**SESSION PLAN**

**COURSE:** ABE Level 4 Principles of Marketing Practice

**ELEMENT:** Element 2 – The marketing environment

## **LEARNING OUTCOME 2**

**Discuss the elements of an organisation’s marketing environment and how it can be assessed (Weighting 20%)**

2.1 Review an organisation’s internal environment and its impact on marketing

2.2 Discuss the elements of the micro- and macro-environments and their impact on marketing

**NUMBER OF SESSIONS:** Two - approximately ten hours in total

**SESSION TOPICS:** Session 1: Reviewing an organisation’s internal environment

Session 2: Understanding an organisation’s external environment

**Note to tutors: This is the recommended session plan for Learning Outcome 2, Element 2 of the ABE Level 4 Principles of Marketing Practice. You should follow the plan, using the resources (referenced as ‘slides’ here) and activities provided. It is important to enhance all sessions with local examples and case studies, involving the learners ACTIVELY wherever possible.**

### SESSION 1: Reviewing an organisation’s internal environment (4 hours)

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| **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative Assessment** |
| Introduction to session and learning outcomes | Use file: **4UPMP Tutor Presentation E2.pptx**  Learning outcome 2.1: Review an organisation’s internal environment and its impact on marketing | 1-4 | In small groups, learners discuss why they think it’s important to create a marketing plan or strategy. |  |
| How to understand the marketing environment | Before any marketing activity can be carried out, a marketing strategy must be created - based upon an understanding of all the factors that may have an impact on the strategy’s effectiveness. Make it clear that ‘effectiveness’ means ability to reach business aims - different for all organisations. A plan is important because it means:  - clear roles and activities  - time management and budget planning  - accountability  - testing and improvement  Explain that strategies are based on insight which must be gathered through audit and analysis. Explain than audits can be carried out regularly, and the importance of using analytical frameworks such as those we’ll be learning.  Talk the learners through the SWOT analysis as a framework for conducting an audit, explaining what is meant by Strengths, Weaknesses, Opportunities and Threats and clarifying that S and W are usually internal, O and T usually external. Lead a discussion on the benefits of using SWOT as a framework, using locally relevant examples to help them understand. (**Activity 1**) | 5-7 | **Activity 1** - in groups and create a list of examples of factors that could fall into each SWOT category. Discuss findings with the class.  Discuss the benefits of using SWOT as an analysis framework as a group. | E2 LO2 Activity 1: SWOT analysis |
| Conducting an internal audit and assessing internal factors | Explain the fundamentals of what is included in an internal audit, and the purpose of this.  Talk the learners through the key categories that this audit may encompass and why each one is a valuable part of the auditing process.  Split the learners into four groups for a two-part exercise that allows them to understand the process of conducting an internal audit. (**Activity 2**)  - financial resources  - human resources  - production logistics  - corporate  Brief learners on **Activity 3** - building an action plan for a marketer to find the data required to complete a valuable audit. Each group should be responsible for one category.  After each of these exercises, bring the groups together to share their conclusions, and match them to those on Slide 9. Ensure the conversation includes an assessment of what data is easier to find, and that which may be more difficult, and ways to work around any problems.  Explain that after conducting an internal audit, a marketer’s job is to assess the data to make qualified decisions that will contribute to the marketing plan.  Remind students of the SWOT analysis framework learned earlier and use locally relevant organisations as examples to illustrate what these Strengths and Weaknesses could be in practice. | 8-10 | **Activity 2** - In groups, look at each category that an internal audit includes and write a list of what these factors may include. Discuss findings with the group.  As a group, use local organisations to test the practice of identifying Strengths and Weaknesses. Choose a number of locally relevant organisations and suggest potential Strengths and Weaknesses each organisation might have.  **Activity 3** - Individually, in class or as homework, create an action plan for how a marketer may complete the internal audit. | E2 LO2 Activity 2: Conducting an internal audit  E2 LO2 Activity 3: Internal audit action plan |
| Review of session and learning outcomes | Learners should now understand the value of conducting audits and analyses before creating a marketing plan, and which internal factors are important to consider when conducting an assessment.  Homework will allow learners to contextualise this with clear examples in organisations they are familiar with. |  |  |  |

