

Note to 2007 students: The updated syllabus for 2007 will be available on the e-companion course website. The course objectives, materials, and schedule will be similar to 2006. The class runs from June 11-July 6.

**University of Colorado at Colorado Springs
Graduate College of Business and Administration
Marketing 450
Retailing
Summer 2006 Course Syllabus**

Instructor: Prof. Tom Gruen

Course meetings: Monday-Thursday from 8:00-10:40 a.m. in Engineering 109.

Office hours: Library 318, immediately after each class session, and by appointment.

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Course prerequisites: MKTG 300 or instructor's approval

Course Materials

Text: The text for this course is *Retailing Management* 6e by Levy and Weitz, Irwin/McGraw Hill, 2006. This is a new edition text.

Course Web site: conducted on e-companion; information to login is found at <http://www.uccs.edu/~online/login2.htm>. Students are expected to log on regularly. All class information will be posted on e-companion (syllabus, assignments, Power Points, etc.) Regular course announcements will be made through the class Web site, and students can use the e-mail function to contact the course instructor as well as other students. E-companion will be used to deliver and accept assignments.

Course Introduction and Overview

Course objectives

The objective of this course is to provide students with the knowledge, skills, and competency to make wise marketing decisions in a retail environment. Students will learn the major functions of the retail process (buying, moving, and selling), and how to add value to each area. Both the retail environment and retail institutions and functions will be covered. The increasing use multiple channels by retailers will be featured as a competitive strategy.

Traditionally business students interested in retailing would seek career positions as buyers. However, increasingly students are interested in retail management, and this course will serve as a foundation to help students manage small retail businesses or step into management tracks of larger retailers.

Throughout the course, ethics in retail decision making will be discussed, and due to retail consolidation, international retailers will be featured along with local retailers. Due to the presence of the PGM program at UCCS and the number of students in the course from that program, there will be specific emphasis on management of golf pro shops and sporting goods retail.

The course uses multiple methods to deliver its objective. The class meets daily for two and one-half hours per session. A typical class session will include both a content component and an application component. The application will be a field trip, guest speaker, video, or an in-class exercise. Further application will be through projects where students visit retail stores and talk with retail managers.

Course Requirements and Student Assessment

Class Contribution (10%)

Students are expected to come to each class session fully prepared to discuss the topic for that day. As is typical of an upper-level elective, class discussion depends on each student's presence. Thus, the class contribution grade will rest partly on class attendance.

In-class Exercises (10%)

Application exercises, such as the Max Margin markdown challenge, will be completed in class.

Customer Experience Project (15%)

Each student will write a 2-4 page paper comparing the customer experience of buying a product or category from two different retail types.

July 4 Promotion Project (15%)

Instead of meeting on July 3 and 4, we will enjoy a long weekend. However, there will be some work in exchange for the class time off. Student pairs will select a July 4 promotion from a retail store and prepare a 4-5 page overview of the promotion. If time permits, selected student pairs will present their findings.

Store Format Comparison Project (25%)

This comprehensive project will require student pairs to apply the knowledge they learn from the class as they make a comprehensive comparison of three different store formats. This will include their own observations as well as interviews with managers of the stores they select to compare.

Exam (25%)

There will be a final exam covering the course content.

Summary of Assessment:

Class contribution:	10%
In-class exercises:	10%
Customer Experience Project :	15%
July 4 Promotion Project	15%
Store Format Comparison Project:	25%
Final exam	25%
Total:	100%

General Policies on Class Governance and Student Conduct

Late work policy: Any assignments turned in after the assigned due date are eligible for a maximum 85% ("B" grade). Late assignments must be submitted by the final scheduled day of class for the semester to receive any credit at all.

This syllabus is designed to be a guide to the course and does not function as a contract. The instructor reserves the right to make any changes to any aspect of the course at any time including student assessment. Students are expected and encouraged to provide feedback to the instructor regarding the course at any time. Near the end of the course, students will complete a formal course feedback questionnaire required by the university.

Students are expected to operate in an ethical manner on all assignments and exams. Students are expected to understand and follow all university guidelines and policies regarding academic honesty and acceptable personal conduct both in class and in the e-companion platform.

