

Las Positas College  
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**Course Outline for MKTG 60**  
**RETAIL STORE MANAGEMENT**  
**Effective: Fall 2004**

**I. CATALOG DESCRIPTION:**

MKTG 60 — RETAIL STORE MANAGEMENT — 3.00 units

Profitably starting and managing a retail business. Practical information such as finding a site and managing personnel, merchandising, buying, pricing, financial management, store security and information systems.

3.00 Units Lecture

**Strongly Recommended**

MKTG 56 - Retail Strategies  
or

BUSN 53 - Business Correspondence

**Grading Methods:**

Letter or P/NP

**Discipline:**

	<u>MIN</u>
<b>Lecture Hours:</b>	54.00
<b>Total Hours:</b>	54.00

**II. NUMBER OF TIMES COURSE MAY BE TAKEN FOR CREDIT: 1**

**III. PREREQUISITE AND/OR ADVISORY SKILLS:**

**Before entering this course, it is strongly recommended that the student should be able to:**

- A. MKTG56
- B. BUSN53

**IV. MEASURABLE OBJECTIVES:**

**Upon completion of this course, the student should be able to:**

- A. list and describe tasks involved in starting and operating a retail business;
- B. discuss factors relating to location, site, and building decisions;
- C. explain procedures and concepts regarding the recruitment, selection, training, and motivations of sales employees;
- D. describe the fundamentals of customer service;
- E. demonstrate an understanding of the principles of merchandise assortments;
- F. summarize the concepts and practices of retail buying;
- G. articulate various pricing strategies and how they influence consumer purchases;
- H. describe the various security technologies and methods used in retailing;
- I. describe the business use of the various information systems used in retailing;
- J. analyze how retailers analyze and manage profitability;
- K. construct a retail plan that includes both traditional and Internet business models.

**V. CONTENT:**

- A. The tasks involved in starting and operation a retail business.
  - 1. Licenses
  - 2. Insurance
  - 3. Trademarks and tradenames
- B. Factors relating to location, site, and building decisions.
  - 1. Location options
    - a. Local demographics
    - b. Trade area studies
  - 2. General contract issues for leasing
- C. Procedures and concepts regarding the recruitment, selection, training, and motivations of sales employees.
  - 1. Job analysis
  - 2. Job description
  - 3. Locating prospective employees
  - 4. Screening and selection

- 5. Training
  - a. Product
  - b. Sales Skills
  - c. Customer Service Skills
- 6. Motivating
- 7. Maintaining Morale
- 8. Rewarding
  - a. Extrinsic
  - b. Intrinsic
- 9. Legal issues
  - a. Discrimination
  - b. Harassment
  - c. Unlawful termination
  - d. Workers' compensation
- D. Fundamentals of customer service
  - 1. Customer service strategies
  - 2. Customer evaluation of service quality
  - 3. Closing the gaps
  - 4. Employee training
  - 5. Service recovery
- E. Principles of merchandise assortments
  - 1. Category assortment planning
  - 2. Profitability measurements
  - 3. Category life cycle management
  - 4. Planning and forecasting
- F. Building and managing supplier relationships
  - 1. Merchandising budgets
  - 2. Common buying systems, processes
  - 3. Private-label vs. national brands
  - 4. Vendor relations, negotiations
  - 5. Legal, ethical issues
    - a. Contract disputes
    - b. Chargebacks
    - c. Commercial bribery
    - d. Slotting allowances
    - e. Buybacks
    - f. Counterfeit, gray-market merchandise
    - g. Exclusive, typing contracts
    - h. Purchase terms
- G. Various pricing strategies, influence on consumer purchases
  - 1. Everyday pricing
  - 2. High/low pricing
  - 3. Methods of price setting
  - 4. Tiered pricing
  - 5. Break-even analysis
  - 6. Discounting methods
  - 7. Laws concerning pricing
    - a. Price discrimination
    - b. Predatory pricing
    - c. Price-fixing
    - d. Advertising rules
- H. Security technologies and methods used in retailing
  - 1. Article Security
  - 2. Asset Tracking
  - 3. Employment Investigation
  - 4. Records Research
  - 5. Surveillance
- I. Information systems used in retailing
  - 1. Point of Sale
  - 2. Inventory
  - 3. Supply Chain
  - 4. Customer Relationship Management
- J. Analysis and management of profitability
  - 1. Revenue
  - 2. Expenses
  - 3. Cash Flow
- K. "Bricks and clicks" business models
  - 1. Internet business models
  - 2. Shipping across state/international lines

#### VI. METHODS OF INSTRUCTION:

- A. **Lecture** -
- B. **Written exercises and case studies** - Case studies 1. Current events 2. Best practices
- C. **Guest Lecturers** -
- D. **Discussion** - Group Discussion

#### VII. TYPICAL ASSIGNMENTS:

A. Analysis of current events in retailing from business publications (i.e. Wall Street Journal, Fortune, local business section).  
 1. Describe the retailing and merchandising methods that Apple is trying to develop and implement. How do these methods fit with Apple's product line, brand image, and target customer?  
 B. Application of class learning's to local retailers  
 1. What pricing method does your employer or favorite store use? Why does it make good business sense?  
 C. Group project to develop own retail strategy  
 1. Local market, location analysis  
 2. Employee hiring, training and motivation methods  
 3. Customer relationship management practices  
 4. Customer service practices  
 5. Best practices from other retailers

#### VIII. EVALUATION:

- A. **Methods**
- 1. Other:

- a. Current events, or field analysis – weekl
- b. 2-3 papers on sample business plan
- c. Group presentation
  - 1. 15-20 minute presentation teaching the class how concepts in the class were used in a retail plan.
- d. 1 midterm, 1 final exam
  - 1. Typical test question:
    - a. "Describe how Wal-Mart manages its distribution channel. Discuss both vendor relations and the use of information technology. As a smaller retailer, how can you compete with Wal-Mart for a vendor's attention while remaining competitive with your own customers?"

**B. Frequency**

**IX. TYPICAL TEXTS:**

- 1. Michael Levy & Barton A. Weitz *Retailing Management*. 5th ed., McGraw Hill/Irwin, 2004.
- 2. Barry Berman & Joel R. Evans *A Strategic Approach*. 8th ed., Macmillan Publishing, 2001.

**X. OTHER MATERIALS REQUIRED OF STUDENTS:**

- A. Internet Access
- B. Access to business publications such as the Wall Street Journal, Fortune
- C. Access to trade publications for their interest areas