### SESSION 2: Understanding an organisation’s external environment (6 hours)

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| **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative assessment** |
| Introduction to session and learning outcomes | Use file: **4UPMP Tutor Presentation E2.pptx**  Learning outcome 2.2: Discuss the elements of the micro- and macro-environments and their impact on marketing | 10 | Discuss the difference between internal and external factors when it comes to completing audits and analyses. |  |
| Assessing the micro-environment | Start off by responding to the suggestions students gave in their previous discussions about the differences between internal and external factors, highlighting the central one: external environments are factors that are beyond the control of the organisation, yet have a huge and far-reaching impact.  Explain that there are micro and macro factors and we will be covering both.  Micro factors are the immediate factors directly surrounding a company that directly affect its ability to serve its purpose and meet its objectives. The specifics of each of these categories depend greatly between organisations, but the broad categories remain the same. Talk through each of the broad categories as per slide 12. As a class, create a definition for each of the categories, ensuring they remain similar to the following:  - customers: the party who purchase from the organisation  - competitors: organisations competing for the same customers  - suppliers: providers of required products or services  - third parties: intermediaries or agents  Use local organisations to give contextual examples, and encourage learners to contribute to these.  Learners should then consider what is important to track within each micro-environment factor and list ways to do this (**Activity 4**) | 12-13 | Class discussion defining each of the categories that are significant to an organisation’s micro environment. Suggest examples from your local area.  Brainstorm what is important to track in each micro-environment factor.  **Activity 4** - Individually, in class or as homework, list some ways a marketer can keep track of the micro environment | E2 LO2 Activity 4: Tracking the micro environment |
| Porter’s Five Forces Model | Explain that, similar to a SWOT analysis, Porter’s Five Forces Framework helps a marketer assess the data about the micro-environment available to them.  Using the definitions of customers, competitors and suppliers the class agreed on earlier, explain each factor of Porter’s Five Forces framework, and how they lead to a ‘result’ of the Scope of Rivalry. Explain that the scale of rivalry is how easy it is to compete within a particular industry, and how this may impact a marketing strategy.  Split the learners into groups to write a list of the key factors within each Force that a marketer must take into account (**Activity 5**). Encourage them to be as specific as possible, giving examples from different organisations in specific industries, particularly locally relevant ones. Get each group to report back to the class and ensure that the factors reflect those shown in the slides. Try to give some local examples for each.  Finally, lead the class in a brainstorm of the benefits of using a model like Porter’s Five Forces, ensuring that they touch upon the following:  - clarity and a valuable ‘snapshot’  - accurate across industries and locations  - data to back up assumptions  - a format that can be shared organisation-wide  Consider the specific benefits in your area, as well as any disadvantages. | 14-19 | **Activity 5** - In small groups, write a list of the key factors within each Force that a marketer must take into account. Report back to the class and discuss different groups’ findings.  Class discussion about benefits and disadvantages of using Porter’s Five Forces Model in your particular location. | E2 LO2 Activity 5: Porter’s Five Forces |
| Assessing the macro environment | Explain the key differences between the micro and macro environment, and introduce the PESTLE model as a framework for assessing and evaluating the impact these wider concepts can have on an organisation.  After learners have separated into groups, they should clarify each of the wider concepts into clear factors that may impact the business, giving specific examples from different industries and locally relevant organisations. (**Activity 6**) Get them to report back on their brainstorms.  Following this, encourage debate around the benefits and considerations when using the PESTLE model, focusing specifically on locally-relevant organisations and contexts. Ensure the following points are covered:   * a structured, wider and more long-term view of the likelihood of success of an organisation * gives wider context of organisation * can be applied to any industry or locale using the same criteria * recognised methodology can be shared throughout the organisation | 20-26 | **Activity 6 -** In small groups, brainstorm some more concrete factors within these concepts that may have an impact on the organisation. Report findings back to the wider class.  Participate in a discussion of the benefits and considerations when using the PESTLE model, focusing specifically on locally-relevant organisations and contexts. | E2 LO2 Activity 6: Understanding PESTLE |
| The impact of external factors and responding to threats and opportunities | Summarise the fact that learners have now established an understanding of the various contributing factors to the micro and macro external environments, then introduce the next step - bringing the various criteria and frameworks together to assess how these will impact the marketing of the organisation.  After this, remind learners of the SWOT analysis and specifically about how the O and T refer to external factors. As a group, practically discuss how marketers might identify opportunities and threats from the frameworks. As a class, brainstorm some potential opportunities and threats that might arise, using a variety of industries as starting points and considering local organisations as contextually relevant examples.  Encourage learners to think practically about reacting to threats and opportunities in their marketing strategies and brief them for homework (**Activity 7**). | 27-29 | Participate in a class brainstorm to build a list of some potential opportunities and threats from external factors.  **Activity 7** - Individually, in class if there is a good Internet connection, or as homework, complete a hypothetical external audit and analysis based on the case study provided. | E2 LO2 Activity 7: Completing an analysis |
| Review of session and learning outcomes | Learners should now understand the relationship between the internal and external environments have on organisations.  Homework will allow learners to understand the application of the frameworks and models covered. |  |  |  |