

MTMPSR5605B Establish new markets

Unit descriptor	This unit covers the skills and knowledge required to assess the enterprise's potential and capacity for entering new markets. It includes the skills and knowledge needed to identify new markets including local, interstate and international markets, research regulatory requirements and negotiate contracts. The decision to enter new markets is based on extensive research and planning.
Employability Skills	The required outcomes described in this unit of competency contain applicable facets of Employability Skills. The Employability Skills Summary of the qualification in which this unit of competency is packaged will assist in identifying Employability Skill requirements.
Application of the unit	Management understanding of the risks and benefits of new markets and the impact on the business is essential. Managers responsible for marketing and production, and Quality Assurance (QA) managers required to supply product for new markets would benefit from this unit. This unit is relevant for all sectors of the industry.

ELEMENT

Elements describe the essential outcomes of a Unit of Competency.

PERFORMANCE CRITERIA

Performance Criteria describe the required performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the Range Statement. Assessment of performance is to be consistent with the Evidence Guide.

1 Research and determine viability of entering new markets	1.1	Sources of assistance for identifying and establishing new markets are identified and evaluated.
	1.2	Characteristics of potential markets are analysed.
	1.3	Enterprise product or service range is reviewed in terms of potential market and customer requirements.
	1.4	Competitive position of enterprise product is assessed and sales projections are prepared.
	1.5	Licensing and other regulatory requirements are determined.
	1.6	Costs, benefits and risks of entering new markets are evaluated.
2 Develop a market entry strategy	2.1	Resourcing strategies for entering the new market are developed.
	2.2	Strategies for managing risk are identified.

	2.3	Marketing strategy is developed, in association with relevant internal and external personnel.
	2.4	Distribution strategy is planned to ensure profile of product in the new market.
3	Identify contract and service requirements	<p>3.1 Enterprise terms of payment and administrative requirements are established.</p> <p>3.2 Documentary and commercial requirements of new markets are identified.</p> <p>3.3 Finance and insurance requirements are identified.</p> <p>3.4 Requirements for transport and distribution contracts are identified to ensure quality and safety of product.</p>
4	Develop evaluation strategy for new market entry	<p>4.1 Targets are identified and performance indicator requirements determined.</p> <p>4.2 Strategies for collecting and analysing performance are prepared.</p> <p>4.3 Strategies for reporting outcomes and including recommendations in future planning are identified.</p>

REQUIRED SKILLS AND KNOWLEDGE

This describes the essential skills and knowledge required for this unit. Where bold italicised text is used, further information is detailed in the Range Statement.

- Apply relevant **communication** and **mathematical skills**.
- Communicate and negotiate clearly, ethically and effectively with a range of representatives (eg internal personnel, government agents, financial agencies, distributors, **export control agencies**, brokers, customers) and other **stakeholders**.
- Determine and obtain **resources** required to support new market strategy.
- Establish **infrastructure requirements** for new market.
- Evaluate and report **market entry performance**.
- Evaluate **potential** and/or **feasibility of new market entry**.
- Explain the purpose and features of distribution and marketing strategies.
- Explain the role of new markets in the achievement of enterprise goals and plans.
- Identify and apply relevant **OH&S**, **regulatory** and **workplace requirements**.
- Identify and describe enterprise budgetary and planning cycles and processes; methods for analysing production; and sales records and costs; and enterprise methods for estimating and forecasting sales and production requirements.
- Identify strategies for managing financial risk.
- Identify the cultural requirements of the new market/clients.
- Maintain currency of knowledge through independent research or professional development.

- Prepare enterprise strategies and plans which include resource requirements, timelines, milestones and communication strategies.
- Prepare, negotiate and implement strategies and action plans for entering the new market.
- Present reports according to legal and enterprise requirements.
- Research potential markets including competitors, products, customers and market regulations, legislation and controls.
- Research, collate and analyse **information** relating to the individual business, domestic and international context (as applicable).
- Take action to improve own work practice as a result of self-evaluation, feedback from others, or in response to changed work practices or technology.
- Use available information and communication **technology** and systems (eg forecasting software, budgets, research material) to assist planning, monitoring and reporting.
- Use **teamwork strategies** to prepare work team to support new market strategy.

RANGE STATEMENT

The Range Statement relates to the Unit of Competency as a whole. It allows for different work environments within the meat industry and situations that may affect performance. This includes any essential operating conditions that may be present with training and assessment depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts. Bold italics wording in the Elements and Performance Criteria, and Required Skills and Knowledge, is detailed below.

Market **research** may include a broad market study, a feasibility study, or in depth market research.

Sources of assistance may include industry associations, government agencies, departments and programs (eg Supermarket to Asia, Austrade Export Market Development Grants, National Food Industry Strategy), consulates and embassies, financial institutions, consultants.

