

**COMMERCE 4MF3
Retailing Management
Winter 2020 Course Outline
DeGroote School of Business
McMaster University**

COURSE OBJECTIVE

The objective of the course is to familiarize the students with key managerial and policy issues involved in the design, implementation and assessment of the retail marketing mix. The course will cover the following three broad topics:

- (a) Institution of Retailing – definitions, structure and change
- (b) Key elements of the retail environment
- (c) Retail strategies – location, pricing, assortment, inventory, shelf space, and promotion.

A large part of the focus will be on the third topic where retail strategies will be studied in light of consumer behaviour, competition, and supply chain and cost efficiency. The course is not intended to give a comprehensive overview of current retailing landscape and industry practices or teach students how to conduct daily retail operations.

INSTRUCTOR AND CONTACT INFORMATION

Tue. 14.30 p.m. – 17.20 p.m.

Vijay Kumar

Professor

Class Location: BSB/B103

ramador@mcmaster.ca

T.A. Yuyan Wei weiy21@mcmaster.ca

Course Website:

<http://www.avenue.mcmaster.ca>

COURSE ELEMENTS

Credit Value:	3	Leadership:	Yes	IT skills:	Yes	Global view:	Yes
Avenue:	Yes	Ethics:	No	Numeracy:	Yes	Written skills:	Yes
Participation:	Yes	Innovation:	Yes	Group work:	Yes	Oral skills:	Yes
Evidence-based:	Yes	Experiential:	No	Final Exam:	No		

COURSE DESCRIPTION

Retailing is the set of business processes that add value to products and services and deliver them to the final consumer. As such, retailing is quite broad in scope. For example, the scope of retailing would not only encompass business designs selling products such as the neighbourhood retailer, the grocery supermarkets, e-tailing and the catalogue marketer, but also such business activities as selling services such as banking, financial advice and medical care. In some sense retailing's focus on the end-consumer represents the epitome of marketing. Any framework to study retailing requires a balanced view that includes a number of factors including the efficiency of retail operations, impact on and of consumers, nature and degree of competition, suppliers and their incentives, and of course the larger socio-economic context.

The course is intended to highlight different strategic as well as tactical considerations that are either unique or of particular importance in the context of retailing management and strategy. The coverage is not meant to be comprehensive but meant to highlight the complexity and scope of retail decision-making.

LEARNING OUTCOMES

Upon completion of this course, students will be able to complete the following key task:

- Understand some of the complexities of retail operations.
- Analyze the business environment of different forms of retailers and assess the pros and cons of each.
- Evaluate various strategies
- Communicate effectively both orally in presentation form and in writing.

REQUIRED COURSE MATERIALS AND READINGS

Avenue registration for course content, readings and case materials
<http://avenue.mcmaster.ca>

Dunne, Lusch & Carver *Retailing* 8th edition, South-Western College

EVALUATION

Learning in this course results primarily from in-class discussions, conducting the group research assignments as well as out-of-class analysis. The balance of the learning results from the lectures on strategic concepts, from text and related readings, and from researching your assignments, presentations, and cases. Where group work is expected, group members will share the same grade adjusted by peer evaluation. Your final grade will be calculated as follows:

Components and Weights

A. Group Assignment #1	10%
B. Group Assignment #2	10%
C. Group Assignment #3	10%
D. Group Assignment #4	10%
E. Class Participation	20%
F. In Class Exams	40%
TOTAL:	100%

NOTE: The use of a McMaster standard calculator is allowed during examinations in this course. See McMaster calculator policy at the following URL:

<http://www.mcmaster.ca/policy/Students-AcademicStudies/examinationindex.html>

Grade Conversion

At the end of the course your overall percentage grade will be converted to your letter grade in accordance with the following conversion scheme.

LETTER GRADE	PERCENT	LETTER GRADE	PERCENT
A+	90 - 100	C+	67 - 69
A	85 - 89	C	63 - 66
A-	80 - 84	C-	60 - 62
B+	77 - 79	D+	57 - 59
B	73 - 76	D	53 - 56
B-	70 - 72	D-	50 - 52
		F	00 - 49

Communication and Feedback

Students who wish to correspond with instructors or TAs directly via email must send messages that originate from their official McMaster University email account. This protects the confidentiality and sensitivity of information as well as confirms the identity of the student. Emails regarding course issues should NOT be sent to the Area Administrative Assistants.

Instructors are required to provide evaluation feedback for at least 10% of the final grade to students prior to Week #8 in the term. Instructors may conduct an informal course review with students by Week #4 to allow time for modifications in curriculum delivery.

