

**MAR 3231 Summer 2017**  
**Introduction to Retail Systems and Management**

**NOTE: Some dates/specific daily content may change, as not all speakers 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> Tuesday and Thursday morning, 10:00 – Noon. 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: (On-campus students)</b> <b>Heavener 150. 2:00 – 4:45 p.m. Tuesday and Thursday during Summer C semester.</b>
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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! While I know that many of you are NOT pursuing a retail career at this time, I believe you will find many ways to connect retail issues with those in other industries.

**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”, perhaps as a vendor, transportation/logistics expert, financier, real estate developer, etc.

**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

### **IMPORTANT NOTE REGARDING REQUIRED COURSE MATERIALS:**

*MAR 3231 (Summer C sections) will require access to the McGraw-Hill Connect online platform for the Summer 2017 semester. The course will be participating in the UF All Access program for the Summer C semester, which will offer students access at a reduced price when compared to purchasing an access code card through the UF Bookstore. The program allows students to "opt-in" to access at the start of the semester and be delivered their access code immediately on screen once the process is completed; the charge for the selected materials will be placed directly on your student account.*

*The cost of "opting-in" to materials will be \$117.50 for the course. If you choose not to "opt-in" the cost of a printed access code card at the UF Bookstore will cost \$156.50. Purchasing directly from McGraw Hill is \$125. All options deliver access to the same materials. The All Access Opt-In method is the least expensive.*

*Instructions, including a link to the "opt-in" portal and screenshots, for how to complete the "opt-in" process to receive Connect access at the reduced price will be posted in Canvas.*

*You will be required to use McGraw Hill Connect for many of your assignments. These assignments will be worth 21% of your total grade. The Connect access will provide you with ebook access as well as access to two assignment types. The first called Smartbook is the first ever adaptive reading experience. To learn more about Smartbook watch this short video. <https://www.youtube.com/watch?v=PTOr6clmkyo&feature=youtu.be> You will also have a few video cases with questions to answer.*

*For those who prefer to also use the "conventional" textbook format (in addition to the McGraw-Hill Connect version), perhaps to retain the text for future reference, obtain the text "Retailing Management", by Michael Levy, Barton Weitz and Dhruv Grewal, McGraw-Hill/Irwin, Ninth Edition, 2014 (referred to as "LWG" for short elsewhere in this document and on the course web site.) For on-campus students, there will also be three copies of this book on reserve in Library West. However, you will still need to use the Connect platform for many class assignments, so Connect is the less expensive option.*

## General Course Design

This course uses a variety of learning approaches, including lectures, case studies, readings, videos and other multi-media tools, guest speakers from the retail industry, and discussions (with on-site students), plus opportunities for input from on-line students.

## Class Participation and Attendance:

On-campus students are encouraged to be an active part of the class discussion and dialogue. [Obviously, this does not apply for distance-learning students, but I encourage comments and “distant” input from those taking the class on-line.] Such participation adds to the class learning, and helps assure that the class content is meaningful and relevant. Thus, regular class attendance is expected and required for those attending the class on-campus. The “Connect” system will also provide opportunities for engagement with the course material, and I encourage in-person or online comments an, questions and feedback.

## Exams

All exams will permit use of notes including, for example, formulas required for calculation of some responses. but not open book. Due to the constraints of the online format, and the size of the class, test items will typically be in “multiple choice” format. There will be three exams, with a cumulative point total of 360 “exam” points available. Also, each of you must complete a “Competitive Shopping” assignment on your own (described later). There will also be case studies that call for written input from each of you. 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!

<b>Grading:</b>	<b>Points</b>
Exams	510 (3 X 170 points each)
Competitive Shopping Assignment	100 Described on p. 8-10 of syllabus
Individual Assignments: Cases, etc.	60 (6 assignments @ 10 pts) Described on p. 11-12
Smartbook Assignments	180 Smartbook questions for each chapter (18 X 10 pts.)
<b>TOTAL REGULAR POINTS</b>	<b>850</b>

<b>Grade</b>	<b>Points Needed (% of 850 total)</b>	
A	791	93%
A-	765	90%
B+	748	88%
B	723	85%
B-	706	83%
C+	680	80%
C	663	78%
C-	638	75%
D+	621	73%
D	595	70%
D-	570	67%
E	<570	

**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 – Summer 2017**  
**Introduction to Retail Systems and Management**  
**Class Schedule Summary**

(“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, 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
5/9	Introduction to Class		Show up! (In person or online!)	I hope to get to learn about who is in the class!
5/11	Introduction to the Retailing Industry – and “The End of Retailing”	Chapter 1 (LWG)		Be sure to read “Career Opportunities”.pp 32-33 in LWG.
5/16	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’mon – 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>
5/18	Multichannel Retailing	Chapter 3 (LWG)	Multichannel Online Assignment.	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.</b>

5/23	Customer Buying Behavior	Chapter 4 (LWG)		
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5/25	Retail Market Strategy	Chapter 5 (LWG)		
5/30	Retail Market Strategy (cont.) and Financial Strategy	Chapter 6 (LWG)	Individual Case Assignment: "Hooper's Outdoor Adventure" due	
6/1	<b>Exam #1</b>	Chapters 1 – 6		

