

**MAR 3231 (Sections 0794 and 21B8)**  
**Introduction to Retail Systems and Management**  
**Spring 2017**

**NOTE: Some dates/specific daily content may change, as not all speakers and tours are confirmed, but students will be given as much advance notice as possible.**

**Exams will definitely occur on dates listed.**

<b>Professor: Steven Kirn, Ph.D.</b> <b>Phone: 352-273-3277</b> <b>Bryan Hall 204</b> <b>steven.kirn@warrington.ufl.edu</b>	<b>Office hours:</b> Monday and Wednesday between class sections. Other times by appointment (easy – just contact me!) <b>Course Website:</b> <a href="http://lss.at.ufl.edu">http://lss.at.ufl.edu</a> <b>Course Location/Time: Section 0794:</b> Heavener 240, Monday and Wednesday, Periods 3-4, 9:35 – 11:50 a.m. <b>Section 22B8:</b> Heavener 240, Periods 7-8, 1:55 – 3:50 p.m.
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**Why should you study Retailing Management?**

**First**, we all shop! This course will help you be a better, more informed customer. And since this class is mostly Marketing and Business majors– but I am delighted to have folks from other disciplines!-- I hope it will inform you about some of the applied aspects of your chosen career interest!

**Second**, retailing directly or indirectly accounts for about 25% of all employment in the U.S., and consumer spending makes up 70% of the country’s GDP. No matter your career interests, an understanding of retailing informs your overall understanding of our economy.

**Third**, we are entering an era of a true global marketplace and a technical revolution in how and where people acquire the goods and services they need. You will inevitably be a part of this transformation, and knowledge of the reach and impact of the retail industry will make you a more informed “player”.

**Course Objective:**

**To take students on a fast – but detailed as possible – “tour” of the strategic and operational decisions involved in running a retail firm, the underlying business concepts and principles for making those decisions, and the variety of professional roles required for effective execution.**

While the course focuses on the retail industry, including both products and services, it is also useful for students who might work for companies that interface with retailers, such as manufacturers of consumer products, or for students with a general management or entrepreneurial interest. In one sense, this class uses retailing as a sustained “case study” in business strategy development and execution, with the retail industry as a framework.

Specific student learning outcomes are to develop an understanding of:

- the scope and contribution of retailers in the product value chain.
- consumer motivation, shopping behaviors, and decision processes for evaluating the retail offering and purchasing merchandise and services.
- definition of strategic objectives, competitor analysis, and competitive strategy

- how retailers differentiate their offering as an element in their corporate strategy
- the traditional bases for market segmentation and how that segmentation can inform retail strategy
- changes and trends in retailing, with specific focus on changing consumer groups/preferences, e-commerce, technology and globalization
- the role of organization design and human resource practices
- factors affecting strategic decisions involving investments in locations, supply chain and information systems, and customer retention programs.
- how retailers communicate with their customers.
- tactics (pricing, merchandise assortment, store management, visual merchandising, customer service) for extracting profit from a retail offering
- issues of corporate social responsibility

### **Required Course Material:**

Michael Levy, Barton Weitz and Dhruv Grewal, *Retailing Management*, McGraw-Hill/Irwin, Ninth Edition, 2014 (referred to as “LWG” for short elsewhere in this document and on the course web site.) There will also be two copies of this book on reserve in Library West.

### **General Course Design**

This course uses a variety of learning approaches, including lectures, case studies, readings, videos and other multi-media tools, group and individual projects and case reports, guest speakers from the retail industry, and guided tours of a large retail distribution center and a major retail store. Also, this semester we will be attempting the first “run” of a semester-long retail “game”, described later. There is ample opportunity for in-class discussion, which is strongly encouraged.

### **Teams:**

Students will work in teams of approximately 6 students for two major assignments. If there are people you know in the class and/or can easily connect with, you can request assignment to the same team, but I may also have to “create” some teams.