Students who wish to have a course component re-evaluated must complete the following form:

http://www.mcmaster.ca/policy/Students-AcademicStudies/Form_A.pdf

In order for the component to be re-read:

- The component must be worth 10% or more of the final grade in the course;
- Students pay a fee of \$50 in Gilmour Hall 209 and the receipt is then brought to Student Experience - Academic Office (formerly the APO) in DSB 112;
- The Area Chair will seek out an independent adjudicator to re-grade the component;
- An adjustment to the grade for the component will be made if a grade change of three points or greater on the 12-point scale (equivalent to 10 marks out of 100) has been suggested by the adjudicator as assigned by the Area Chair;
- If a grade change is made, the student fee will be refunded.

Participation

Marketing is not a spectator sport. You learn more by doing than by watching. In the process, you also help others learn. Name cards are used to help me identify you. You must have a name card with your **full first and last initial** clearly written and displayed in front of you for every class.

Group Assignments:

There will be four group assignments in this course all involving primary research in the form of interviews at the very least.

Groups

Working in a study group is likely to enhance your learning experience. The size of each group will be 4 or 5 people. You do not need to keep the same group throughout the term. I encourage you to work with different people to help increase and improve your management exposure and skills.

Groups are encouraged to set some ground rules and expectations and to have a feedback session following the completion of each assignment so that individuals are made aware if their input is less than expected by their team. It is also very important to commend those that really rise to the surface and make the assignment better quality and the team experience more meaningful.

Peer Evaluations

Peer evaluations must be signed off by each and every group member in order to be used. I will accept individual evaluations from the members as long as there is agreement from the group. Try to work through group disharmony, and if you are unable to resolve any matters, set up a

group meeting with me. I will be happy to assist in problem resolutions. This is a good time to voice concerns and hopefully resolve them. You are the managers of the future. Learning how to evaluate performance of others is a management skill best learned through practice.

The result of this process is a true reflection of each group members' contribution to the project. You will be expected to resolve any residual conflict using the principle of FAIRNESS. Some members (i.e., those that contribute the most to the process) may find that their overall grade will go up as a result of the peer evaluation. Others may find that their overall project grade will go down. We recommend that this reward system be discussed during the first group meeting.

Past experience with groups has shown that most troubles arise because (a) individuals do not respect the group process, and (b) there is lack of proper communication among group members. The first group meeting should happen in the first two weeks. At this meeting, you might want to choose a group leader who will facilitate the work. This is also a good time to set the parameters for group work such as: when the group will meet, attendance at group meetings including punctuality, and preliminary assignment of tasks. You should also make a calendar of all "good" and "bad" times for the group (i.e., when group members have commitments to work, tests, major assignments, social commitments, holidays, etc.). The worst thing you can do is surprise your group with a long-standing commitment at the last minute.

Do not rubber-stamp these reviews as evaluations not done carefully at this time can set the stage for problems in the upcoming weeks.

Field Assignments

There will be four field assignments in this course. Please provide two copies of your PowerPoint presentation printed as a handout with three slides per page to the instructor and the teaching assistant.

Assignment #1 (10 marks) Types of Retailers

The purpose of this assignment is for you to discover some of the differences or issues management/owners have to deal with depending on the type of retailing operation they have e.g. chain store versus an independent store. Find out the challenges/issues/problems with regard to

- a) hours of work
- b) range of services necessary to satisfy customers
- c) training,
- d) communication needs/advertising
- e) merchandise assortment requirements
- f) merchandise arrangement, etc.

Make a list of questions and interview a storeowner/manager of both the store types you are comparing. Plan your questions and keep them concise since these people are very busy.

Choose from one of the options below and compare:

- 1) Grocery Store versus Convenience Store

- 2) Fast Food Franchise versus Independent Restaurant
- 3) Take Out Restaurant versus Full Service Restaurant
- 4) Chain Store versus Independent Store

Marks will be based on your result, thoroughness of the information you gathered and presentation skills. In your presentation make sure to bring out the contrasts between the two types of retail outlets you have chosen.

Remember, retail is the place where the consumer meets the product or service. Remember, there are also service retailers that provide you with such things as healthcare, haircuts, tax remittance services, etc. so you also choose two types of service retailers for the project.

Assignment #2 (10 marks) Managing People

This assignment is designed to allow you to discover how management handles operational issues with regard to the people that work for them.

Choose one retailer in any category and interview the Store Manager. The types of things you want to determine from the Store Manager are:

How do you decide how many employees are needed?

What process do you go through to attract and select applicants?

What training do these new hires receive?

Who decides what benefits are made available to employees?

Who determines employee policy?

How is employee policy administered?

How are employees evaluated?

How are promotions decided?

Is there a management-training program?

What are the requirements for someone to be hired into the management-training program?

You will present your findings in your report. Marks will be based on your result, thoroughness of the information you gathered and presentation skills.

