Retail Management

BSc Program

Course: Retail Management -- 10 ECTS Credits

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Website: http://www.mcb.unco.edu/Faculty/ourPeople.cfm/Highlight/James.Reardon/

Class Schedule 9:00-13:00 each day as indicated on the daily schedule below

Aim of the course
In today’s tough job environment more people are choosing to become entrepreneurs. One of the more popular ways to do this is to start up a retail store – either physical or on-line. The main objective of this course is to enable students to develop a full retail plan that they can use to begin a new business venture. In the process, students will learn not only how to plan a retailer, but how to deal with retailers from a business-to-business relationship

Main issues
In this exceptionally competitive environment, the majority of retailers are still small to medium sized businesses – many operated by entrepreneurs with little training or education for the task. To survive, operators continually need managers who are familiar with retail operations to survive and become profitable. Students will develop a retail plan that is competitive in the environment that they choose (Aarhus or another geographic location). Specifically, the course will enable students to develop a retail plan that will include:

- An initial proposal of retail type and geographic area
- A complete analysis of the target audience – demographics, psychographics, and benefits
- Store location analysis – it may be anywhere in the world.
- Store layout and design – internal and external
- Develop an assortment and merchandise mix (fill the store with products).
- The development of a promotional plan to communicate your benefits to the consumer
- Inclusion of a human resource plan for staffing the right people at the right time
- A pricing and financial section – including the development of pro forma statements

Last year the students created very good plans to develop eating and drinking establishments in Aarhus.

Teaching methodology
Students will work both individually and in groups to create a written retail plan. The instructor will lecture/discuss first the theory of each part and then a practical application to show how create a plan that can be successful.
Prerequisites
Students are not required to have prerequisites for this course. The skill set necessary to conduct a retail plan ranges across the spectrum of business and other disciplines. Student will depend on each other’s skills in areas to learn from their peers as well as from the instructor. The main prerequisite for this course is to have an interest in Entrepreneurship and/or Retailing.

Learning outcome
By the conclusion of this module, participants should be able to:

- Describe how the consumers’ decision process affects retailers
- Develop a retail strategy that appeals to a specific target market, which includes
  - Location, layout/design, merchandising, pricing, and promotions
  - Develop a six-month merchandise plan
  - Understand how changes in operational variables (e.g., price, COGS, demand, expenses) affect profit
  - Describe how technology in retailing affects all channel members

Course Assessment
The grade for the course consists of two parts:

- Coursework counting 40 %
  - Interim project parts -- 4-7 interim project parts that will total 10% of the course grade. These will be due during the course discussions. The instructor will then offer detailed comments for the improvement and integration of these parts into a final project. Each student will be individually responsible for 1-2 of the parts. The parts consist of:
    1. Target Audience
    2. Store Location
    3. Store Layout and Design
    4. Merchandise Plan
    5. Promotional Plan
    6. HRM Plan
    7. Pricing and Financial plan
  - The final written project will consist of 30% of the course grade.

- 3-hour written exam counting 60 %
  - The final exam will cover the learning goals of the course and consist of the other 60% of the course grade

Literature
Reading of the assigned chapters from the text is required before attending class. Participants are required to have access to the text. Additional readings will be available online at the beginning of class.

- Previous project examples will be available to students to review.
  Students are welcome to utilize the 5th through 8th edition of the same text
## Tentative Schedule

