



GRACE  
LUTHERAN  
COLLEGE  
EST. 1978

## BUSINESS EDUCATION DEPARTMENT YEAR 11 BUSINESS MANAGEMENT

Student Name: \_\_\_\_\_

Teacher: KKD / KM

Instrument No: 2

Semester 1, 2016

Topic: Superstore Giants

Technique: Feasibility Study (Marketing)

Areas of Study: Management Practices

Marketing Management

Business Development



**IKEA®**

Task:

Prepare a Marketing Feasibility Study that discusses and justifies IKEA expanding to introduce a new product range appropriate to their target audience.

### Conditions

Length (words)	800-1000 words
Own Time	7 Weeks
Class Time	7 Weeks
Library Lessons	N/A
Computer Lessons	All Lessons

### Important Dates

Handed Out	11 April 2016
Excursion to IKEA (Logan Store)	14 April 2016
Draft Copy: (1 Electronic, 1 Paper)	20 May 2016
Final Copy: (1 Electronic, 1 Paper)	6 June 2016

### Results

Knowing and Understanding Business Management		Applying and Analysing Management Strategies		Evaluating and Communicating Management Strategies	
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## 5PM Submission Deadline for Draft and Final Submissions

Tasks will be deemed to be late if they are not in the possession of the class teacher or via an Electronic EGrace copy by **5:00pm on the due date**, regardless of the students presence or otherwise at school (As per Section 2.4 of the College Late and Non Submission Policy). For students who have difficulty accessing EGrace they must Email their teacher (with the assignment attached) or Email [grace@glc.qld.edu.au](mailto:grace@glc.qld.edu.au) (with the assignment attached) and request it be forwarded to the class teacher.

## Draft Submission

A Draft is a piece of work that is a *complete* response to the task. It should have all the sections of the report included, and be of a standard that is ready for submission and able to be used for assessment purposes. You will be given feedback on your draft, and your final report should be reworked upon reflection on this feedback. Failure to submit a draft on the due date **will result in detention(s) until a draft is completed**, and failure to submit a final copy on the due date **will result in the draft being used for final grading**. Take Note: You are required to submit *two (2) copies* of your draft to your teacher (Normally this would include 1 (one) Paper Copy as well as 1 (one) Electronic Copy via EGrace).

## Late Assignment Policy

Late Assignments without explanations acceptable to the Head of Business Education will not be considered and **results will be determined by drafts**. Students in Year 7-10 must provide Medical Certificate or a Letter from a parent or guardian to explain an illness. Year 11 and 12 students require a Medical Certificate as per QSA requirements. The Head of Business Education will grant extensions for assignments. It is the responsibility of the students to arrange an extension at least two (2) days prior to the due date. *Take Note:* Computer or USB Failure as an excuse will **not be honoured** as an acceptable explanation as it is the responsibility of the student to constantly back up their work on a regular basis. Remember that your work should always be saved in *at least 2* places (1 being your H:!).

## Research Notes Expectations

You may be required to submit detailed research notes to show evidence of the research process which you undertake throughout the assignment. Your research notes may include: Completed Field Booklet, Print outs of Websites which you used, Print outs of PPT Slides or Other Materials off EGrace, Notes (or Photocopy of Notes) made during Class Time or In Your Own Time or Any Other Appropriate Research Evidence.

## Authenticity of Student Work (Plagiarism)

Plagiarism is a serious issue and is neither ethical nor legal, it also breaches Copyright Legislation. 'Plagiarism' is defined as using another person's words or opinions as one's own work, including published sources from print or electronic media as well as work from another student or member of the community. If plagiarism is found at the Draft stage the student will be asked to **rewrite the plagiarised section of the assignment during lunch time detentions** until it is of an acceptable standard. If plagiarism is found in the Final Submission the result will be that the **plagiarised section of the assignment will be given a non result**. If a student has been found to be handing out their assessment for others to view they will also be penalised as stated above as they have been involved in the plagiarism process.

