

RETAILING MANAGEMENT

MBA-MS, BATCH: 2016-18 / TRIMESTER - V
DEPARTMENT OF MANAGEMENT, BANGALORE CAMPUS
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COURSE OBJECTIVE

The position of 'Retailing Management' in the sixth trimester is a very interesting one. It falls just before the course culminates and the participants start out their careers. On one side the students will get to see direct benefits of this course in their final-placements when the recruiters will hire 'Sales or Retail Professionals', and on the other side the objective is also to highlight the possibility of a quick start-up of a business with Retailing!!!

Come to think of it, what could be the most realistic concoction of several topics of Marketing Management along with managing a business organization? Which part of the business is most crucial for winning or retaining the customers? Thoughts like these immediately make us realise the objective and the importance of "Retailing Industry" in the real world. In its practical & tactical sense, retailing is about the shop, the shopper and the shopping! In its strategic sense, retailing is not an art, its pure science and reasoning at work. This course wishes to look at the tactical and strategic aspects of retailing management.

Retailing as an activity can be thought to be as old as formation of human societies. It can be traced to the times when man stopped producing all its requirements and trading came into being. The potters, blacksmiths and fishmongers, for instance, signify a community that involved themselves into selling to households. This was different from trade that happened on 'wholesale' leading to spice routes from Malabar (Kerala) to Europe and beyond, through Afghanistan and silks routes in India and China. Retailers have become an integral part of society.

Retailing has always been an integral part of economic development. Nations with strong retail activity have enjoyed greater economic and social progress. It contributes to the development by matching the individual requirements of the population with the producers and suppliers of merchandise. It is a clear indication of the spending pattern of the consumers of a country. By bringing the product to the customers, they are helpful in creation of demand of new offers leading to the expansion of market. Some of the benefits of a thriving retailing sector are access to products, better merchandise, not having to settle for a second or third choice when shopping for a particular product, greater customer satisfaction and higher levels of customer service. In a way they symbolize consumerism. The Eastern European countries experienced low rate of growth when they were under Communist regime. After the countries have opened to market forces and became part of the emerging economies, retailing is one of the forces driving consumption. Many international retailers were instant hit as they provided the customers a different form of experience. A similar experience is being witnessed in India, where the new format stores are places to be and seen at and customers are deriving a significant utility out of shopping.

LEARNING OUTCOMES

Upon completion of this course, students will be able:

- To develop awareness and interest about the Retailing Industry
- To understand in detail the various aspects of retailing as a business activity
- To get an understanding of retailing strategy and various formats
- To develop the power of reasoning for retailing by understanding what happens behind-the-curtain!

COURSE DESCRIPTION

Pedagogic mix will include standard standalone, but well-connected, sessions and exercises. Teaching material used is collected from the best of the textbooks and the latest trade magazines, news articles and journals. Overall the treatment to the subject will make 21st century Retailing Professional who can see retailing industry for their career. There will be numerous 'in-class quizzes', a mid-course test, and an end-term test. Each of this will test clarity of understanding and awareness of the participants. Besides these, there will be on-the-field exercises and observational studies. There could be a couple of visits to the most important stores to understand the full orchestra of retailing.

This is a course to be run by the participants (students), the instructor will only guide and provide direction for a meaningful learning. Peer-to-Peer learning is always considered the most effective and fastest form of learning. The participants will have to adjust to the aggressive demands of this course and will have to come prepared to every class.

REQUIRED COURSE MATERIALS AND READINGS

Textbook: Retailing Management

Micheal Levy, Barton Weitz, Ajay Pandit | 8th Edition | Tata McGraw Hill

The cases mentioned in the textbook could be written in geographies of the developed nations (largely USA and UK), but their implications in fast-developing, and even faster-urbanizing, India can be easily seen. Hence it is recommended that course uses them to emphasise the learning objectives of a particular session. Besides this there will be numerous reading material from StoRAI, The Retailer, Franchising India. These will be provided by the instructor. Audio-Video films as prescribed by the instructor from time-to-time for relevant sessions.

OPTIONAL COURSE MATERIALS & READINGS (CASES, ARTICLES, REPORTS ETC)

There is no end to a curious and an ignited mind. The classes will raise several questions; many of them will be intentionally left unanswered. Only the direction will be shown for further investigation. The participants are therefore advised to endlessly read and investigate literature from Retailers Association of India (RAI), subscribe to magazines like 'The Retailer', and read newsletters from RAI.

