

Unit 41: Contemporary Issues in Marketing Management

Unit code: K/601/1037

QCF level: 5

Credit value: 15 credits

Aim

This unit will introduce learners to some current issues within the marketing industry including relationship marketing, customer relationship management, marketing in non-traditional contexts, marketing services and the increasing concern with ethical and social considerations.

Unit abstract

The role of marketing as a business function is increasingly viewed as an integral constituent of overall corporate strategy as organisations have become more aware of the need to develop long-term relationships with their customers.

The marketing industry has widened its scope to include non-traditional organisations such as those in the public and voluntary sectors. In this unit learners will examine how marketing theory is applied in not-for-profit organisations.

Services management, and therefore marketing, has been recognised separately since the 1970s. This unit also looks at the special approaches that service industry businesses need to adopt in a rapidly changing environment.

Ethical and social considerations have become increasingly important to all businesses and learners will investigate the impact this is having on marketing.

Learning outcomes

On successful completion of this unit a learner will:

- 1 Understand the importance of relationship marketing in a contemporary business context
- 2 Understand the role of marketing in non-traditional contexts
- 3 Understand the importance of applying the extended marketing mix in the service sector
- 4 Understand the reasons for the increasing emphasis on ethics and social responsibility in marketing.

Unit content

1 Understand the importance of relationship marketing in a contemporary business context

Marketing evolution: from production, transactions, consumer relationship marketing (CRM) ethos, internal and external relationships, supply chain relationships, increasing importance of customer retention rather than acquisition, value chain analysis

Benefits of relationship marketing: maximising customer equity, lifetime value of customer, competitive environment, how the marketing mix supports relationships – brand recognition – reference groups – consumer behaviours in relation to corporate identity; issues of credibility, trust and commitment in relationships with stakeholders

IT requirements in relationship marketing: range of ICT tools, loyalty cards, research capabilities, production online, access to customers; monitoring and controlling projects and marketing plans, IT used in planning, scheduling and resourcing activities within the plan

CRM: grown out of relationship marketing approach, what CRM systems can do, limitations and possibilities, integration with traditional methods, maximising value for customer and organisation, how internet and digital technologies can be used to enhance communications and relationships within channels and between B2B partners, increasing social CRM, use of social media e.g. YouTube, Twitter

Knowledge management: the growing importance of knowledge management as a key tool in gaining and sustaining competitive advantage, analytical CRM

2 Understand the role of marketing in non-traditional contexts

Public sector: importance of growth of marketing concepts in the public sector, mix of private, voluntary and public sector activity, public sector objectives, marketing as satisfaction of customer needs at maximum levels of efficiency, criticisms of marketing in public sector e.g. expense of branding initiatives, use of resources

Voluntary sector: types of voluntary sector organisations, role of marketing – customers, donors and beneficiaries of voluntary sector organisations; budgeting and performance in voluntary sector organisations, use of different marketing techniques e.g. direct methods, intervention marketing, virtual marketing

Customer identification: the nature of relationships with customers in not-for-profit organisations, nature of message and methods of communication, customer benefit and recognition, stakeholders in not-for-profit organisations, prioritising stakeholder needs e.g. power/interest grid

Virtual organisations: the importance of the e-commerce revolution, online purchasing and production, particular aspects of relationships with customers in virtual organisations, e-marketing mix, trends in virtual/real mix of activities

3 Understand the importance of applying the extended marketing mix in the service sector

Extended marketing mix: people, processes, physical evidence; the development of services management and marketing as a separate discipline

Service/product mix: nature of services as intangibles, services as added value to product mix, services within relationship marketing, service sector growth, increasing importance of services in developed economies, globalisation of services provision

Managing the process of service marketing: perishability and heterogeneity of services, particular marketing approaches in service industries

Managing the quality of services provision: customer perceptions of quality, measurement of customer satisfaction levels, importance of customer retention

Role of ICT: how ICT can be used to manage the process of marketing in the services industry e.g. customer databases, capacity analysis, dynamic pricing, internal marketing research

4 Understand the reasons for the increasing emphasis on ethics and social responsibility in marketing

Corporate social responsibility (CSR): corporate reputation, economic, legal, ethical and philanthropic social responsibilities; impact on brand reputation

Societal marketing: development in the evolution of marketing

Ethical considerations: business ethics, globalisation, international marketing ethics, pressure group activity, environmental/ecological issues, international protocols, sustainable marketing; ethics and responsibility in marketing research

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand the importance of relationship marketing in a contemporary business context	1.1 explain the concept of knowledge management and its role in relationship marketing 1.2 explain the ways that ICT can support the customer relationship management process in a particular organisation 1.3 describe the benefits of customer relationship management in a selected organisation 1.4 make justified recommendations for the improvement in customer relationship management for a selected organisation
LO2 Understand the role of marketing in non-traditional contexts	2.1 carry out a stakeholder analysis for a voluntary sector and a public sector organisation 2.2 describe the nature of the relationships with customer within two selected not-for-profit organisations 2.3 compare methods used in marketing within the public, private and voluntary sectors 2.4 explain the key issues involved in marketing in a selected virtual organisation
LO3 Understand the importance of applying the extended marketing mix in the service sector	3.1 describe the use of the extended marketing mix in a selected service sector businesses 3.2 explain how the product/service mix can be used to enhance value for the customer and organisation 3.3 explain how difficulties peculiar to the marketing of services can be overcome with reference to a particular organisation 3.4 explain the role of IT in services marketing management in a selected organisation

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO4 Understand the reasons for the increasing emphasis on ethics and social responsibility in marketing	4.1 explain some of the current issues of ethical and social concern to marketers in a particular industry 4.2 explain the concept of CSR with reference to a particular organisation 4.3 evaluate the role played by a selected pressure group in influencing ethical and social marketing policies for a selected organisation 4.3 evaluate the role played by published or broadcast media in influencing ethical and social marketing policies for a selected organisation.

Guidance

Links

This unit links with all the other marketing units in the specification.

Essential requirements

Learners must have access to a learning resource centre with a wide range of marketing texts. Texts must be supported by use of journals, company reports and government statistics. Case studies, videos and documented examples of organisations and their marketing, auditing and planning techniques must be used to illustrate the topical nature of this unit. The contemporary nature of this unit requires the use of current material that can be accessed through professional institutes' publications and websites.

Employer engagement and vocational contexts

Employer involvement in delivery of this unit would enhance relevance and currency. Employers could contribute by explaining their customer relationship management systems and/or by explaining how their marketing is affected by the contemporary issues covered in this unit. Access to marketing plans or data would also be useful.