	A	B	C	D	E
KNOWING AND UNDERSTANDING BUSINESS MANAGEMENT	<p>The student work has the following characteristics:</p> <ul style="list-style-type: none"> <li>• <i>Thorough</i> and <i>Discerning</i> use of relevant marketing management terms, concepts and theories</li> <li>• <i>Thorough</i> description of marketing situations using a <i>Comprehensive</i> range of relevant examples</li> <li>• <i>Comprehensive</i> explanation of marketing management processes and strategies.</li> </ul>	<p>The student work has the following characteristics:</p> <ul style="list-style-type: none"> <li>• <i>Detailed</i> and <i>Appropriate</i> use of marketing management terms, concepts and theories</li> <li>• <i>Detailed</i> description of current marketing practices using a <i>Range</i> of examples</li> <li>• <i>Detailed</i> explanation of marketing management processes and strategies.</li> </ul>	<p>The student work has the following characteristics:</p> <ul style="list-style-type: none"> <li>• <i>Use</i> of marketing management and business development terms, concepts and theories</li> <li>• <i>Description</i> of current marketing practices using a range of examples</li> <li>• <i>Explanation</i> of <i>complex</i> marketing management processes and strategies</li> </ul>	<p>The student work has the following characteristics:</p> <ul style="list-style-type: none"> <li>• Use of <i>some</i> marketing management and business development terms, concepts and theories</li> <li>• <i>Simple</i> description of current marketing practices</li> <li>• <i>Cursory</i> explanation of <i>simple</i> marketing management processes and strategies</li> </ul>	<p>The student work has the following characteristics:</p> <ul style="list-style-type: none"> <li>• Use of <i>some</i> marketing management and business development terms, concepts and theories</li> <li>• <i>Statement</i> of current marketing practice</li> <li>• <i>Statement</i> of marketing management processes and strategies</li> </ul>
APPLYING AND ANALYSING MANAGEMENT STRATEGIES	<p>The student work has the following characteristics:</p> <ul style="list-style-type: none"> <li>• <i>Purposeful</i> selection and organisation of business information from a <i>Comprehensive</i> range of valid primary and secondary sources</li> <li>• discerning and systematic application of knowledge in marketing situation to identify a <i>Comprehensive</i> range of issues relating to current Ikea practice</li> </ul>	<p>The student work has the following characteristics:</p> <ul style="list-style-type: none"> <li>• <i>Purposeful</i> selection and organisation of business information from a range of <i>Valid</i> primary and secondary sources</li> <li>• <i>Systematic</i> application of knowledge in marketing situation to identify a <i>range</i> of issues relating to current Ikea practice</li> </ul>	<p>The student work has the following characteristics:</p> <ul style="list-style-type: none"> <li>• <i>Selection</i> and organisation of business information from primary and secondary sources</li> <li>• <i>Application</i> of knowledge in marketing situations to identify issues relating to current Ikea practice</li> </ul>	<p>The student work has the following characteristics:</p> <ul style="list-style-type: none"> <li>• <i>Partial</i> organisation of business information from sources</li> <li>• <i>Simple</i> application of knowledge in marketing situation to identify <i>some</i> issues relating to current Ikea practice</li> </ul>	<p>The student work has the following characteristics:</p> <ul style="list-style-type: none"> <li>• <i>Statement</i> of business information</li> <li>• <i>Statement</i> of issues relating to current Ikea practice</li> </ul>
EVALUATING AND COMMUNICATING MANAGEMENT STRATEGIES	<p>The student work has the following characteristics:</p> <ul style="list-style-type: none"> <li>• <i>Thorough</i> and <i>Insightful</i> evaluation of marketing management strategies to formulate <i>Valid</i> and <i>Purposeful</i> recommendations</li> <li>• <i>Well-Reasoned</i> justification of recommendations using <i>Relevant</i> evidence</li> <li>• <i>Coherent</i> communication with <i>Discriminating</i> use of language conventions to suit audiences and purposes.</li> </ul>	<p>The student work has the following characteristics:</p> <ul style="list-style-type: none"> <li>• <i>Detailed</i> evaluation of marketing management strategies to formulate <i>Valid</i> recommendations</li> <li>• <i>Valid</i> justification of recommendations using relevant evidence</li> <li>• <i>Clear</i> communication with <i>Appropriate</i> use of language conventions to suit audiences and purposes.</li> </ul>	<p>The student work has the following characteristics:</p> <ul style="list-style-type: none"> <li>• <i>Evaluation</i> of marketing management strategies to formulate recommendations</li> <li>• <i>Justification</i> of recommendations using evidence</li> <li>• <i>Communication</i> using language conventions to suit audiences and purposes.</li> </ul>	<p>The student work has the following characteristics:</p> <ul style="list-style-type: none"> <li>• <i>Simple</i> evaluation of marketing management strategies to state recommendations</li> <li>• <i>Simple</i> justification of some recommendations</li> <li>• <i>Communication</i> using inconsistent language conventions</li> </ul>	<p>The student work has the following characteristics:</p> <ul style="list-style-type: none"> <li>• description of marketing management strategies <i>or</i> statement of <i>Simple</i> recommendations</li> <li>• <i>Statement</i> of opinion</li> <li>• communication that <i>Impedes</i> meaning.</li> </ul>

## Task

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You are a freelance entrepreneur who works for 'Mega Minds'. You have been contracted by IKEA Australia (specifically the Logan store) to determine the feasibility of introducing a new product range to further enhance their current product portfolio.