The teams will be responsible for two group projects, noted on pages 9 - 13 of this document. The first assignment will run for 10 weeks, starting on January 18. Team members will assume roles as retail store managers, or as wholesale suppliers. The second assignment – after the conclusion of the store/wholesaler “game”, concluding with team papers and presentations on a Competitive Shopping Assignment, requiring field study and analysis of assortments and execution in a particular merchandise category, comparing and contrasting two stores. *Note: A “peer assessment” will be included in the grading of this assignment, as it is a hard reality that individual commitment and contributions vary on these teams, and I want to be sensitive to creating a total “team effort”. Each assignment is worth 75 points, but if team member feedback indicates lack of contribution/participation, I will deduct points from individual scores. So, work together to create a great project!*

### **Class Participation and Attendance:**

You are encouraged to be an active part of the class discussion and dialogue. Such participation adds to the class learning, and helps assure that the class content is meaningful and relevant. Thus, regular class is expected, and required.

Ten points will be deducted for missing either the field trip to the store or distribution center and for missing each class with a guest speaker. Excused absences may include class conflicts, employer interviews (but please, don’t “push” this exception too far!), documented illness or true

emergencies. Please: you need to notify me about any such conflict before the trip or guest speaker session, if at all possible. Other excused absences may be granted, in advance, but should be considered the exception, rather than the rule. **You are permitted up to three class absences without penalty**; 10 points will be deducted for each additional absence. Arriving to class late or leaving early may count as an absence.

### Exams

All exams will be open notes, but not open book. The exams will be weighted about 50% multiple choice/quantitative items, 50% written answer format. The latter will be judged not only on accuracy, but particularly on the amount of thought and analysis you include. In other words, I want to hear **your** thoughts and ideas, not just read a litany of bullet points from class presentations – especially since you will have access to your notes. Show me how well you “get” the course concepts!

### Grading:

Grades can be earned as follows (575 points maximum, from class activities as shown)

Exams	360 points (3 X 120 points each)
Retail “Game”(Group)	100
Competitive Shopping (Group)	75
Individual Assignments	40 ( assignments @ 10 pts)
<b>TOTAL REGULAR POINTS</b>	<b>575</b>

<b>Grade</b>	<b>Points Needed (% of 575 total)</b>	
A	535	93%
A-	517	90%
B+	506	88%
B	489	85%
B-	477	83%
C+	460	80%
C	448	78%
C-	431	75%
D+	420	73%
D	402	70%
D-	385	67%
E	<382	

### Make-up Exams:

Make-up exams are only considered if there has been a valid and documented personal, family or medical emergency, or if we have made arrangements for this in advance to accommodate special circumstances.

### Resource for your use – really helpful!

I strongly suggest that you make use of the following resource. It includes links to excellent research resources that I know you will find helpful in this and other classes, if you are not already aware of them:

<http://businesslibrary.uflib.ufl.edu/mar3231>

**Online Learning Center**

The McGraw-Hill Online learning Center (OLC) is at <http://mhhe.com/levy9e> It includes interactive spreadsheets, models, practice exam questions and other resources you may find helpful, for example, in your various individual and team assignments.

**Cheating:**

Cheating won't be tolerated. As a student at the University of Florida, you are responsible for pursuing knowledge with integrity, as described in the Student Honor Code. Update yourself on this policy at: <http://www.dso.ufl.edu/studentguide/studentconductcode.php#studentcode>. .

**Accommodations for Students with Disabilities:**

I will be happy to work with you to assure any needed accommodation. Don't hesitate to ask! I will make this easy for anyone who requires special accommodations.

Students requesting classroom accommodation must first register with the Dean of Students Office. The Dean of Students Office will provide documentation to the student who must then provide this documentation to me (the Instructor) when requesting accommodation.