Assignment #3 (10 marks) Store Layout

This assignment is for you to conduct some retail investigation in the field. Your report should be in summary style.

Professional retail analysts often hire consulting firms to conduct studies that watch how consumers act and move in store settings. This is called “Retail Anthropology.” There are several issues that can help retailers make sure that their store design is optimized for their customers. We’ll look at three specific ones: Customer traffic flow, Crowdedness, and Accessibility. You will compare three retailers on these attributes. For this exercise, use a simple rating scale from 1 – 5 where “5” is best and “1” is worst. Make a chart to summarize your findings.

- A) Visit three retail stores in the same product category (e.g.: shoes stores or departments, jewellery stores or departments, children's clothing, discounters, sporting goods, etc.) Describe the product category, the three stores you picked and why you picked them.
- B) Customer traffic flow: In each store/department, first watch how people move through the store. Do they follow similar paths? Are they attracted to certain displays or areas of the stores? Is the traffic flow efficient?
- C) Secondly, compare how crowded each store is. Are the aisles wider in one store versus the others? Are products crowded on racks/shelves? Do customers get in each other's way?
- D) Finally, are all the stores equally accessible to people with disabilities. Do they have automatic doors, ramps, handicapped-accessible restrooms, water fountains, fitting rooms (if applicable) checkout counters? Are displays accessible to people in wheelchairs? If needed, is Braille used? Hearing devices?
- E) Fill in your chart and briefly discuss your findings. Were there patterns in the ways that customers behaved? Were certain stores "better" than the others? What would you recommend if you were a consultant?
- F) Could the stores you visited use e-commerce to improve any of these areas?

You will present your findings in your report. Marks will be based on your result, thoroughness of the information you gathered and presentation skills.

Assignment #4 (10 marks) Merchandise Assortment

Department Stores have a broad selection of product categories, which are generally managed by lower level management responsible for one or more categories. The purpose of this assignment is to determine how these managers make decisions on merchandise assortment and what level of authority they have to make these decisions. You also want to come away with a good understanding of how accountable these managers are for results and what previous training or education they needed to get to their level in the organization.

You will need to interview one of these category managers in two different department stores and report on the following issues. The list is not exhaustive but do make sure your list of questions is very concise as these managers are very busy.

How is merchandise ordered?

How are conflicts with suppliers resolved?

How is variety or assortment managed?

How is pricing strategy determined?

How is stock rotation managed?

How is redundant stock liquidated and when?

How is merchandise arrangement determined?

How is the manager held accountable for the performance of the category?

Etc.

You will present your findings in your report. Marks will be based on your result, thoroughness of the information you gathered and presentation skills.

Note: Please do not choose a fashion category manager as these lines are purchased by dollar value and stock is generally not replenished at the item level.

ACADEMIC DISHONESTY

You are expected to exhibit honesty and use ethical behaviour in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity.

Academic dishonesty is to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. This behaviour can result in serious consequences, e.g. the grade of zero on an assignment, loss of credit with a notation on the transcript (notation reads: “Grade of F assigned for academic dishonesty”), and/or suspension or expulsion from the university.

It is your responsibility to understand what constitutes academic dishonesty. For information on the various types of academic dishonesty please refer to the Academic Integrity Policy, located at:

www.mcmaster.ca/academicintegrity

The following illustrates only three forms of academic dishonesty:

1. Plagiarism, e.g. the submission of work that is not one’s own or for which other credit has been obtained.
2. Improper collaboration in group work.
3. Copying or using unauthorized aids in tests and examinations

ONLY IF APPLICABLE

In this course we will be using a web-based service (Turnitin.com) to reveal plagiarism. Students will be expected to submit their work electronically to Turnitin.com and in hard copy so that it can be checked for academic dishonesty. Students who do not wish to submit their work to Turnitin.com must still submit a copy to the instructor. No penalty will be assigned to a student who does not submit work to Turnitin.com. All submitted work is subject to normal verification that standards of academic integrity have been upheld (e.g., on-line search, etc.). To see the Turnitin.com Policy, please go to;

<http://www.mcmaster.ca/academicintegrity/turnitin/students/>

Language for Use in Courses with an On-Line Element

In this course we will be using X*. Students should be aware that when they access the electronic components of this course, private information such as first and last names, user names for the McMaster e-mail accounts, and program affiliation may become apparent to all other students in the same course. The available information is dependent on the technology used. Continuation in this course will be deemed consent to this disclosure.

If you have any questions or concerns about such disclosure, please discuss this with the course instructor.

