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| Title | Determine advertising options for small business enterprises | | |
| Level | 4 | Credits | 5 |

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| Purpose | People credited with this unit standard are able to: identify business and marketing objectives, and determine advertising needs; evaluate appropriate advertising and media options; cost advertising options; and evaluate and determine advertising options. |
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| Classification | Marketing > Generic Marketing |
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| Available grade | Achieved |
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Guidance Information

Small business enterprises are diverse, and determination of advertising options for small business enterprises could require consideration of a range of current legislation such as:

- Fair Trading Act 1986
- Consumer Guarantees Act 1993
- Commerce Act 1986
- Sale of Goods Act 1908
- Human Rights Act 1993
- Privacy Act 1993.

Outcomes and performance criteria

Outcome 1

Identify business and marketing objectives, and determine advertising needs.

Performance criteria

- 1.1 Business factors are reviewed in relation to advertising needs.

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| Range | business factors – location, method of operation, product lines or range of services provided, pricing factors, distribution factors, level of service, customer base, competition, competitive advantage. |
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- 1.2 Business objectives for provision of products and/or services are identified and used to determine the key business outcomes that the advertising is intended to achieve.

Range business outcomes may include but are not limited to – building awareness and promoting image; enhancing consumer understanding of products and/or services offered; establishing benefits of products and/or services; responding to seasonal sales variations; attracting new customers; consolidating loyalty of existing customer base; managing inventory levels.

- 1.3 Marketing objectives are identified and used to determine the marketing focus for advertising activities in terms of sales volume, market share, and profit.
- 1.4 Customer needs for products and/or services are researched, target customer profile is established, and target market area is determined in relation to location and distribution method(s) and capacity of the business operation.
- 1.5 Needs of the small business operation are determined in relation to the development and execution of cost-effective messages and advertisements that achieve targeted customer response(s), and advertising and marketing objectives.

Outcome 2

Evaluate appropriate advertising and media options.

Performance criteria

- 2.1 Advertising media options are determined and evaluated in relation to methods for communicating product and/or service features and benefits, and enhancing customer awareness of need for product and/or service.

Range print media options may include but are not limited to – newspaper, magazine, broadsheet, leaflet, brochure, directory, outdoor signage; electronic media options may include but are not limited to – radio, cinema, television, computer, telecommunications.

- 2.2 Features and benefits of media options are evaluated and assessed in terms of their capacity to achieve key advertising outcomes.

- 2.3 Direct response advertising techniques are identified and evaluated for their effectiveness in achieving advertising objectives for the product and/or service.

Range techniques may include but are not limited to – telephone, direct mail, newspapers, magazines, television, coupons, radio.

- 2.4 Providers of advertising advice are identified, and their services are evaluated for effectiveness in achieving advertising objectives for the product and/or service.

Range service providers may include but are not limited to – advertising agencies, consultants, contractors, media services, competitors, informal sources.

Outcome 3

Cost advertising options.

Performance criteria

- 3.1 Cost analysis determines standard costs of time and space for selected advertising media.
- 3.2 Cost analysis assesses variable costs related to advertising timing, frequency, seasonality, and special offers.
- 3.3 Comparisons are made of costs of professional advice and services provided by advertising agencies, consultants, contractors, and media services.
- 3.4 Cost-free options are identified and assessed in terms of advertising potential.
- Range sources of options may include but are not limited to – publications, trade and/or service associations, suppliers, media services, staff, customers, personal and business contacts.
- 3.5 Cost-effectiveness of advertising options is assessed in relation to achievement of target customer responses, advertising outcomes, and marketing objectives.
- 3.6 Targeted advertising results are quantified in relation to selected marketing objectives for product lines and/or services.
- Range sales volume, market share, profit.
- 3.7 Advertising budget is established that resources advertising activities within the funding capacity of the small business enterprise.

Outcome 4

Evaluate and determine advertising options.

Performance criteria

- 4.1 Advertising content, copy, layout, and timing are developed and evaluated in terms of meeting advertising needs.
- Range evaluation may include but is not limited to – advertising message; product and/or service information; visual impact and appeal; advertisement size; location within print media; timing of broadcast media; accuracy of content; extent of customer focus of advertisement; customer response stimuli; business image enhancement; period of advertising activity.
- 4.2 Advertisements are evaluated for accuracy of information and compliance with legislation and local government regulations governing advertising activities.

- 4.3 Advertising options are selected that are consistent with advertising needs and key business outcomes, marketing objectives, target customer responses, and are within the capacity of the small business enterprise to resource.
- 4.4 Provision is made for monitoring, evaluation, and adjustment of advertising activities to meet changing needs of the enterprise.

This unit standard is expiring. Assessment against the standard must take place by the last date for assessment set out below.

Status information and last date for assessment for superseded versions

| Process | Version | Date | Last Date for Assessment |
|-----------------------|---------|------------------|--------------------------|
| Registration | 1 | 22 February 1996 | 31 December 2016 |
| Revision | 2 | 12 May 1999 | 31 December 2016 |
| Revision | 3 | 16 January 2001 | 31 December 2016 |
| Revision | 4 | 12 January 2006 | 31 December 2016 |
| Rollover and Revision | 5 | 22 August 2008 | 31 December 2016 |
| Rollover and Revision | 6 | 17 November 2011 | 31 December 2016 |
| Rollover | 7 | 18 April 2013 | 31 December 2018 |
| Rollover | 8 | 16 April 2015 | 31 December 2022 |
| Review | 9 | 12 December 2019 | 31 December 2022 |

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| Consent and Moderation Requirements (CMR) reference | 0113 |
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This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.