**MAR 3231 – Spring 2017**  
**Introduction to Retail Systems and Management**  
**Class Schedule Summary (Sections 0794 and 21B8 )**

(“LWG” = our text by Levy, Weitz and Grewal. Also, See “Assignments” for additional information about specific assignment details)

**[NOTE: Schedule subject to revision, due to such events as guest speaker cancellations or date changes required for store visits, developments in the retail industry that are timely for consideration, etc. There is no way to eliminate these unexpected events, but I will give you as much advance notice as possible. Except in extraordinary circumstances, exams will be on the days shown.]**

DATE	TOPIC	READINGS	ASSIGNMENTS	NOTES
1/4	Introduction to Class		Show up!	Please attend, as we will do an opening exercise and introductions
1/9	Introduction to the Retailing Industry – and “The End of Retailing”	Chapter 1 (LWG)		Be sure to read “Career Opportunities”.pp 32-33
1/11	Types of Retailers	Chapter 2 (LWG)	Listen to “Back Story” podcast segment: “The Wonderful Windows of Oz” (The program segments are listed separately if you scroll down. This one is about 10 minutes long.)	We’ll discuss the podcast in class. (No individual submission required. No points for this. C’m on – it’s interesting!) Here is the link:  <a href="http://backstoryradio.org/shows/counter-culture/">http://backstoryradio.org/shows/counter-culture/</a>  <b>Completed profile – with photo, if possible – due on Canvas learning platform. Important to help me get to know you!</b>
1/16	MLK Holiday		No Class	
1/18	Multichannel Retailing	Chapter 3 (LWG)	Multichannel Online Assignment. Plus “Game”: Round 1 (Game Description to be provided in class.)	See “Multichannel Retailing” in detailed schedule for assignment details – individual preparation required! <b>Depending on letter of the alphabet that starts your last name, follow assignment instructions. Each assignment group will discuss their experience. No advance “team” preparation required – just a general discussion of reactions.</b> <b>Team Member Requests Due</b>

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1/23	Customer Buying Behavior	Chapter 4 (LWG)		
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1/25	Retail Market Strategy	Chapter 5 (LWG)	Game Round 2	
1/30	Retail Strategy (cont.) and Financial Strategy	Chapter 6 (LWG)	Case #1, p. 550, "Tractor Supply Company": Individual Assignment	Focus on case discussion questions 2, 3 and 4
2/1	<b>Exam #1</b>	Chapters 1 - 6		

2/6	Retail Locations	Chapter 7 (LWG)	Listen to "Back Story" podcast segments, "Mall About It" and "Boxed In": <a href="http://backstoryradio.org/shows/counter-culture/">http://backstoryradio.org/shows/counter-culture/</a> (Individual submission required.) Game Round 3	
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2/8	Retail Site Location	Chapter 8 (LWG)		
2/13	Human Resource Management	Chapter 9 (LWG)	Game Round 4	<b>Guest speaker from Loss Prevention Resource Council: Read Hayes, Ph.D. Also: Sears transformation: Role of HR</b>
2/15	HR Management (conclusion) and IS/Supply chain	Chapter 10 (LWG)		
2/20	IS/Supp. Chain (cont.)		Game Round 5	
2/22				<b>Walmart DC Tour- Alachua. Carpool. Note Shoe rule!</b>

2/27	Customer Relationship Management	Chapter 11 (LWG)		<b>Teams post the name of the companies and category for the Competitive Shopping assignment.</b>
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3/1	Merchandise Assortments and Planning Systems	Chapter 12 (LWG)	Game Round 6	
3/6	Spring Break		No class	
3/8	Spring Break		No class	
3/13	Test #2	Chapters 7-12		
3/15	Managing the Store	Chapter 16 (LWG)	Game Round 7	<b>Note Change in Chapter Sequence!</b>
3/20	Store Tour (TBD)			<b><i>Dick's Sporting Goods (Tentative)</i></b>
3/22	Buying Merchandise, Vendor Relationships	Chapter 13 (LWG)	Game Round 8	
3/27	Buying... (continued)	Chapter 13 (LWG)		
3/29	Pricing	Chapter 14 (LWG)	Case #24, "JCPenney"; Game Round 9	Focus on questions 3 & 5

4/3	Retail Communication Mix	Chapter 15 (LWG)		
4/5	Store Layout and Design, including design competition award winners	Chapter 17 (LWG)	Game Round 10	
4/10	Team presentations, plus start Customer Service	Chapter 18 (LWG)		Competitive Shopping presentations: Teams 1 – 3
4/12	Team presentations, plus finish Customer Service			Competitive Shopping presentations: Teams 4 -- 6
4/17	Class summary			
4/19	Exam #3	Chapters 13 - 18		"Final" exam in cumulative exam approach on Chapters 13 – 18, plus in-class material. Also include items from total class.