EVALUATION CRITERIA

Components	Weightage (%)
In-class presentations	20%
Quiz (In-class tests)	20%
'Retailing Entrepreneur' project	30%
End term	30%
Total	100%

This is subject to change depending on the intensity of the workload.

ACADEMIC DISHONESTY

The instructor will put the most sincere efforts in teaching and motivating the aspiring managers, and the least he would expect is the same honesty and dedication from the audience. Plagiarism in any form is a despicable crime, and hence it will be ruthlessly dealt with. In the most unfortunate scenario a participant may be even sent-back ('Red-Card') if he/she is found copying or even 'getting inspired' by someone else's work. The decision of the instructor, with the approval from the ASB management, shall be firm, final and non-negotiable.

DETAILS OF SESSION: TENTATIVE COURSE SCHEDULE

S.No.	TOPICS TO BE COVERED	PRE-CLASS READING AND ASSIGNMENTS
1&2	<p><i>Retail Economy, Retail Transformation, Retailer Types, Future of Retailing</i></p> <p>Learning objective: To understand retailing, its importance, its envelope around us, and theoretical perspectives on the Development of Retail Business</p> <p>The session will include the following:</p> <ul style="list-style-type: none"> ➤ Trends in Indian Retail Industry ➤ Players in Organized retail industry and characteristics ➤ Food Retailing and General Merchandise retailing ➤ Non-Store retailing and Services Retailing ➤ E-tailing : Success & failure 	<p>Pre-Class Chapter Reading: LWP Chapters 1,2,3</p> <p>Report: Retailing - India (Euromonitor) New Retail Models (Sita Mishra)</p> <p>Pre-Class Cases Reading: Cases # 1,2,3,4,6 and 38</p> <p>Cases will be summarised, and the Questions at the end of the cases will be discussed in class.</p> <p>In-Class: 15 mins Quiz!</p> <p>Post-Class: Specific assignments will be emailed to participants directly.</p>

3,4 & 5	<p><i>Building SCA, Financial Strategy, Human Resources Strategy</i></p> <p>Learning objective: To understand Business Strategy of retailers, understanding and analyzing their financial performance, and their staffing and organization building strategy</p> <p>The session will include the following:</p> <ul style="list-style-type: none"> ➤ Retail Market Strategy ➤ Building Sustainable Competitive Advantage ➤ Entry Strategies and Growth Strategies of Retailers ➤ Financial Strategy: Strategic Profit Model based on Return on Assets; Activity Based Costing ➤ HR Strategy: Organization Structures; Building a distributed Retail Organization 	<p>Pre-Class Chapter Reading: LWP Chapters 5,6,9</p> <p>Report: Can Foreign Direct Investment Redefine It In India? (Uniyal& Sarkar)</p> <p>Pre-Class Cases Reading: Cases # 8,9,10,12,15,16</p> <p>Cases will be summarised, and the Questions at the end of the cases will be discussed in class.</p> <p>In-Class: 15 mins Quiz & Volunteer Student Presentation!</p> <p>Post-Class: Specific assignments will be emailed to participants directly.</p>
6 & 7	<p><i>Various retail locations; Factors affecting the site selection</i></p> <p>Learning objective: To understand how retailers select locations, catchment areas and various analytical models of estimating demand</p> <p>The session will include the following:</p> <ul style="list-style-type: none"> ➤ Location and retail strategy ➤ Factors affecting demand ➤ Measuring attractiveness of a site 	<p>Pre-Class Chapter Reading: LWP Chapters 7,8</p> <p>Pre-Class Cases Reading: Cases # 13,14</p> <p>Cases will be summarised, and the Questions at the end of the cases will be discussed in class.</p> <p>In-Class: 15 mins Quiz & Volunteer Student Presentation!</p> <p>Post-Class: Specific assignments will be emailed.</p>
8 & 9	<p><i>Influence of Social Factors; Buying Process</i></p> <p>Learning objective: To understand the role demographics, psychographics, mediagraphics of an Indian shopper</p> <p>The session will include the following:</p> <ul style="list-style-type: none"> • Understanding Shopping and Shopper in detail • Building Store Loyalty 	<p>Pre-Class Chapter Reading: LWP Chapter 4</p> <p>Report: New Retail Models (Sita Mishra) Organized Retail (Gupta, Agrwl)</p> <p>Pre-Class Cases Reading: Cases # 5 and 34 + Backlog</p> <p>Cases will be summarised, and the Questions at the end of the cases will be discussed in class.</p>

