**The Bicycle Shop – Feedback and Common mistakes**

**FEEDBACK & COMMON MISTAKES FOR PART B WRITE UP**

**General feedback**

Read the case study very, very closely and be clear on what the business wishes to achieve with its marketing campaign.

The key points from bicycle shop case study re: aims which were overlooked by some students:

* The business believe that there is potential **to further increase revenue** by **selling more from their existing range of products**.
* The owners wish to launch a marketing campaign that will **focus on one particular segment of the market.** Either AFFLUENT PROFESSIONALS or PRICE CONSCIOUS CUSTOMERS
* They would like to **attract more customers to the store** and **increase the probability of them making a purchase**

Everything that you write about / suggest in your PART B write up MUST be relevant to/suitable for what the business wants to achieve.

Therefore in the case of the bicycle shop, you should not be suggesting any new products or increasing online sales etc.

# ACTIVITY 1 FEEDBACK

**1. Rationale (4 marks)**

Some students wrote too much here / some wrote to little.

* This is an introduction – it should be a decent paragraph including most of the points in the Activity 1 template document but briefly.
* This section is only worth 4 marks so DO NOT spend a lot of time on this

Key points you should have included:

* A medium sized business
* A firm with a large number of affluent customers
* A relatively small marketing budget of £10,000 (equivalent of between £830 and £625 per week depending on the length of the campaign)
* The need to focus marketing activity on a specific market segment
* A campaign of between 12 and 16 weeks
* Market segment being targeted
	+ If targeting affluent customers, the focus is likely to be on selling a smaller number of more expensive bikes
	+ If the focus is on price-conscious customers then the focus is likely to be on selling a larger number of inexpensive bikes
	+ e.g. volume vs value

**2. Marketing objectives (8 marks)**

Again, some good work here but some students did not set enough objectives.

Most students also need to improve their structure here.

* Objectives MUST help achieve the overall aims of the campaign.
* You should **write the objective in a concise sentence** following the SMART structure.
* Underneath each objective you should write a paragraph of JAM specific to the objective / aim of the campaign
	+ J = Justify: Why is that an important objective?
	+ A = Analyse: How does this objective link to the information you’ve been given in the case study? What might it lead to?
	+ M = Make links to research: How does this objective relate to the information you’ve gathered about the market?

Examples of SMART objectives (suitable for aims) written in a concise sentence:

• Achieve an increase of 10% in the number of affluent customers by week 6 of the campaign

• Achieve a 20% increase in the level of demand for folding bikes by week 8 of the campaign

• Achieve at least 5 Brompton Bikes sales per week

**3. Research of the market and external environment (12 marks)**

\*\*This is an important section – has the most marks available in Activity 1\*\*

* Most students completed PESTLE and SWOT here but did not include research to do with the UK bicycle/folding bicycle market or the target market.

(It would be useful for everyone to revise PESTLE and SWOT. Please find these in the new ‘Beck’s resource’ section on the main Unit 2 Godalming Online page, just below the ‘Pop up Cinema’ section).

* There was also a lack of justification (JAM).

You should be writing JAM paragraphs for each section of your research (i.e. justify, analyse, make links between research and case study) as you go.

This section of your activity 1 should include:

* Market data
* Target market data

Detailed JAM paragraphs needed for each

* PESTLE
* SWOT
* Reliability and validity of the data

Examples for the above sections in context of The Bicycle Shop case study:

Market data e.g. the number of firms in the market (manufacturers and/or retailers), the value of sales in a given period of time, the number of bikes/folding bikes purchased in a given period of time, the relative market share of different firms, the number of consumers, costs/charges/issues associated with services such as bike repairs, storage/parking, taking onto trains/buses

Prices of bikes on the secondary market e.g. ebay

The names of the main brands of folding bikes, details of specific products/ accessories offered e.g. Brompton M6L, Brompton Electric, Brompton Bike builder, Dawes Kingpin, Dahon Briza, Dhaon Ciao

Details of other retailers (i.e. competition) offering Bikes – e.g. Evans Cycles, Halfords

Market data relating to products in direct and/or indirect competition with folding bikes – e.g. normal fixed frame bikes, ebikes, motorbikes, scooters, rollerblades, skateboards.

