

SOUTHERN OREGON UNIVERSITY
School of Business
Spring 2006

BA446 Retail Management

Instructor: Joan M. McBee
Office Hours: By appointment (MWRF in Medford, Tues. in Ashland)
Phone: 552-8151 (Mfr) or 552-6493 (Ashland)
Office: CE124
E-Mail: mcbeej@sou.edu
Course Website: <http://courses.sou.edu>

Required Text: RETAILING MANAGEMENT, 5th Edition, Levy and Weitz, Irwin, 2004

Course Description: Examines market strategy planning for retail management. Major emphasis is on small- to medium-sized retail business plans. Discusses retail management case problems.

Course Objectives: In this class, you will learn about the evolution of retailing and its implications in a global, high- technology industry. Technological developments have affected the way consumers buy products and services and the way retailers run their businesses. You will examine decision support systems to develop merchandise assortments, evaluate retail sites, manage sales associates, and target promotions to customers.

Prerequisite: BA330 Marketing and BA331 Consumer Behavior

Online Environment: Participating in an online class is quite different than a face-to-face class. Much of what you get out of the course will depend on how much you put into the course. You must keep up with the chapter readings, assignments, and class discussions. It's easy to put other life responsibilities before your online course, so be sure to schedule time for this class just as you would if it were a face-to-face class. For more information about online learning including a self-assessment about whether an online class is right for you, go to: www.sou.edu/onlineorientation

If you have never taken an online course before, please make an appointment with the instructor for an orientation.

Topics Covered:

- ❖ Management decisions made by retailers
- ❖ Types of store-based and nonstore retailers
- ❖ Changing demographics and values of retail customers
- ❖ Approaches for entering international markets
- ❖ Organization structure of typical retailers
- ❖ Flow of information and merchandise
- ❖ Methods for communicating with customers
- ❖ Store layout options and merchandise display equipment
- ❖ Career opportunities
- ❖ Comparison shopping
- ❖ Attracting customers to your website
- ❖ Scanning the environment and developing a retail strategy
- ❖ Analyzing the financial implications of retail strategy
- ❖ Evaluating location decisions
- ❖ Developing a merchandise assortment and budget plan
- ❖ Negotiating with vendors
- ❖ Pricing merchandise
- ❖ Recruiting, selecting ,training, evaluating, and compensating sales associates

Evaluation:

<u>Activity</u>	<u>Points</u>
Midterm Exam	100
Final Exam	100
Weekly Assignments & DB	100
Term Project	<u>100</u>
Total Points Possible	400

Grading Scale

A	100-93%	C+	79-77%
A-	92-90%	C	76-73%
B+	89-87%	C-	72-70%
B	86-83%	D+	69-67%
B-	82-80%	D	66-63%
		D-	62-60%

Tests: There will be two tests worth 100 points each. Each test may contain a mixture of true/false, multiple choice and short essay questions. Students are expected to take the exams according to the schedule listed in this syllabus. It is unfair to those students who are prepared to take the tests on time to give others an advantage by taking the tests later. If you miss a test, you will receive a 10% reduction in your test score. The midterm exam will be given online and the final exam will be given in a face-to-face format. Final exams will be scheduled at the end of the term on the Medford Campus, Ashland Campus, or at another institution that conducts proctoring.

Assignments: Your assignment grade will include satisfactory completion of exercises, regular and constructive participation on the discussion board, and completion of weekly quizzes. The quizzes can be taken as many times as you like up to the due date. They are really a learning tool for you and to help you get accustomed to the types of questions you will see on your midterm and final exam. You will receive up to 10 points for each exercise or discussion board assignment. Late assignments may be discounted 10%.

Term Project: Please see the separate handout for your term project. You will be graded on depth of evaluation, reference to course material, and grammar and punctuation. Papers are due on June 9. Late papers will receive a 10% penalty. Papers should adhere to the School of Business Writing Policy, which states:

"The School of Business expects all students taking business classes to write in a clear, organized, and grammatical manner. The School's policy on pre-assigned written work (papers, case analyses, and similar written projects) requires that submitted work meet commonly accepted standards of organizational structure, clarity, grammar, and spelling."

Student Responsibilities: Knowing that students often need to juggle school, work, family, and other obligations, you need to know that I do not second-guess your priorities, and I do not think less of any student who chooses to devote more time and effort to one of these other obligations rather than to an assignment or the course as a whole. I respect the maturity of students who establish their priorities, make difficult choices, and accept the consequences of those decisions. *Do note that your grade is based solely on my professional assessment of the quantity and quality of your work, not on your effort, situation, or on my opinion of you as an individual.*

Withdrawal: The ultimate responsibility of withdrawing from the class rests with each individual student to **INITIATE and COMPLETE**. Withdrawal is not automatic, but must be requested by the student at the Registrar's Office. Students not following school policy on dropping classes will receive an F, E, or other appropriate grade for the work completed.

Incompletes: Students requesting an "I" grade must have taken the first three tests. The "I" grade is intended to provide a student with additional time to complete course requirements due to extenuating circumstances, not to reward procrastination. Students on financial aid should be aware of the effect that "I" grades have on their award status.

Disability Statement: It is the policy of Southern Oregon University that no otherwise qualified person shall, by reason of disability, be denied access to, participation in, or benefits of any service, program, or activity operated by the University. Qualified students will receive reasonable accommodation/modification to assure equal access to all aspects of learning, employment with the University, programs and other activities. If you are in need of academic support because of a documented disability, you may be

eligible for academic accommodations through disability services for students. Contact Theresa Lowrie at DSS at 552-6213, or schedule an appointment in person at the Access Center, Stevenson Union, lower level.

