

Retail Management

Levels:	Grades 11-12
Units of Credit:	0.50
CIP Code:	08.0705
Core Code:	37010000240
Prerequisite:	None
Skill Test:	

COURSE DESCRIPTION

Retailing is a program that will prepare the student to operate businesses that sell, rent, or lease goods and services. This course will provide insight into the theory behind buying, selling, storing, pricing, promoting, displaying, financing, and other activities necessary for successful business operations. Students taking marketing related courses should have the opportunity to participate in the DECA organization, an association of marketing students. DECA-related activities and curricula may be used as an approved part of all marketing classes.

CORE STANDARDS, OBJECTIVES AND INDICATORS

STANDARD 1

Students will understand the importance of the background information about retail customers and competitors needed to understand retailing and develop and effectively implement a retail strategy.

Objective 1: Describe the functions retailers perform and the variety of decisions they make to satisfy customers' needs in a rapidly changing, highly competitive environment.

- a. Define retailing.
- b. Explain what retailers do.
- c. Explain why retailing is important to our society.
- d. Explain what career and entrepreneurial opportunities retailing offers.
- e. Explain what types of decisions retail managers make.

Objective 2: Describe the different types of retailers.

- a. Describe the trends that are shaping today's retailers.
- b. Explain what the different types of retailers are.
- c. Explain how retailers differ in terms of how they meet the needs of their customers.
- d. Explain how service retailers perform differently from merchandise retailers.
- e. Describe the types of ownership of retail firms.

Objective 3: Examine how retailers are using multiple selling channels—stores, Internet, and catalogs—to reach their customers.

- a. Explain the unique customer benefits offered by retailing through stores, catalogs, and the Internet.
- b. Describe what factors will affect the growth of electronic retailing.
- c. Explain why most pure electronic retailers fail.
- d. Explain how multichannel retailers provide more value to their customers.
- e. Describe the key success factors in multichannel retailing.
- f. Explain how technology might affect the future shopping experience.

Objective 4: Discuss factors consumers consider when choosing stores and buying merchandise.

- a. Explain the stages customers go through when selecting a retailer and purchasing merchandise.
- b. Explain the social and personal factors that affect customer purchase decisions.
- c. Explain how retailers can get customers to visit their stores more frequently and buy more merchandise during each visit.

- d. Determine how and why retailers group customers into market segments.

STANDARD 2

Discuss strategic decisions made by retailers.

Objective 1: Describe the development of a retail market strategy.

- a. Explain what a retailing strategy is.
- b. Explain how a retailer can build a sustainable competitive advantage.
- c. Describe the steps retailers go through to develop a strategy.
- d. Explain the different strategic opportunities retailers pursue.

Objective 2: Examine the financial strategy associated with the market strategy.

- a. Determine how retail strategy is reflected in retailers' financial objectives.
- b. Explain why retailers need to evaluate their performance.
- c. Examine the strategic profit model and how it is used.

Objective 3: Discuss the location strategy for retail outlets.

- a. Explain the types of locations that are available to retailers.
- b. Explain why certain types of retailers typically locate in one type of location, while others locate in other location types.
- c. Explain what the relative advantages are for each location type.
- d. Determine which types of locations are growing in popularity with retailers.
- e. Determine which types of locations have become less desirable for retailers in recent years.
- f. Describe the issues that should be considered when determining in which region or trade area to locate a store.
- g. Describe a trade area, and why a retailer should choose one over another.
- h. Describe the factors retailers should consider when deciding on a particular site.
- i. Determine how retailers forecast sales for new store locations.

Objective 4: Examine the firm's organization and human resource strategy.

- a. Explain the management of human resources and how they play a vital role in a retailer's performance.
- b. Determine how retailers build a sustainable competitive advantage by developing and managing their human resources.
- c. Determine what activities retail employees undertake, and how they are typically organized.
- d. Explain how a retailer coordinates employees' activities and motivates them to work toward the retailer's goals.
- e. Determine the human resource management programs for building a committed workforce.
- f. Determine how and why retailers manage diversity among their employees.