### Assignments Schedule: Individual and Group

All assignments should be typed and turned in through the e-learning platform (Canvas). Assignments submitted after 5:00 p.m. on the due date will be considered late and may receive a lower grade. Detailed descriptions/instructions follow the schedule below.

*Note: Check daily schedule for “Retail Game” Rounds for Team preparation.*

Assignment	Type	Due Date	Points
Complete profile on Canvas e-learning platform	Individual	1/11	
Listen to “The Wonderful Windows of Oz” podcast (No written submission required – just enjoy!)	Individual	1/11	
Submit team member requests	Team	1/18	
Multi-channel retailing assignment	Individual	1/18	10
Case #1, “Tractor Supply Company”	Individual	1/30	10
<b>First Exam: Chapters 1-6</b>	Individual	2/1	120
Listen to “Back Story” podcast segments: “Mall About It” and “Boxed In” (Individual submission required)	Individual	2/6	10
Walmart DC tour	Class	2/22 (tentative)	
Post team’s Competitive Shopping choices	Team	2/27	
<b>Second Exam: Chapters 7 - 12</b>	Individual	3/13	120
Store Tour: Dick’s Sporting Goods?	Class	3/20 (tentative)	
Case #24, “JCPenney”	Individual	3/29	10
Comparison Shopping Assignment Presentations, Teams 1-3	Team	4/10	75
Comparison Shopping Assignment Presentations, Teams 4-6	Team	4/12	75
<b>Third Exam (Final)</b>	Individual	4/19	120



# Team Assignments

## Competitive Shopping Assignment (Target company selection due 2/27. Presentations on 4/10 or 4/12, depending on your group.)

The objective of this assignment is to have you think about the different retail mixes companies offer and how they compare to their competitors. It also provides you an opportunity to “bring it all together in the learning from this class. You’ll be doing an analysis in real time about how two stores compete in a particular merchandise category, applying the learning from the prior part of the course. (The focus here is on bricks and mortar stores – not their online offerings.) Some *examples – just some of my thoughts* -- of a merchandise category and two retailers that you might focus on are:

Retailers	Merchandise Category Ideas
HH Gregg, Walmart	Small/medium flat-screen TVs
TJ Maxx, Ross Dress For Less (or Burlington)	Women’s dresses, handbags
GameStop, Best Buy	X box 360, PlayStation games or similar
JCPenney, Macy’s	Small kitchen appliances, men’s dress shirts
Forever 21, H & M	Women’s tops
Barnes & Noble, Books-A-Million	Cook books, travel guides
Petsmart, Petco	Dog treats, dog/cat food
Fresh Market, Trader Joe’s (or Publix)	Cheese, soup, pasta, bread
Home Depot, Lowe’s	Lighting, appliances, paint, hand power tools

You need not limit yourself to these choices. Be creative! Use other retailers if you like. But it will generally be most interesting if you pick a category that both retailers actually compete in, but take different approaches.

When selecting a category and retailers, you need to consider:

- Pick a category that both retailers offer and that has a small enough number of SKUs in the category that you can count them, but large enough to provide variety.

**Each team should post on Canvas the name of the retailers and the category that they are planning to use for the Comparison Shopping Assignment by February 27!**

Pretend you are responsible for the merchandise category - its assortment, pricing, visual merchandising, customer service, and placement in the store. Describe and evaluate the merchandise category offering for the two **stores** (not the retailer’s website) – the breadth and depth of merchandise and prices. Then assess the more general characteristics of the retailer’s store – store location, customer service, store design, signage, visual merchandising, etc.