COURSE SCHEDULE

Date	Subject	Chapter	Due Date
Week 1	Introduction to the World of Retailing	1	4/10/06
	Types of Retailers	2	
Week 2	Multichannel Retailing	3	4/17/06
	Customer Buying Behavior	4	
Week 3	Retail Market Strategy	5	4/24/06
	Financial Strategy	6	
Week 4	Retail Locations	7	5/1/06
	Site Selection	8	
Midterm – Chapters 1-8			5/5/06
Week 5	Customer Relationship Management	11	5/8/06
Week 6	Planning Merchandise Assortments	12	5/15/06
	Buying Systems	13	
Week 7	Buying Merchandise	14	5/22/06
	Pricing	15	
Week 8	Retail Communication Mix	16	5/31/06
	Managing the Store	17	
Week 9	Store Layout, Design, and Visual Merchandising	18	6/5/06
	Customer Service	19	
Week 10	Final Project Due		6/9/06
Week 11	Final Exam – Chapters 11-19		

BA446 – RETAIL MANAGEMENT
TERM PROJECT
Spring 2006
Joan McBee – Southern Oregon University

Your final project involves three separate parts. You can get started on this at any time, but your recommendations and the detail of your answers will need to be completed closer to the end of the term after you have read the chapters, completed your assignments, and gained a greater understanding of the retail concepts. If you like to shop, you'll find this experience insightful and fun. If you don't like to shop, it may not be as much fun but it will still be insightful. We all need to shop at some time, and I think you'll learn a lot when looking at the experience through more critical eyes. In summary, this is what you are going to do:

- Part A: Comparison Shopping
- Part B: Retailer Analysis
- Part C: Internet Shopping Analysis

PART A: Compare at least seven products among four food retailers on

- ❖ Variety
- ❖ Assortment
- ❖ Service
- ❖ Price
- ❖ Location
- ❖ Promotion
- ❖ Design and Display
- ❖ Type of Retail Institution

The form attached will provide guidance for you. You should have seven forms completed for this part of the project. From the information you gather, you are to come to some conclusions about each retailer's strategy. Give as much detail as you can. For each retailer identify:

- a) the target market the you think the retailer is directing its efforts and why
- b) how the retailer strives to satisfy the needs of the target market
- c) how the retailer builds a long-term advantage over the competitors.
- d) Conclude with how effective you think the retail strategy is for each retailer.

TERM PROJECT: PART A

Product # ___: Type of Product _____

	STORE #1	STORE #2	STORE #3	STORE #4
Variety- How many variations are represented? (How many types of choc. chip cookies?)				
Assortment - How many Brands of this one type? (Mothers, Keebler, Private label)				
Any service involved? (Samples, convenient pkg., self-help)				
Price				
Location (on shelf, in store)				
Promotion (Sale, coupons, samples,				
Design & Display (Special display? facing, signs)				
Type of Retail Institution				
Other				

Comments				
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PART B: Evaluate store layout, design and visual merchandising.

Go to a store of your choice and evaluate the store layout, design and visual merchandising techniques employed. Be sure to reference the concepts you have learned in your chapters. If a manager begins to question you because of your suspicious notetaking, just explain that you are a student at SOU and if they have questions, they should contact me. If you feel more comfortable having my business card, please ask me for it.

Explain your answers to the following questions:

- I. Appearance
 - A. Is the store layout, design and visual merchandising techniques used consistent with the exterior of the store and the location? What does it say about the type of store this is and the market it is trying to attract?
 - B. Is the store's ambiance consistent with the merchandise presented and the your expectations as a customer?
 - C. Does the store need a face lift, update, remodel or renovation? What improvements would you suggest?

- II. Fixtures
 - A. Does the lighting highlight merchandise, structure space, capture a mood, or downplay unwanted features?
 - B. Are the fixtures consistent with the merchandise and the overall ambiance of the store?
 - C. What type of image do the fixtures portray?

- III. Promotion
 - A. Evaluate the store's signage. Does it effectively sell merchandise?
 - B. Has the retailer used any theatrical effects to help sell merchandise?
 - C. Does the store make creative use of wall space to sell product?
 - D. Does the sales staff use suggestive selling?
 - E. Is the sales staff friendly and helpful?
 - F. Is the image of the staff consistent with the image of the store?

- IV. Layout
 - A. Does the store layout help draw people throughout the store? Why or why not?
 - B. How does the layout facilitate purchases?
 - C. What type of layout is used? Would another type of layout be better?

- V. Merchandising
- A. Has the retailer employed any techniques for achieving greater space productivity such as using the "cube," downsizing gondolas and racks, minimizing no-selling space, etc.?
 - B. Are there any displays that increase interest in the products being offered? If not, would you recommend any?
 - C. How has the retailer organized merchandise? What improvements could be made?
- VI. Summarize your suggestions on how this retailer can improve the shopping experience for their customers, increase sales, and improve their image.

PART C: Evaluate Web Sites.

Go to the four retail web sites and shop for a product. For example, if I were shopping for a pair of jeans, I would try to find similar jeans at four different retailers. I might view Victoria's Secret, GAP, J. Crew, Levi because they all offer about the same quality and target similar markets. Answer the following questions in detail:

- a) Identify the retailers you chose and why.
- b) How do you compare your experience shopping on the Internet to shopping in a local store for this type of product?
- c) What are the advantages and disadvantages of the Internet shopping experience?
- d) Compare the retail offerings of the product you were shopping for:
 - a. product quality
 - b. price
 - c. suggestive selling
 - d. website features
 - e. design of website
 - f. ease of website use
 - g. closing of the sale
- e) Which one of these sites would you use? Why?