The aim of this business proposal is to further enhance IKEA's profitability and long term success as a leader within the 'Superstore Giant' retail industry.

Ingvad Kamprad (IKEA founder) has suggested that the Logan store, be the trial store for this new product range in order to test its feasibility before it is rolled out globally.

His request is to launch this product range in December of this year in time for the Christmas retail rush.

Ingvad Kamprad has provided you with two (2) product range options of which could be added to IKEA's current product portfolio.

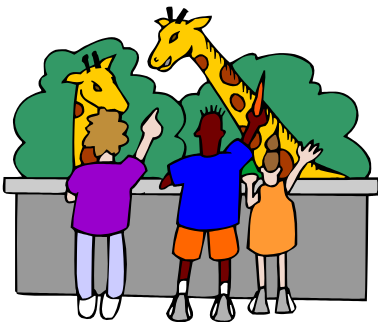
OPTION A	OPTION B
	
Selling Electronics (TV's, Blu-Ray Players etc.)	Outdoor playground equipment (Cubbies/trampolines for kids)

You are to consider the consumer market of IKEA and determine which 1 (one) product range (above) would be most feasible for IKEA to introduce to its product portfolio to ensure increased profits and success.

Using your entrepreneurial skills and attributes, prepare a FEASIBILITY STUDY to be submitted to IKEA management.

## Primary Data Research (AA1)

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Along with your knowledge of the Superstore Giants business model, you will participate in an excursion to IKEA (Logan store).

You will be required to complete a Field Research Booklet whilst at IKEA to be submitted with your assignment as part of your primary research (AA1).

You will also be provided with IKEA case studies which further explain 'The IKEA Business Model' to assist in your research towards writing an effective Feasibility Study.

# The Feasibility Study Explained

In order to conduct your Marketing Feasibility Study for IKEA (Logan, Australia), follow the process outlined below.

Heading	Task	Criteria Reference
Introduction & IKEA Overview	Succinctly introduce IKEA (Logan) and the feasibility study (include which product range you have selected to be most feasible)	ECM 3
Consumer Market	<b>Explain</b> the consumer market (target market) of IKEA based on your primary and secondary data research. 1. Demographic 2. Geographic 3. Psychographic 4. Behavioural	KUB 2
Current Business Practices	Briefly <b>describe</b> the current product portfolio for IKEA (Logan store), providing <i>an example</i> of the current range.	KUB 2
	<b>Explain</b> the current promotional avenues aimed at the identified consumer market.	KUB 3
Analyse Issues	<b>Identify issues</b> of the product range which you have determined NOT to be feasible to add to IKEA's product portfolio.	AA 2
Recommended Implementation of Product Range Expansion	<b>Recommend</b> management strategies surrounding the Marketing Mix to ensure successful implementation of the product range being introduced. 1. Product Strategy: State the product range being introduced 2. Pricing Strategy: Recommend a pricing tactic/s 3. Placement Strategy: Recommend where the product range will be placed within the store 4. Promotion Strategy: Recommend an initial promotional avenue	ECM 1
Justification of Product Range Feasibility	Provide an <i>overall</i> <b>justification</b> as to the feasibility and profitability of introducing the identified product range, using evidence to support your justification.	ECM 2
Conclusion	Succinctly and persuasively summarise the key points of the Feasibility Study.	ECM 3
Reference List	Reference list – include primary and secondary sources. Include in-text referencing in the report where necessary.	AA 1
Research Notes	Completed Field Research Booklet, notes etc.	AA 1

## Take Note:

KUB 1 Criteria is based on **use** of the terms and concepts that is **integrated** throughout the Feasibility Study (not definitions).

ECM 3 Criteria will assess use of language conventions suited to the intended audience. Language conventions include spelling, punctuation, grammar, paragraphing, genre and referencing conventions. (Business Management Syllabus, page 3)

## Feasibility Study Guidelines

(As dictated by the Business Management Syllabus, QCAAA)

- Feasibility studies are central to the strategic management of existing businesses or the strategic development of a start-up business
- Feasibility studies *may use bullet points and diagrams/charts as appropriate*
- It is *not appropriate for terms to be defined* within this technique
- *Appendices are not appropriate* for a Feasibility Study and if submitted, will therefore not be marked
- *Evidence to support your justification* may be drawn from the analysis, interpretation or evaluation of business information and management strategies