Market characteristics include:	<ul style="list-style-type: none"> • competition – local and other exporters • distribution • general position of industry within target market • market access including import restrictions, licensing, tariffs, food safety regulations, transport, infrastructure, currency stability, cultural and political characteristics, legal systems, bureaucracy etc • market size, growth and patterns • packaging and labelling • product pricing, including impact of exchange rates.
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Export **licensing** requirements may include sourcing of product from export licensed meat processors, inspection regimes and requirements.

Risks may include risks to premises, personnel, plant and equipment, breach of contract, natural disaster, food safety, intellectual property.

Market **targets and performance indicators** may include sales levels, productivity measures (eg economies of scale, turnover), product quality, market share and penetration etc.

Communication and mathematical skills may:

- be complex and relate to product and product quality, financial operations, personnel, operations, sales and turnover, exports etc
- be formal or informal and involve personal face-to-face methods and technological/electronic methods
- involve communication and information technology that may include telephone, email, internet, software including testing and analysis programs, scheduling, financial packages, data bases etc
- involve preparation of reports which may be complex, contain information from a range of technical sources and include mathematical and graphic information and data
- involve strategies that are inclusive of the cultural, ethnic and social diversity of individuals and groups
- involve the use of negotiation, persuasion and assertiveness skills
- occur in a variety of sensitive, conflictive, collaborative and supportive environments
- relate to complex actual and hypothetical technical and financial modelling, calculations and interpretation or analysis
- require analysis and presentation of complex concepts, technical information, mathematical information and other data in simple or complex formats
- require the establishment of appropriate industry and information networks.

Export control agencies include Australian Customs Service, Australian Quarantine Information Service (AQIS).

Stakeholders may include:

- company owners, directors, shareholders, financiers
- competitors
- management and employees
- suppliers, customers, consumers
- unions and employer associations.

Resources may include:

- buildings, plant and equipment
 - capital and cash flow requirements, pay back periods and returns
 - expert advice
 - export quality and certified ingredients and materials
 - external sources of funds and assistance
 - human resources, financial resources
 - interpreters and translators
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	<ul style="list-style-type: none"> • technology, administrative systems and procedures.
Establishment of <i>infrastructure requirements</i> may include:	<ul style="list-style-type: none"> • negotiation with clients, contractors and service providers • observation of enterprise requirements for maintaining financial controls and product quality.
Evaluation and reporting of <i>market entry performance</i> requires:	<ul style="list-style-type: none"> • analysis of sales information and financial data against budgets • preparing reports for stakeholders and for consideration in the enterprise planning cycle • setting goals and targets.
Evaluation of <i>potential</i> and/or <i>feasibility of new market entry</i> requires:	<ul style="list-style-type: none"> • analysis of enterprise product or service range for suitability of new market • analysis of market trends • assessment of competition position of the enterprise in the selected market • assessment of enterprise capability to meet sales and production forecasts • assessment of implications for enterprise operations.
<i>OH&S requirements</i> may include:	<ul style="list-style-type: none"> • enterprise OH&S policies, procedures and programs • hygiene and sanitation requirements • OH&S legal requirements • Personal Protective Equipment (PPE) which may include: <ul style="list-style-type: none"> — coat and apron — ear plugs or muffs — eye and facial protection — head-wear — lifting assistance — mesh apron — protective boot covers — protective hand and arm covering — protective head and hair covering — uniforms — waterproof clothing — work, safety or waterproof footwear • requirements set out in standards, codes of practice etc.
<i>Regulatory requirements</i> may include:	<ul style="list-style-type: none"> • animal welfare • AQIS notices and circulars • Australian Customs Service requirements (EXIT,

ELMER, Harmonised tariff system, CALM)

- commercial law including fair trading, trade practices
- consumer law
- corporate law, including registration, licensing, financial reporting
- criteria for supply and processing of raw product/ingredient for export (inspection and certification of fresh product and ingredients)
- environmental and waste management
- equal opportunity, anti-discrimination and sexual harassment
- Export Control Act
- export licensing requirements
- export meat orders
- food standards
- importing country requirements
- industrial awards, agreements
- prescribed goods orders
- relevant Australian Standards
- relevant regulations
- sales taxes and duties
- state regulations regarding meat processing
- taxation
- Trade Practices Act Part V.

Workplace requirements may include:

- enterprise ethical standards, values and obligations
- enterprise specific procedures, policies and plans
- standard operating procedures
- work instructions.

Information may relate to the individual business, domestic and international context and include:

- economic and industry trends
- financial information (eg break even points, gross and net profit margins and projections, capital requirements, interest rates, insurance information, sources of finance etc)
- market research and intelligence.

Technology may include:

- communication systems
- e-commerce systems
- product tracking and trace back systems.