News/ current events relating to bikes/folding bikes

Target market e.g. profiles of consumers in the market for bikes/ folding bikes (e.g. demographic details, psychographic details), cultural factors relating to the use of these types of bike in one or more markets

PESTLE Remember, it is important to **ANALYSE** how each factor you’ve identified can have a positive/negative impact on what The Bicycle shop is trying to achieve with its marketing campaign.

You should aim to have two points for each factor.

For example:

Political factors: Cycle lanes, Boris Bikes, bike to work scheme (subsidised), London congestion charge keeps traffic down

Economic factors: interest rates (remember, can impact consumer spending), cost of train travel increasing, rush hour trains very expensive

Social factors: Greener lifestyles, healthy activities, the rise of interest in cycling in the UK post 2012 Olympics

Technological factors: growth in E Bike ownership, growth in complementary goods – e.g. folding helmets, Boris bikes etc. booked on an app, Uber very cheap alternative to tube

Legal factors: Bike helmets

Environmental / ethical factors: Move for not creating pollution, less car use

SWOT:

Strengths of the proposal (internal):Small independent store that can target and service a niche market

Weaknesses (internal)**:** Only one shop so cannot match the economies of scale that Halfords or Evans can

Opportunities (external):Healthier lifestyles, train travel expensive,

Threats (external): The competition, Uber and Boris bikes also very easy to access

Reliability and validity of the information gathered in your research:

When writing up your findings for the above sections, you absolutely have to comment on the reliability and validity of your research / data.

For example: *all data has been taken from recent and well known publications* - say which, e.g. Government websites, Mintel, The Sunday Times, Brompton Bikes website, Cycling UK website, etc. etc., so that you can say that this shows the information is reliable.

If the data is recent, then you can say that it is valid, if it is not too recent you can comment on how this might affect its validity.

You need to show understanding of the information gathered and that you have an analysed it and drawn relevant and balanced conclusion.

 **4.** **Justification (10 marks)**

Some students missed this section altogether.

Others did not write enough.

All sections should be justified (JAM) as you go and then concluded in this section.

**The 10 marks are awarded for all of your justification throughout Activity 1 (not just this section)**

Examples of what to consider in conclusion:

*The SWOT analysis shows that X product/proposal has a number of strengths such as…*

*Also the data shows that the trends for this market/product are …….*

*In addition, the company could also consider producing …… give a reason for whatever additional suggestions you can add*

Comment on the ability of the company/product to compete having undertaken the PESTLEC and SWOT

If appropriate, comment on short term/long term implications of your proposal

# ACTIVITY 2 FEEDBACK

**1. Marketing Message and Mix (20 marks)**

\*\*This section has the most marks available and is therefore very important\*\*

\*Must be related to the case study and your Market Research\*

Marketing Message

Most students wrote this well.

Key things to remember, must identify and describe the target market and convey the “vision” of you marketing campaign. Remember to support with any links to data.

Marketing Mix 4Ps + additional 3 Ps

* Most students put forward suitable ideas in their marketing mix.
* What was lacking for some students was JAM,

For every idea/suggestion you put forward for the marketing campaign you must justify why you are suggesting that/using that method, analyse how it will help to achieve the marketing objectives and support/back up with by making links to the case study/research.

* Regarding structure: It makes most sense to start with “Product”.

I would then discuss Price, Place, Physical resources, People and Processes. All of which need JAM (i.e. JAM for every P).

* Promotion should be discussed last and you should explain each method of promotion you are going to use separately with brief JAM for each method – why is that promotional method appropriate? How will it help achieve objectives?
* You MUST uses a range of promotional methods, 2 or 3 is not enough.
* You MUST spend as close to the full budget as possible (but do not go over budget).

Example for marketing mix for Bicycle Shop (not including JAM) for affluent professionals segment:

Message

Affluent professionals who commute every day on the train into a city may be cash rich but are likely to be time poor. The marketing mix will therefore need to meet the needs of the target market and presents an opportunity to create a USP of customer service and an enjoyable experience when dealing with this bicycle shop.

