

## CFAM6.1.6

### Ensure effective marketing logistics systems



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#### Overview

This unit is about contributing to the development of marketing logistics systems designed to achieve agreed levels of customer service.

In this unit, 'customer' can refer to end-users of an organisation's products/services, and/or those parties involved in the distribution of the organisation's products/services to its end-users. Such parties might include for example, agents, distributors or retailers.

For the purposes of this unit, 'organisation' can mean a self-contained entity such as a private sector company, a charity or a local authority, or a significant operating unit, with a relative degree of autonomy, within a larger organisation.

This unit is recommended for senior and middle marketing managers. Such marketers might be employed directly by the organisation, or work for an agency/consultancy in developing marketing logistics systems for clients.

## CFAM6.1.6

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#### Performance criteria

- You must be able to:*
- P1 assess the service needs of target customer segments for the organisation's products/ services
  - P2 identify and agree the organisation's targeted level of customer service for each customer segment, establishing that these are achievable within accepted costs, and are in line with marketing aims and objectives
  - P3 identify the type and extent of the resources required to satisfy the agreed targeted levels of customer service, including the materials, final goods/services and related information
  - P4 work with relevant business functions within the organisation and prepare a cost/benefit analysis assessing the appropriate balance between service level and costs to maximise the organisation's return on investment
  - P5 contribute to the design and implementation of marketing logistics systems designed to deliver agreed customer service levels within agreed costs
  - P6 implement a marketing logistics system which addresses relevant requirements covering order processing, warehousing, inventory management and transportation
  - P7 monitor and evaluate the effectiveness of the marketing logistics systems, using the outcomes to enhance their effectiveness

## CFAM6.1.6

### Ensure effective marketing logistics systems

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#### Knowledge and understanding

*You need to know and understand:*

##### **General knowledge and understanding**

- K1 the importance of marketing logistics and its role in fulfilling an organisation's business and marketing objectives
- K2 the factors to consider when developing a marketing logistics system, including outbound and inbound distribution, and supply-chain management
- K3 the importance of establishing the service needs of customers, and of providing a targeted level of customer service which achieves required profitability
- K4 the importance of integrating an organisation's logistics systems with those of its suppliers and customers
- K5 the principal logistics functions and their role with a logistics system, including order processing, warehousing, inventory management and transportation

*You need to know and understand:*

##### **Industry/sector specific knowledge and understanding**

- K6 legal, regulatory and ethical requirements affecting the distribution of products/services within the organisation's sector

*You need to know and understand:*

##### **Context specific knowledge and understanding**

- K7 the organisation's distribution strategy relevant to the products/services under consideration
- K8 the organisation's existing logistics systems and their relative strengths and weaknesses
- K9 the organisation's actual and potential customer base for the products/services, and their service needs
- K10 the organisation's actual potential competitors, and the key features of their distribution strategies and plans
- K11 colleagues and other key stakeholders, and their needs and expectations
- K12 processes for consultation within the organisation

## CFAM6.1.6

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#### Additional Information

##### Behaviours

1. You show a clear understanding of different customer segments and their needs
2. You agree what is expected of others and hold them to account
3. You seek to constantly improve performance
4. You encourage others to share information and knowledge efficiently, within the constraints of confidentiality
5. You identify a range of elements in a situation and how they relate to each other
6. You identify clearly the value and benefits to people of a proposed course of action
7. You keep promises and honour commitments

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