Objective 5: Examine systems used to control the flow of information and merchandise.

- a. Explain how merchandise and information flow from vendor to retailer to consumer and back.
- b. Describe what advanced information technology developments are facilitating vendor-retailer communications.
- c. Describe quick response delivery systems.
- d. Explain why getting merchandise faster translates to stronger retailer profits.

Objective 6: Understand details for approaches that retailers take to manage relationships with their customers.

- a. Describe customer relationship management.
- b. Explain why retailers want to treat customers differently.
- c. Explain how retailers determine who their best customers are.
- d. Explain how retailers build customer loyalty.
- e. Describe what retailers do to increase their share of wallet.
- f. Explain what retailers do to alleviate the privacy concerns of their customers.

STANDARD 3

Students will understand the importance of the activities involved in the basic functions of merchandise management.

Objective 1: Discuss how retailers develop profitable assortments and forecast sales.

- a. Explain how the buying process is organized.
- b. Explain how retailers determine the profitability of their merchandising decisions.
- c. Explain how retailers forecast sales for merchandise classifications.
- d. Describe what trade-offs retailers must make to ensure that stores carry the appropriate type and amount of merchandise.
- e. Explain how retailers plan their assortments.

Objective 2: Examine the buying systems used to make these decisions.

- a. Explain what a merchandise budget plan and open-to-buy system entail, and how they are prepared.
- b. Explain how a staple merchandise buying system operates.
- c. Explain how multistore retailers allocate merchandise to stores.
- d. Explain how retailers evaluate their merchandising performance.

Objective 3: Explore branding options, sourcing internationally, and establishing and maintaining a competitive advantage by developing long-term relationships with vendors.

- a. Determine what branding options are available to retailers.
- b. Determine what issues retailers should consider when sourcing internationally.
- c. Explain how and where retailers meet with their vendors.
- d. Explain how retailers prepare for and conduct negotiations with their vendors.
- e. Determine why retailers forge strategic relationships with their vendors.

Objective 4: Address the important question of how to set and adjust retail prices.

- a. Explain why some retailers have frequent sales while others attempt to maintain an everyday-low-price strategy.
- b. Determine how retailers set retail prices.
- c. Determine what pricing strategies retailers use to influence consumer purchases.
- d. Determine under what circumstances retailers' pricing practices can get them into legal difficulties.

Objective 5: Determine the relative advantages of various promotional vehicles available to retailers.

- a. Explain how retailers build brand equity for their stores and their private-label merchandise.
- b. Explain the strengths and weaknesses of the different methods of communicating with customers.
- c. Explain why retailers need to have an integrated marketing communication program.
- d. List the steps involved in developing a communication program.
- e. Explain how retailers establish a communication budget.
- f. Explain how retailers use the different elements in a communication mix to alter customers' decision-making processes.

STANDARD 4

Students will understand the importance of implementation issues associated with store management.

Objective 1: Understand the importance of managing the store.

- a. Explain what the responsibilities of a store manager are.
- b. Explain how store managers recruit, select, motivate, train, and evaluate their employees.
- c. Explain how store managers compensate their salespeople.
- d. Explain what legal and ethical issues store managers must consider in managing their employees.
- e. Explain what store managers do to increase productivity and reduce costs.
- f. Explain how store managers reduce inventory losses due to employee theft and shoplifting.

Objective 2: Understand the importance of Store Layout, Design, and Visual Merchandising.

- a. Explain what the critical issues are in designing a store.
- b. Explain what the alternative methods of store layout are.
- c. Explain how space is assigned to merchandise and departments.
- d. Explain what the best techniques for merchandise presentations are.

Objective 3: Understand the importance of customer service.

- a. Explain what services retailers offer customers.
- b. Explain how customer service can build a competitive advantage.
- c. Explain how customers evaluate a retailer's service.
- d. Explain what activities a retailer undertakes to provide high-quality customer service.
- e. Explain how retailers can recover from a service failure.