Summer 2006 MKTG 450 Retailing Class Schedule

	Date	Topic	Assignments
1	June 12	Introduction to retailing and retail careers; course overview.	L/W 1, 9 (236-251); stop into the campus bookstore.
2	June 13	1. UCCS Campus Bookstore visit, hosted by Carla Fleury. Meet at the bookstore entrance at 8:00. 2. Types of Retailers Including Multi-channel Retailers	L/W 2, 3; visit Best-buy and the Best-buy web site.
3	June 14	Understanding shopper behavior	L/W 4; visit the Envrosell.com web site then visit a grocery store and observe how people shop.
4	June 15	Retail store strategy and financial strategy	L/W 5, 6; stop into a Starbucks
5	June 19	Retail store location	L/W 7, 8; visit a specialty retailer in downtown COS
6	June 20	Managing from start to finish: supply chain management and CRM	L/W 10, 11; visit a drug store
7	June 21	Buying and merchandising I	L/W 12, 13; visit a sporting goods store
8	June 22	Buying and merchandising II PGA Merchandising and Management Seminar Guest lecture: Doug Wert, Director of UCCS PGM program	L/W 14; visit a golf course pro shop
9-10	June 26-27	No class meeting.	Project work: comparison of three formats
11	June 28	Retail Pricing	L/W 15; visit a Wal-Mart store
12	June 29	Retail Communication Mix	L/W 16
13-14	July 3-4	<i>Independence Day Break: No class meeting</i>	L/W 17; Prepare July 4 promotion event project
15	July 5	Store Layout and Visual Merchandising; Customer Service	L/W 18, 19
16	July 6	Final Exam	

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Fall 2005
July 4 Promotion Project

Students should form teams of two to work on this project. Student pairs should then select a retailer that is having some sort of July 4 promotion. Selection of the retailer requires that the manager or an assistant manager be willing to answer questions about the promotion. Only one student pair may work on a retailer, i.e., once a retailer is selected by a team, you have to find a different retailer.

Deliverable:

The deliverable will be a written report from ranging from 3-5 pages in length. Any attachments such as ads, circulars, etc, should be attached to the written report.

Due Dates:

Retailer selection will begin the first day of class. Retailer selections must be posted on the e-companion discussion board to reserve the retailer.

Written reports are due at the beginning of class on July 5.

What should the report cover?

The report should cover any relevant aspect of the promotion. Much of this will be observed, however a great deal of the questions will need to be answered by store management. The report should at minimum answer the following questions:

Planning: When did the promotion planning begin? Who made the decisions in the planning (e.g., centralized or by local managers)? What are the objectives of the promotion? How were the products selected that are being promoted? To what degree are the suppliers participating in the promotion, and what form is their participation? What are the pricing incentives being used? When does the promotion begin and end?

Buying: How much extra inventory is being purchased for the promotion? How far in advance does the buying occur? What type of forecasting method(s) are used to assist in the buying?

Merchandising: How is the promotion being executed in the store? Are featured products in multiple locations? What sort of signage is being used?

Communication: What media are being used to communicate the promotion? When were the media buys made, and who made them? When do the ads run? If appropriate, how national advertising coordinated with local advertising? To what degree is co-operative advertising used? What other marketing is being used (e.g., radio promotion, circulars, web site)? How is the promotion being communicated to employees, and do the employees understand the promotion? What is the staffing level for the promotion period (i.e., is it greater than normal)?

Measurement: How will the success of the promotion be determined? What are the specific metrics? Which is more preferable at the end of the promotion, to have excess inventory or to have items out of stock?

Grading criteria:

Grades for the project will be based on the following criteria:

1. Thoroughness of report: were all aspects of the promotion adequately examined?
2. Clarity of the report: how well was the report written? Is it clear, well organized, attractive? Are there spelling or grammatical errors that detract from the review?
3. Insight of the report: does the report provide clear insight to the likely effectiveness of the promotion?

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Fall 2005
Customer Experience Project

Students should work individually on this project. Students should select a particular product or product category that they or someone they know is interested in purchasing (or recently purchased) for personal use. This should be a product (as opposed to a service), and should be considered a “major” purchase (something not regularly purchased, and of high enough price that an extended decision process is used—for example, golf clubs would be appropriate, but golf balls would not). Examples would be a car, new clothing item, shoes, tennis racquet, golf clubs, snowboard, iPod, computer, television, bicycle, furniture item, home furnishings, kitchen appliance, camping gear, and so on. If you are not sure about the appropriateness of the product or category selected, ask the course instructor before embarking on the project.

Two retailers, ideally different formats, should then be selected as alternative places to purchase the product. For example, one might compare the experience of buying a used car from a dealership as opposed to an independent used car lot, purchasing a suit from a specialty clothing store as opposed to a department store, golf clubs from a pro shop as opposed to sporting goods store, or a television from Best Buy as opposed to Sam’s Club.

Deliverable:

The deliverable will be a written report in a table form ranging from 2-4 pages in length. Any attachments such as ads, circulars, etc, should be attached to the written report.

Due Dates:

Written reports are due at the beginning of class on June 19.

What should the report cover?