Some issues you should consider in the comparisons are:

**Strategic Overview** The strategy pursued by the two retailers –each retailer’s target market and general approach toward satisfying the needs of the target market.

**General features of the Store** -The general overview of retail mixes as reflected in the stores – store location, breadth and depth of merchandise, store design and visual merchandising, customer service, Some questions you might answer are:

**Store Location** Where is this retail store located? (CBD, Shopping Center, Specialty Center, MXD) Why do you think they chose this location? Is this a good site? Why or why not?

**Pricing:** What is this store’s pricing policy? (Everyday Low Pricing, High/Low Pricing etc.) Were prices displayed prominently in the store?

**Store Layout:** Describe the store layout - e.g., overall feel of the store, promotions, signs, pleasing to shop at, etc... What type of design layout does this store use? (Grid, Racetrack, Free Form etc.) Is it effective for customer flow? What type of fixtures do they use? Is music constantly playing? What type? Notice the lighting. Does it do a good job in highlighting merchandise, structuring space, capturing a mood, and downplaying unwanted features? Evaluate the store’s signage. Do they do an effective job in selling merchandise? Has the retailer used any theatrical effects to help sell merchandise? Does the store layout help draw people through the store? What method(s) has the retailer used for organizing merchandise? Is this the “best” way? Do they use scents/fragrances or other stimuli?

**Customer Service:** What type of services does this store offer? (Alterations, layaway, gift wrapping etc.) Talk to 3 customers - What is their perception of this store’s customer service? How does this store handle customer complaints? Were you greeted when arriving at the store? How long did it take? Did it seem “genuine”? Were shopping baskets/carts available and/or offered? Were salespeople visible on the store floor? Did anyone ask if they could assist you in finding an item? When asking for assistance, did the salesperson take you to the item or point to the item? Were salespeople using product knowledge when speaking with their guests? Did employees appear friendly? Were they smiling?

**Specific Merchandise Category** - Compare the merchandise offering and pricing (format example is in Exhibit 2-2, page 38, of LWG). What brands do they carry? Do they offer private label brands? Compare the categories on breadth and depth of assortment by counting the SKUs of different types and prices by looking for the prices of similar items and compare the prices. Where is the category located in the store and how much space is devoted to the category? Were sale items/store circulars displayed and/or available? Comparing the pricing and price points for items in the category. How much space was allocated to the category? Evaluate the location of the category.

**Recommendations** -What suggestions would you make for improving the appeal of the merchandise category?

**Presentation** of written and oral report

### **Data Collection**

To prepare this comparison you need to visit the stores (not the websites) and observe the retail mixes in the stores. Pretend you are a customer shopping for merchandise in the category to evaluate the customer service. In most stores, a group of people with notebook, clipboard and camera is very suspicious. Don't be afraid to introduce yourself to the associates and/or manager, especially to get permission to take pictures. Generally, once they know why you are there it poses no problem, especially in a university town, but respect their wishes. Finally, look thoroughly at the merchandise in the category to make a comparison as if you were a competitor see in what the store has to offer. (See "Specific Merchandise Category" above)

### **Report**

Summarize the results of the comparison shopping exercise in a 10 to 20 page report plus exhibits. These assignments will be graded for organization, grammar and style as well as content. Points will be deducted if I can detect that different sections were written by different team members. **Dividing the labor is fine, but the report should have an "integrated" look and feel.**

Concentrate on the difference in the retailing of the merchandise category, illustrating how different strategies result in different retail mixes and providing a thoughtful, insightful discussion of how and why these differences arise. Focus on comparing the store's offering, not the retailer's offering from its internet site. You could also point out inconsistencies in the store's strategy and implementation through its retail mix for the category. Use photos to illustrate key points, if they are permitted.