Marketing Mix

* Product

Folding bikes (Brompton because these are good quality bikes which will meet the expectations of the affluent professional)

Also – accessories

An App with a booking service and access to other facilities offered by the bicycle shop to enhance the product for example the range of accessories by Rapha and other top brands, a café space, social events, a club that members can join with activities (club rides and events) and a generally more personal and independent service that reflects the needs and expectations of an affluent professional.

* Price

Competitor based pricing strategy but in line with other independent bicycle shops not the large chains such as Evans or Halfords. The Brompton bikes range from £745 at the bottom end to £3450 for an electric folding bicycle at the top end of the market. Accessories and clothing will be priced with a skimming strategy and upmarket brands (such as Rapha) stocked in line with the expectation of the target market.

* Place (distribution)

Will be through the bicycle shop and the website. Repairs and service will be take place in store and also a customer bicycle pick-up and delivery service will be available to enable bikes to come into the workshop without inconveniencing the customer.

* People

Staff will be cyclists who are passionate about the products and must be knowledgeable and well trained. They need to be able to provide good customer service and understand the needs of the customer. They will be able to deal with customers face to face and on the phone. They will wear a branded shop bicycle kit so that they can be easily identified and appear professional so that they meet expectations.

* Physical Environment

The shop needs to be an experience because the commuter may have little leisure time and a trip to the shop needs to be as enjoyable as possible. A café area similar to the ones that the Rapha store in Regent St offers will be in the front of the shop to draw new customers in and give existing customers somewhere to wait or the chance to have a coffee whilst browsing the stock. The store must stock

* Process

The shop will take all credit cards and Apple Pay but in addition online purchase is essential for buying goods online or for booking a service or repair. There will be an App through which repairs or service requirements can be booked and a pick up and return service can be booked through this also. The App should allow customers to check on the status of the repair. There will be a courtesy bike loan service available so that customers can still use a bike to commute even when their bike is in the workshop. This is the sort of service that other shops or large chains of bike shops do not offer and will be a USP for the Bicycle Shop.

**2. Budget (8 marks) and Timescale (4 marks)**

If possible, it is best to use a table here (like the example below) because then you demonstrate budget and timescale (i.e. how long that promotional method is used for).

But if you are struggling for time, just write how much is being spent on each promotional method and how long the method will be used for (e.g. throughout entire campaign, during weeks 1 and 6 etc.) in the paragraphs under “promotion” in the marketing mix.

Make sure you also include your total spend at the bottom of the promotion section if not using a table.



Remember not every method will necessarily be used throughout the whole campaign. For example, leaflets may be distributed at the start then maybe again half way through. Developing a website would be a one off initial cost.

IMPORTANT:

* In order to qualify as realistic, the use of methods such as newspaper advertising must also include an appropriate allocation of funds for the production of the advert as well as the cost of placing the adverts.
* For top budget mark band, you should break down the specific promotional activities – e.g. - Cost of using staff to make posts on social media, - costs of printing leaflets, posters etc., - costs of producing video content.
* For top timescale mark band, promotional activity should be spread throughout the period. - Precise start and end date for specific elements of the campaign.

**3. Presentation** **(4 marks)**

For top marks, your plan must have a professional format (make use of subheadings etc.), no written error and make use of appropriate marketing terminology.

# Overall

On the whole, the Bicycle Shop work that was submitted was good, well done.

It was clear that some students had worked very hard, some maybe not as hard. Some students did lots for one activity but not the other.

Please use the document in the Beck’s resources section on Unit 2 page on “Timings for Unit 2” to remind yourself how much time you should be spending on each section.

Timing is very important, if you spend more time than is needed on activity 1 you will have less time on the more heavily weighted (in respect of marks) marketing mix section of activity 2.

Key areas for improvement:

* JAM throughout all sections
* Analysis in PESTLE and SWOT
* More promotional methods with good JAM linked to objectives
* Making full use of budget