The report should cover any relevant aspect of the purchase process. All of this can be observed, however additional insight can be gained from talking with store personnel and managers. The focus should be on the way that the purchase process differs between the two retailers. The report should at minimum cover the following areas:

	Store A	Store B
Description of customer base / segment shopping at this store (demographic, psychographic, etc.)		
Knowledge of customer about the product when entering store		
Type and extent of customer assistance provided		
Breadth of assortment of product line, and the way the customer decide among the available options		
Returns policy and warranty		
Decision process (who is involved and who plays which role)		

Time required to arrive at a purchase decision		
Type of payment used and financing used		
Other products purchased in the same shopping trip		
Insert / add any other likely differences you observe		

Grading criteria:

Grades for the project will be based on the following criteria:

1. Thoroughness of report: were all aspects of the purchase process adequately examined, and were differences between the customer bases clearly defined for each section?
2. Clarity of the report: how well was the report written? Is it clear, well organized, attractive? Are there spelling or grammatical errors that detract from the review?
3. Insight of the report: does the report provide clear insight to the likely reasons why there are differences between the customers and their buying behavior at the different retailers?

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Store Format Comparison Project

Students should form teams of two to work on this project. Student pairs should then select a broadly defined product category that can be purchased from three different types of retail outlets, then select one retail store to represent each of the different types. The report will compare the way the category is sold from the different retail formats. All three formats must have a “brick and mortar” presence, although they may use multiple-channels. To have a good project, the students will need to interview the store or department managers of the various formats.

Some examples of categories and retail types would be as follows:

Health and beauty aids: compare a drug store, grocery store, and mass merchandiser

Golf clubs and supplies: compare a pro shop, specialty golf store, and general sporting goods store

CDs: compare Independent records, Best-buy, and Barnes & Noble

Soda: compare grocery store, Sam’s Club (or Costco if you can get to one), and convenience store

Home furnishings: compare American Furniture Warehouse, Furniture Row, and Ethan Allen (or Ikea if you can get to one).

Gardening supplies: compare Lowes or Home Depot, Wal-Mart, and specialty store

Jeans: compare specialty store, department store, and the Leechpit

Pet care: compare Petsmart or Petco, a specialty shop, and a grocery store

Cosmetics: compare a department store, a drug store, and a grocery store

Greeting cards: compare C.J. Kard, a Hallmark store, and a drug store

Deliverable:

The deliverable will be a written report from ranging from 5-8 pages in length. Any attachments such as ads, circulars, etc, should be attached to the written report. The report can be submitted in tabular form (4 columns with column 1 describing the aspect examined, and columns 2-4 describing each store’s use of that aspect.

Due Dates:

Written reports are due by 5:00 p.m. on July 7.

What should the report cover?

The report should focus on the differences in the way the category is handled by each of the formats. Several ideas for comparisons are provided below, and additional items can be found in your text on p. 66. Much of this will be observed, however a great deal of the questions will need to be answered by store management. The report should at minimum cover the following areas:

Store location and hours: Compare the location in terms of convenience and distance from the target market; compare the store hours. Are the hours or location limiting one of the stores (good vs. lousy location)?

Category role in the store: how important is the category to the overall store in terms of percentage of the total store sales, what is the role of the category in the store? How much space is devoted to the category in terms of total square feet, linear shelf feet, and as a percent of the total store selling space?

Assortment: What is breadth of the assortment? How many different brands? How many different products for each brand? How many different SKUs for each product? Which brands are featured? What is the depth of each SKU (how many units are on the shelf)? How much additional inventory is kept in the back room?

New items and discontinued items: How often are new items introduced and older items discontinued? What percent of the SKUs would be considered new in the past year?

Sales velocity: What is their inventory turn of the category? How does that compare with other categories carried by the store? How frequently do units sell (on average, e.g. how many units sell per week of the average SKU)? Which items are the big sellers for the category? How is the amount of shelf space determined for products? Are fast movers given more shelf space than slow movers?

Ordering and deliveries: How often is inventory ordered? How often are deliveries of inventory received by the store? How is inventory received (in case packs, in partial packs), and from where (trace the general supply chain to the manufacturer (e.g., jobber, distribution center, direct store delivery, broker, other wholesaler)), and where does it go once it reaches the store (directly to the shelf, in the back room, or some of each)?

Seasonality: To what extent does seasonality affect the category? Are most of the sales in December?

Promotions: How much of the category is sold on promotion as opposed to regular price? How are promotions planned and executed?

Pricing: What is the price range of the store (high, average, or low) relative to other store formats? What are the average margins? Does the store work with mark-down allowances? How are the markdowns used?

Personnel and sales staff: What is the average experience level of the personnel? Are there licenses or other factors that affect personnel (e.g., unions, certification, etc.)? How are the salespeople compensated (salary, commission, combination)?

Multi-channel presence: Does the store use other channels (direct marketing and Internet marketing) or does it rely solely on its brick and mortar presence?

Effectiveness: How does each store appear to be doing? Is there are strong future for the category in the format, or does it seem like a bleak future?

Grading criteria:

Grades for the project will be based on the following criteria:

1. Thoroughness of report: were all aspects of the category adequately examined across all three stores?
2. Clarity of the report: how well was the report written? Is it clear, well organized, attractive? Are there spelling or grammatical errors that detract from the review?
3. Insight of the report: does the report provide clear insight to key differences of the formats and each format's ability to effectively sell the category?