# 252206 – 252211 FORMATIVE ASSESSMENT

### Formative Assessment 1

#### Group Research Project

So far you have learned how to deal with positioning strategies, how a product is positioned within a market as well as what the products’ life cycles are in relation to the markets.

Now you are required to identify one product from your competitors (or a product other than what was mentioned) and apply these principles to the particular product.

Your research needs to include the following:

1. Phases of product life cycles are identified and explained for each stage.
2. Product life cycle stages are evaluated and implications for new product development or modification of existing products are described
3. Implications for marketing programs related to product life cycles are identified and described for each stage.
4. Potential marketing opportunities are identified for each stage.

Once you have completed your research, all your findings must be completed in a report format. You will be required to deliver your report to the rest of the class and answer their questions, as per a normal marketing meeting.

You need to ensure that your information is true and correct and should make use of as much samples, examples and media as what you possibly can to enhance your information and decision.

**Activity 2**

2.1 Identify two (2) direct competitors within your industry sector by making observations and assumptions, and using any other documented information.

Report on the following:

* Organisational threats
* List two strengths and weaknesses of your major competitors
* Tactics to match competitive strategies according to marketing requirements
* Roles and responsibilities of team members that relate to defensive activities

Group activity

2.2 Use Porter’s five forces model to determine exactly where the power is most prevalent within your industry sector. Make comments about how your organisation can deal with the situation.

By using Porter’s five factor model of profitability, discuss each factor by applying it to your organisation.

Guidelines:

1. Bargaining power of suppliers: Now that there are more clothing stores/companies opening, the suppliers are shooting up their prices for the material of the t-shirts.

2. Threats of potential entrants: If there is a new corporate clothing company opening in the same area, it is possible that this company will steal some of your clientele. And word on the street is that they also have the competitive advantage of manufacturing caps as well. This company is a definite threat to yours, as they are situated in the same area and have an addition to the product line (e.g. caps). The extra product will be used to lure new clients by advertising it.

3. Competition among existing competitors: There already exists a clothing store that sells t-shirts in bulk that has been your closest competitor for the last year or two.

4. Bargaining power of customers: Because there are more competitors in the market, customers are shopping around for best price and quality, as well as service when it comes to t-shirts.

5. Threat of substitute products: The same company that opened in your area now has a new material that they use on the t-shirts that allows for better ventilation. So although this product is a substitute for your t-shirts, they also have a competitive advantage.