6/6	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.)	
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6/8	Retail Site Location	Chapter 8 (LWG)		<b>Guest Speaker: Real Estate &amp; Retailing</b>
6/13	Human Resource Management	Chapter 9 (LWG)		<b>Guest speaker from Loss Prevention Resource Council: Read Hayes, Ph.D. Also: Sears Transformation: Role of HR</b>
6/15	Information Systems/Supply Chain	Chapter 10 (LWG)	Case Study #10, p.564, "Walmart: Pioneer in Supply Chain Management"	
6/27	Customer Relationship Management	Chapter 11 (LWG)		
6/29	<b>Managing Merchandise Planning Process</b>	Chapter 12 (LWG)	Submit Retailer and Item for Competitive Shopping Assignment	<b>Guest Speaker (tentative)</b>
7/6	<b>Exam #2</b>	Chapters 7-12		

7/11	Buying Merchandise, Vendor Relationships	Chapter 13 (LWG)		
7/13	Pricing	Chapter 14 (LWG)	Case #24, "JCPenney"	Focus on questions 3 & 5
7/18	Retail Communication Mix	Chapter 15 (LWG)		
7/20	Managing the Store	Chapter 16 (LWG)		<b>Guest Speaker</b>
7/25	Store Layout and Design, including design competition award winners	Chapter 17 (LWG)	Individual Case Assignment: "Build-A-Bear – Experiential Retailing"	
7/27	Customer Service	Chapter 18 (LWG)	<b>Competitive Shopping Assignment Due!</b>	
8/1	The Future of Retailing?			
8/3	<b>Exam #3</b>	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

All assignments should be typed and turned in through the e-learning platform . Assignments submitted after 11:59 p.m. on the due date will be considered late and may receive a lower grade. Detailed descriptions/instructions follow the schedule below. *Note: See Class schedule for dates of Chapter coverage. Smartbook item completion due on day of class. Total: 180 points)*

Assignment	Type	Due Date	Points
Complete profile on Canvas e-learning platform	Individual	5/16	
Listen to “The Wonderful Windows of Oz” podcast (No written submission required – just enjoy!)	Individual	5/18	No points – just fun!
Multi-channel retailing assignment	Individual	5/18	10
Individual Case Assignment: “Harper’s Outdoor Adventure”	Individual	5/30	10
<b>First Exam: Chapters 1-6</b>	Individual	6/1	170
Listen to “Back Story” podcast segments: “Mall About It” and “Boxed In” (Individual submission required)	Individual	6/6	10
Case #10, “Walmart: Pioneer in Supply Chain Management”	Individual	6/15	10
Post Competitive Shopping choices	Individual	6/29	0
<b>Second Exam: Chapters 7 - 12</b>	Individual	7/6	170
Case #24, “JCPenney”	Individual	7/13	10
Individual Video Case Assignment: Build-A-Bear – Experiential Retailing”	Individual	7/25	10
Comparison Shopping Assignment	Individual	7/27	100
<b>Third Exam (Final) Chapters 13-18</b>	Individual	8/3	120

**Competitive Shopping Assignment (Target company selection due 6/29. Report due 7/27)**

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 some retailers that you might focus on are:

<b>Retailers</b>	<b>Merchandise Category Ideas</b>
Target, Walmart, Best Buy	Small/medium flat-screen TVs
TJ Maxx, Ross Dress For Less, 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, Zara	Women’s tops
Barnes & Noble, Books-A-Million	Cook books, travel guides
Petsmart, Petco	Dog treats, dog/cat food
Fresh Market, Trader Joe’s, Publix, Winn-Dixie, Aldi	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.
- Don’t pick retailers owned by the same company (e.g, TJ Maxx and Marshall’s)
- It’s easier to find background information on publicly traded companies

**Post on Canvas the name of the retailers and the category that you are planning to use for the Comparison Shopping Assignment by June 27!**

**The Task**

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?

### **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 some stores, an individual taking notes or photos may arouse suspicions. Don't be afraid to introduce yourself, your assignment, 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, 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 15 page report, including plus exhibits. These assignments will be graded for organization, grammar and style as well as content.

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.

## **Individual Assignments**

Here are some guidelines for preparing your individual assignments – worth 10 points each, for a total of 60 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 11:59 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 (Unless otherwise noted, 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. The Hooper's and Build-A-Bear cases have questions built-in.*

## 1. Multi-Channel Retailing – Internet and Mobile Channels (May 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.

**Last name beginning with A thru F.** Assume that you are a person planning to buy a diamond 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 a person helping a friend/sister’s wedding. Go to [www.theknot.com](http://www.theknot.com) to plan the 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 these comparison shopping engines: [www.shopping.com](http://www.shopping.com), and [www.amazon.com](http://www.amazon.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: “Hooper’s Outdoor Adventure (May 30)

**Assignment:** Follow questions embedded in case.

**3. Backstory segments “Mall About it” and Boxed In”. (June 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 #10, “Walmart: Pioneer in Supply Chain Management” (June 15)**

**Assignment:** Just share your thoughts on Discussion Questions 1 and 2. Especially discuss the potential conflicts that might arise.

**5. Case #24, p. 584, “Are Customers Addicted to Sales at JCPenney?” (July 13)**

**Read:** Chapter 14 (LWG) Focus on Discussion Questions 3-5

**6. Video case:, Build-A-Bear: Experiential Retailing” (July 25)**

**Assignment:** Follow questions embedded in case.