

GRANDE PRAIRIE REGIONAL COLLEGE  
BUSINESS ADMINISTRATION  
COURSE OUTLINE

B. Fletcher  
F.98

BA 2080

RETAILING and MERCHANDISING

**TEXT:** CANADIAN RETAILING *Third Edition*, J. Barry Mason,  
Morris L. Mayer, Hazel F. Ezell, Irwin – A Division of McGraw-Hill  
Companies, 1997. (Usage 100%)

**PREREQUISITE:** BA 1090.

**COURSE DESCRIPTION:** The course examines the field of retailing and merchandising from a practitioner's point of view. Mixing lectures with case studies and the examination of existing retail sites, an understanding of the following concepts is developed:

- site analysis,
- store planning,
- interior design,
- layout, and
- space/productivity ratios.

Stock buying, inventory control, principles of pricing, customer services, and concepts of expense management are discussed. Films and guest lecturers are used where appropriate.

**COURSE OBJECTIVE** This course emphasizes a managerial, practical approach to retailing. It focuses on the strategic issues faced by the owner, manager, or the employee of a retail institution. It assumes no prior knowledge of retailing and covers the conceptual and analytical foundations necessary to understand all aspects of retail management.

**GRADING:** As you can see, this course will cover a large volume of material. For some students, this material will be completely new while others will have a background in various aspects of the material presented.

To help ensure that students have a full understanding of ALL the course material presented, and to reduce the problems that are created when students are absent, please note the following:

1. Students will be expected to attend class on a regular basis. Any student having more than six (6) inexcusable absences may not be allowed to write the final exam.
2. In addition, unless unpreventably detained, students are expected to be in class "ON TIME".
3. All assignments must be submitted, on time and in an acceptable format.
4. A final grade will not be assigned until all assignments have been submitted.
5. Assignments with an inordinate number of spelling errors, which display poor grammatical style or which otherwise seem carelessly prepared will be returned significantly penalized or ungraded.

Course credit will be determined on the following basis:

|  |            |
|--|------------|
| Mid term Exam                          | 30%        |
| Final Exam                             | 30%        |
| Major Assignments                      | 30%        |
| Class Participation<br>and assignments | <u>10%</u> |
|  | 100%       |

Conversion of percentages to the 9-point system will be as follows:

|           |            |          |         |
|-----------|------------|----------|---------|
| 90        | 100%       | 9        |         |
| 80        | 89%        | 8        |         |
| 72        | 79%        | 7        |         |
| 65        | 71%        | 6        |         |
| 57        | 64%        | 5        |         |
| <u>50</u> | <u>56%</u> | <u>4</u> |         |
| 45        | 49%        | 3        | Failure |
| 26        | 44%        | 2        |         |
| 0         | 25%        | 1        |         |

**"PLEASE REMEMBER, I DO NOT DETERMINE YOUR GRADE,  
I SIMPLY RECORD IT"**

**It is YOUR RESPONSIBILITY TO ENSURE THAT YOU RECEIVE ANY NOTES HANDED OUT IN CLASS. Should you be absent when they are distributed, please make arrangements with a classmate to obtain a copy for you.**

If a classmate forgets to pick up a copy for you, I will keep surplus copies in my office for as long as they last, but please do not depend upon them always being available.

**COURSE CONTENT:**

The following is a tentative outline of the course. The material covered and the order in which it is covered will be dictated by the time available.

**Chapter 7 – Starting and Financing a Retail Business**

Text: Pg. 180 – 197

Ref. 93

This chapter considers the prerequisites necessary to starting a retail business. Whether to start a new store or acquire a going business; the initial capital requirements and their sources are discussed, and appraising the value of an ongoing business are also examined.

**Chapter 8 – Franchising**

Text: - Pg. 198 - 214

This section examines the advantages and disadvantages of becoming a FRANCHISEE. The basic types of franchise arrangements, franchise opportunities, franchise contracts are discussed in this section.

At the conclusion of this section students will be asked to explore franchising options for Grande Prairie and district.

Use of the Internet web site: [www.bison1.com/](http://www.bison1.com/) is recommended.

**Chapters 1 & 2 – The Retail Environment**

Text: Pg. 4 - 49

The Retail environment is discussed with an emphasis on legislation, which governs the activities of Canadian retailers.

**Chapter 3 – Understanding the Retail Customer**

Text: Pg. 52 – 83

In this section the motives for shopping are discussed. The role of store image and how it influences buyer behavior is touched on.

**Chapter 4 – Social Influences on the Retail Consumer**  
**Text: Pg. 86 – 118**

In this chapter a variety of influences affecting buyer behavior is discussed. The role of social class and reference groups is considered. The Stanford Research Institute VALS is discussed.

**Chapter 10 – Making the Retail Location Decisions**  
**Text: Pg. 260 – 295**

Ref. 108 & 136

Deciding on a suitable location, with reference to community, trading area and specific site location, are considered in this section. Reilly's Law and Huff's Model of Retail Gravitation are considered in this section. Affinities, Pedestrian traffic, and vehicular traffic are discussed.

**Chapter 11 – Store Design and Layout, and Merchandise Presentation**  
**Text: Pg. 298 – 327**

Ref. 155

Interior and exterior store design is discussed. Space allocation and selling space/productivity ratios are considered. The "model-stock" plan is discussed.

**Chapter 12 - Merchandise Planning**  
**Text: Pg. 328 – 350**

Ref. 323

In this section Merchandising strategies which can provide a competitive advantage are discussed. The concept of SKU's (Stockkeeping Units) is introduced as are concepts of Stock turnover rates, average inventor, and ideal stock are discussed.

**Chapter 14 – Retail Pricing Strategy**  
**Text: Pg. 384 – 403**

Ref. 451

In this section, the basic factors affecting which affect price are discussed. Concepts of Price lining, discounts, markups/markdowns, as well as pricing policies are discussed.

**Chapter 15 – Keys to Successful Retail Selling**  
**Text: Pg. 406 – 435**

Ref. 676

In this chapter discussion ranges from "Prospecting" to the "Closing the Sale". Tips for sales training are reviewed as are tips for helping sales personnel understand customer motives for buying.

Chapter 16 – Developing a Customer – Focused Culture  
Text: 480 – 505

Ref 676

The importance of personal selling in retail stores is discussed in this section.  
The difference between customer service and customer focused are discussed.  
Types of Retail credit are considered as are a range of customer services.