service
 - market analysis
 - planning, procurement and rationalisation of product and service ranges
 - maintenance of supplier relations
 - quality control
 - environmental impact controls.
- New techniques** may include:
- new equipment
 - new products.
- Relationships with suppliers** may include:
- face-to-face contact
 - correspondence
 - telephone or electronic contact.
- Performance indicators** may include:
- price
 - quality
 - performance
 - supply reliability
 - product range.
- Records** may include:
- hard copy
 - electronic.
- Appropriate personnel** may include:
- staff
 - salon/store owner.
- Source of supply** may include:
- local
 - interstate
 - overseas.
- Legal requirements** may include:
- consumer law
 - inclusion or exclusion of goods and services tax (GST).
- Merchandise quality** may depend on:
- damage
 - expiry date.
- Terms of trade** may include:
- special buys
 - payment terms

- promotional deals with suppliers
- partnership promotions.

Unit Sector(s)

Cross-Sector

Competency field

Client Services