X* = e-mail, LearnLink, WebCT, web pages, capa, Moodle, ThinkingCap, etc

REQUESTING RELIEF FOR MISSED ACADEMIC WORK

Students may request relief from a regularly scheduled midterm, test, assignment or other course component in the following ways:

- a) for absences from classes lasting up to three (3) days;
- b) for absences from classes lasting more than three (3) days; or
- c) for conflicts arising from Student Experience - Academic Office approved events

a) for absences from classes lasting up to three (3) days:

Students must use the MSAF (McMaster Student Absence Form). This is an on-line, self-reporting tool, for which submission of medical or other types of supporting documentation is normally not required. Students may use this tool to submit a maximum of one (1) request for relief of missed academic work per term as long as the weighting of the component is worth less than **25%** of the course weight. Students must follow up with their course instructors regarding the nature of the relief within two days of submitting the form. Failure to do so may negate the opportunity for relief. It is the prerogative of the instructor of the course to determine the appropriate relief for missed term work in his/her course. Details are described below.

If the value of the component is worth **25%** or more, students must report to their Faculty Office (the Student Experience – Academic Office for Commerce students) to discuss their situation and will be required to provide appropriate supporting documentation.

Please visit the following page for more information about MSAF:

[http://academiccalendars.romcmaster.ca/content.php?catoid=18&navoid=3204#Requests
for Relief for Missed Academic Term Work](http://academiccalendars.romcmaster.ca/content.php?catoid=18&navoid=3204#Requests_for_Relief_for_Missed_Academic_Term_Work)

b) for absences from classes lasting more than three (3) days:

Students cannot use the MSAF. They **MUST** report to their Faculty Office (the Student Experience – Academic Office for Commerce students) to discuss their situation and will be required to provide appropriate supporting documentation.

Students who wish to submit more than one request for relief of missed academic work per term cannot use the MSAF. They must report to the Student Experience – Academic Office and discuss their situation with an academic advisor. They will be required to provide supporting documentation and possibly meet with the Manager.

c) for conflicts arising from Student Experience - Academic Office approved events:

Students unable to write a mid-term at the posted exam time due to the following reasons: religious; work-related (for part-time students only); representing university at an academic or varsity athletic event; conflicts between two overlapping scheduled mid-term exams; or other extenuating circumstances, have the option of applying for special exam arrangements. Please see the DeGroot Missed Course Work Policy for a list of conflicts that qualify for academic accommodation:

<http://ug.degroote.mcmaster.ca/forms-and-resources/missed-course-work-policy/>

Such requests must be made to the Student Experience – Academic Office at least ten (10) working days before the scheduled exam along with acceptable documentation. Non-Commerce students must submit their documentation to their own Faculty Office and then alert the Student Experience – Academic Office of their interest in an alternate sitting of the midterm.

Adjudication of all requests must be handled by the Student Experience – Academic Office. Instructors cannot allow students to unofficially write make-up exams/tests.

The MSAF cannot be used during any final examination period.

If a mid-term exam is missed without a valid reason, students will receive a grade of zero (0) for that component.

STUDENT ACCESSIBILITY SERVICES

Students who require academic accommodation must contact Student Accessibility Services (SAS) to make arrangements with a Program Coordinator. Academic accommodations must be arranged for each term of study. Student Accessibility Services can be contacted by phone 905-525-9140 ext. 28652 or e-mail sas@mcmaster.ca. For further information, consult McMaster University's Policy for [Academic Accommodation of Students with Disabilities](#).

POTENTIAL MODIFICATIONS TO THE COURSE

The instructor and university reserve the right to modify elements of the course during the term. The university may change the dates and deadlines for any or all courses in extreme circumstances. If either type of modification becomes necessary, reasonable notice and communication with the students will be given with explanation and the opportunity to comment on changes. It is the responsibility of the student to check their McMaster email and course websites weekly during the term and to note any changes.

COURSE SCHEDULE

**Commerce 4MF3
Retailing Management
Winter 2020 Course Schedule**

Week	Date	Topics	Assignments	Chapters
1	Jan.07	Course Outline, Introduction		1
2	Jan.14	Retail Strategic Planning and Operations Management		2
3	Jan.21	Retail Customers	Class Test	3
4	Jan.28	Competition, Legal and Ethical Behaviour/ Retail POS data	Assignment #1	4 & 6
5	Feb.4	Managing People	Class Test	14
6	Feb.11	Market Selection and Location Analysis	Assignment #2	7
7	Feb.25	Layout & Design		13
8	Mar.3	Merchandise Buying and Handling	Class Test	9
9	Mar.10	Retail Communications	Assignment #3	11
10	Mar.17	Customer Services and Retail Selling		12
11	Mar.24	Pricing	Class Test	10
12	Mar.31	Retailing Finances / Managing Supply Chain	Assignment #4	8, 5