## **Important Note for Ongoing Team Assignment**

**For Retail "Game": Detailed information will be provided during class. Still in final development.**

# Individual Assignments

Here are some guidelines for preparing your individual assignments – worth 10 points each, for a total of 40 points on your grade. As mentioned elsewhere, I’m interested in **your** observations, analysis and application of textbook concepts. These don’t have to be long essays; often just one page will do, but past experience shows that most people sometimes use two. (Note: Some prior students used just one-quarter of one page. Good for me from a “time it takes to read them” standpoint, but typically inadequate to really address the topics!) In some cases, bullet points may be the best way to respond, and those are fine. Use your judgment. These need to be posted on the Canvas site by 5:00 p.m. on the due date, and preferably the evening before the due date, as I plan to have class discussions around what you wrote.

*Cases (Cases are in the Levy, Weitz and Grewal text, starting on p. 549.)*

*The “question numbers” refer to the discussion questions at the end of each short case. As above, prepare a 1-2 page summary of your thoughts on the questions asked, and post on Canvas.*

## 1. Multi-Channel Retailing – Internet and Mobile Channels (January 18)

**Read** Chapter 3 (LWG)

**Assignment:** Students with last names as listed here prepare to answer the questions below. Each person will turn in through the Canvas e-learning platform a two page max, single spaced, bullet points of the key points addressing the questions shown. I’ll have the assigned students come to the front of the room, and lead us through the web sites, using the classroom A/V. No formal group preparation of a “presentation” is expected – just chime in! These will need to move along quickly, but try to give the rest of the class the “flavor” of what you observed.

**Last name beginning with A thru F.** Assume that you are going to buy a wedding engagement ring. Compare and contrast your shopping experience when you go to [www.tiffany.com](http://www.tiffany.com) and [www.bluenile.com](http://www.bluenile.com). What are features of the sites do you like and dislike, such as the “look and feel” of the site, navigation, special features you found useful or did not like, etc.? How easy was it to locate what you were looking for? What was the checkout like? Note any other aspects of the experience that caught your attention.

**Last name beginning with G thru L** Assume that you are getting married and planning your wedding. Go to [www.theknot.com](http://www.theknot.com) to plan your wedding. Describe your experience. What are features of the site do you like and dislike such as the “look and feel” of the site, navigation, special features you found useful or did not like, etc.? What are the specific services offered by the site that you would use?

**Last name beginning with L thru S** Assume you are interested in buying a cruiser-style bike for getting around campus or taking short rides for fun (not the long-distance kind). Go to [www.amazon.com](http://www.amazon.com) and [www.jamisbikes.com](http://www.jamisbikes.com) and compare bike shopping on these two sites. What features on the sites did you find helpful? What features made shopping more difficult? Which bike would you buy? Why? From which site would you buy it? Why?

**Last name beginning with T thru Z** Assume you are interested in buying a vacuum cleaner and a pair of sunglasses. Go to the these comparison shopping engines: [www.shopping.com](http://www.shopping.com), and [www.pricegrabber.com](http://www.pricegrabber.com), What features on the sites did you find helpful? What features made shopping easy, or annoying/difficult? Did you find any really good deals?

**2. Case #1, p 550, “Tractor Supply Company” (January 30)**

**Assignment:** Submit using the Canvas elearning platform a 1 to 2 page attachment with a “bullet point” SWOT analysis (competitive strengths and weaknesses, plus opportunities and threats in the environment) for Tractor Supply. . Based on that analysis, how would you answer questions 2, 3 and 4?

**3. Backstory segments “Mall About it” and Boxed In”. (February 6)** Listen to the segments and share your reactions. Where do you like to shop? Why? How well is the retail market overall at providing you with the kinds of shopping experiences you prefer? What is missing? Here is the link to the audio. Scroll down to access the individual segments.  
<http://backstoryradio.org/shows/counter-culture/>

**4. Case #24, p. 584, “Are customers addicted to sales at JCPenney?” (March 29)**

**Read:** Chapter 14 (LWG)

Focus on questions 3-5