### Main Topics:

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Text Readings Due</th>
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<tbody>
<tr>
<td><strong>July</strong></td>
<td></td>
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<tr>
<td>16 (Thurs)</td>
<td>Introduction to the Retailing and Retail Types</td>
<td>Ch 1-3</td>
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<td></td>
<td><strong>Project: Form Groups</strong></td>
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<tr>
<td>17 (Friday)</td>
<td>Responding to and Targeting Consumers</td>
<td>Ch 4</td>
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<td><strong>Project: E-mail me basic retail type before class</strong></td>
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<tr>
<td>20 (Mon)</td>
<td>Developing a Retail Strategy</td>
<td>Ch 5</td>
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<td><strong>Project: Final Groups and Assignments</strong></td>
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<tr>
<td>21 (Tues)</td>
<td>Location, Location, Location</td>
<td>Ch 7-8</td>
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<td></td>
<td><strong>Project: Interim Part Presentations: Target and Retail Strategy</strong></td>
<td>Read: <a href="http://blog.kincoREALTY.com/2012/04/8-little-known-factors-to-consider-when-finding-the-right-location-for-your-small-business/">link</a></td>
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<tr>
<td>22 (Wed)</td>
<td>Store Layout and Design</td>
<td>Ch 18</td>
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<td>Read: <a href="http://fitsmallbusiness.com/planning-your-store-layout/">link</a></td>
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<tr>
<td>23 (Thur)</td>
<td>Merchandising and Assortment Planning</td>
<td>Ch 12-13</td>
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<td></td>
<td>Read: <a href="http://merchandisingmatters.com/2013/07/15/acing-allocation-assortment-planning/">link</a></td>
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<tr>
<td>24 (Fri)</td>
<td>Pricing Mechanics/Pricing Promotions</td>
<td>Ch 15/Lecture</td>
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<td>Read: <a href="http://www.in.com/encyclopedia/sales-promotion.html">link</a></td>
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<td>27 (Mon)</td>
<td><strong>Project: Interim Part Presentations: Location/Layout and Design; &amp; Merchandising</strong></td>
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<td>28 (Tues)</td>
<td>Margin Accelerators/Strategic Profit Model</td>
<td>Ch 6/Lecture</td>
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<td>Read: <a href="http://www.businessforum.com/nelson03.html">link</a></td>
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<td>29 (Wed)</td>
<td>Human Resource Management</td>
<td>Ch 9 &amp; 17</td>
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<td>Read: <a href="http://www.business2community.com/human-resources/5-human-resource-management-mistakes-small-businesses-make-0970676">link</a></td>
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<tr>
<td>30 (Thurs)</td>
<td>Promotions and Advertising in Retailing</td>
<td>Ch 16</td>
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<td>Read: <a href="http://www.mckinsey.com/insights/marketing_sales/why-marketers-should-keep-sending-you-emails?goback=%2Fzu_30430828%2Fesd_30430828_member_5833574534959108100">link</a></td>
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<tr>
<td>31 (Friday)</td>
<td>Project work day – No formal class</td>
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### AUGUST

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<tr>
<th>Date</th>
<th>Topic</th>
<th>Text Readings Due</th>
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<tbody>
<tr>
<td>3 (Mon)</td>
<td><strong>Project: Interim Part Presentations: Pricing/HRM/Promotions</strong></td>
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<tr>
<td>4 (Tues)</td>
<td>In-Class Projects</td>
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<tr>
<td>5 (Wed)</td>
<td><strong>Final Presentations of Projects</strong></td>
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<tr>
<td>10 Monday</td>
<td>Final project due via e-mail</td>
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Assignments

Learning Outcome: Qualifications and Competences

By the conclusion of this module, participants should be able to:

- Describe how the consumers’ decision process affects retailers
- Develop a rudimentary retail strategy that appeals to a specific target market, which includes Location, layout/design, merchandising, pricing, and promotions
- Develop a six-month merchandise plan
- Understand how changes in operational variables (e.g., price, COGS, demand, expenses) affect profit
- Describe how technology in retailing affects all channel members

Project:

At a minimum, students will develop a comprehensive retail plan. This will include the following assignments:

Propose Retail Type – Maximum 1 page description of the type of retailer that will be proposed. Use Chapters 1-5 to describe the type of retail format and sub-industry.

Target Market and Retail Strategy – As per class discussion, this part of the project will first identify a target market (Chapter 4) and then specify an overall strategy (Chapter 5) that will properly target that market.

Location Analysis: Students will choose and justify an actual location for their retailer. Material from Chapters 7 and 8 will be used in the justification.

Store Layout: Students will complete a drawing of the layout of their proposed store with a justification for why merchandise is located in specific areas. In addition it is necessary to include are common (public spaces) and administrative/work spaces. Chapter 18 is relevant to this assignment.

Merchandise Mix: Students will complete a merchandise assortment plan for their proposed retailer. Chapter 12 and 13 show how to form such a plan.

Financial Plan: A complete strategic profit model using pro forma estimates of an income and balance sheet

HRM Plan: Number, skill level, pay rates, and scheduling of employees. May include an HRM manual.

IMC/Promotional Plan: The theme, logic and roughs of an IMC plan for your new store. Should include copy, creative, and media elements.

Final Project: Students will integrate the above parts into a single, coherent retail plan. Students may also include promotional/advertising plans and a financial plan to improve their grade above average.
Evaluation of Goal Achievement:

By the end of the module, students must be able to fulfill the above stated goals.
Grade 12: Grade 12 is denoted to 100% target fulfillment related to the learning outcome
Grade 02: Grade 02 is denoted to the minimum acceptable performance related to the learning outcome.

Literature:

Reading of the assigned chapters from the text is required before attending class. Participants are required to have access to the text. Additional readings will be available online at the beginning of class.

Exam Form: Individual graded coursework 40%

Three hour exam 60%
Open book, online exam
One final grade

Exam Evaluation: Professor