Teamwork strategies may include:

- allocating people and other resources to tasks and workplace requirements
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- applying knowledge of own role as part of a team
 - applying teamwork skills to a range of situations
 - coaching, mentoring and giving feedback
 - identifying and utilising the strengths of other team members
 - listening to and resolving concerns in relation to workplace issues
 - solving problems individually or in teams.
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EVIDENCE GUIDE

The Evidence Guide provides advice on assessment and must be read in conjunction with the Performance Criteria, Required Skills and Knowledge, the Range Statement and the Assessment Guidelines for this Training Package.

Overview of assessment	<p>The meat industry has specific and clear requirements for evidence. A minimum of three forms of evidence is required to demonstrate competency in the meat industry. This is specifically designed to provide evidence that covers the demonstration in the workplace of all aspects of competency over time.</p> <p>These requirements are in addition to the requirements for valid, current, authentic and sufficient evidence.</p> <p>Three forms of evidence means three different kinds of evidence – not three pieces of the same kind. In practice it will mean that most of the unit is covered twice. This increases the legitimacy of the evidence.</p> <p>All assessment must be conducted against Australian meat industry standards and regulations.</p>
Critical aspects for assessment and evidence required to demonstrate competency in this unit	<p>Competency must be demonstrated through sustained performance over time, at an appropriate level of responsibility and authority under typical operating and production conditions for the enterprise, is required.</p>
Context of and specific resources for assessment	<p>Resources may include:</p> <ul style="list-style-type: none">• a real work environment• relevant documentation such as:<ul style="list-style-type: none">— enterprise business plan— manufacturer’s instructions and operations manuals— regulatory requirements— workplace policies and procedures• relevant equipment and materials.

Method of assessment	<p>Recommended methods of assessment are:</p> <ul style="list-style-type: none"> • a third party referee report of sustained performance at appropriate level of authority and responsibility • assignment focusing on understanding and application of principles and theory to workplace operations • workplace projects which focus on company environment and conditions. <p>Assessment practices should take into account any relevant language or cultural issues related to Aboriginality, gender, or language backgrounds other than English. Language and literacy demands of the assessment task should not be higher than those of the work role.</p>
Guidance information for assessment	<p>Resource materials available from MINTRAC, telephone 1800 817 462.</p> <p>AusIndustry (www.ausindustry.gov.au).</p> <p>AUS-MEAT (www.ausmeat.com.au).</p> <p>Australian Bureau of Statistics (www.abs.gov.au).</p> <p>Australian Pork Limited (www.apl.au.com).</p> <p>Australian Quarantine and Inspection Service (www.aqis.gov.au).</p> <p>AusTrade (www.austrade.gov.au)</p> <p>Cole, K 2000, <i>Supervision: the theory and practice of first line of management</i>, 2nd edn, Prentice Hall, Sydney.</p> <p>Department of Agriculture, Fisheries and Forestry (www.affa.gov.au), Australian Government.</p> <p>Department of Foreign Affairs and Trade (www.dfat.gov.au), Australian Government.</p> <p>Export Finance and Insurance Corporation (www.efic.gov.au), Australian Government.</p> <p>Food Standards Australia New Zealand (www.foodstandards.gov.au).</p> <p>Meat and Livestock Australia (www.mla.com.au):</p> <ul style="list-style-type: none"> • <i>Australian Cattle and Sheep Industry Overview</i> (monthly) MIS 004 • <i>Australian Cattle and Sheep Industry Projections</i> (annually) MIS 471 • <i>Industry insights</i> (produced every three to five years) • <i>International Comparisons in the Beef Processing Industry</i> (1993) PPI 066 • <i>Market Briefs, Australian retail and foodservice (on-line)</i> – three per year

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- *Market Briefs – Complete Set* (three per year)
 - *Market Briefs, Japan*
 - *Market Briefs, Korea* (three per year)
 - *Market Briefs – Lamb Survey* (annually)
 - *Market Briefs, North America*
 - *Market Briefs, Other Markets and Competitors* (three per year)
 - *Marketing Australian red meat around the world* (2001)
COM 254
 - *Statistical Review* (annually)

McColl-Kennedy JR & Kiel GC 2000, *Marketing: A Strategic Approach*, Nelson Thomson, Australia.

McNamee P 2000, *Strategic Market Planning: A Blueprint for Success*, Wiley, London.

Miller K & Layton RL 2000, *Fundamentals of Marketing*, 4th edn, McGraw Hill, Sydney.

Sacks P & Malbon J (eds) 1992, *Australian Export Manual*, Longman Professional, South Melbourne.

Safe Meat (www.safemeat.com.au).

Swanson, M 2000, *Export handbook*, 17th edn, Australian Institute of Export, Sydney