		<p>In-Class: 15 mins Quiz & Volunteer Student Presentation!</p> <p>Post-Class: Specific assignments will be emailed to participants directly.</p>
10 & 11	<p><i>Store Layout & Design, Managing the Store</i></p> <p>Learning objective: To understand the elements of store layout, prime places inside the store, store packaging, Measuring output of a store</p> <p>The session will include the following:</p> <ul style="list-style-type: none"> ➤ Elements of Store Layout ➤ Planning & Circulation in Store ➤ The role of a Store Manager 	<p>Pre-Class Chapter Reading: LWP Chapter 16,17</p> <p>Report: Retail isn't broke yet (HBR)</p> <p>Pre-Class Cases Reading: Cases # 27,28</p> <p>Cases will be summarised, and the Questions at the end of the cases will be discussed in class.</p> <p>In-Class: 15 mins Quiz & Volunteer Student Presentation!</p> <p>Post-Class: Specific assignments will be emailed to participants directly.</p>
12&13	<p><i>Visual Merchandising; Point-of-Purchase Communication +Customer Service</i></p> <p>Learning objective: To understand the role of in store advertising and promotion from the retailer.</p> <p>The session will include the following:</p> <ul style="list-style-type: none"> ➤ How packaging influences retailing of products & services ➤ Designing of PoP communication ➤ How PoP communication takes place in all types of stores 	<p>Pre-Class Chapter Reading: LWP Chapter 17 & 18</p> <p>Pre-Class Cases Reading: Cases # 29,32,33 + 30,31</p> <p>Cases will be summarised, and the Questions at the end of the cases will be discussed in class.</p> <p>In-Class: 15 mins Quiz & Volunteer Student Presentation!</p> <p>Post-Class: Specific assignments will be emailed to participants directly.</p>
15&16	<p><i>Planning Merchandise Assortments</i></p> <p>Learning objective: To understand how to orchestrate the buying process of merchandise, set objectives for the merchandise plan, Assortment Planning Process.</p>	<p>Pre-Class Chapter Reading: LWP Chapter 12</p> <p>Pre-Class Cases Reading:</p>

	<p>The session will include the following:</p> <ul style="list-style-type: none"> • Introduction to Merchandising Management and Category Management • GMROI as a tool to set and measure merchandise performance objectives • Category Life Cycle and merchandise types and their stages • Assortment Planning Process: Trade-off between Variety, Assortment and Product Availability 	<p>Cases # 11,20</p> <p>Cases will be summarised, and the Questions at the end of the cases will be discussed in class.</p> <p>In-Class: 15 mins Quiz & Volunteer Student Presentation!</p> <p>Post-Class: Specific assignments will be emailed to participants directly.</p>
17&18	<p><i>Buying Merchandise</i></p> <p>Learning objective: To understand sourcing decisions for merchandise and vendor management</p> <p>The session will include the following:</p> <ul style="list-style-type: none"> ➤ Branding Strategies for Private Label brands and manufacturer brands ➤ Global sourcing Decisions: Costs associated with them and Managerial Issues ➤ Vendor Management: Connecting with Vendors and Negotiating with vendors ➤ Establishing Strategic relationships with vendors ➤ Ethical and legal issues in Purchasing Merchandise ➤ Terms of purchase 	<p>Pre-Class Chapter Reading: LWP Chapter 13</p> <p>Pre-Class Cases Reading: Cases # 21,22,23</p> <p>Cases will be summarised, and the Questions at the end of the cases will be discussed in class.</p> <p>In-Class: 15 mins Quiz & Volunteer Student Presentation!</p> <p>Post-Class: Specific assignments will be emailed to participants directly.</p>
19 & 20	<p><i>Pricing Models and Pricing Adjustments</i></p> <p>Learning objective: To understand how pricing is used as a strategy by retailers; the various approaches for price setting and price adjustments</p> <p>The session will include the following:</p> <ul style="list-style-type: none"> ➤ Types of Pricing Strategies ➤ Models for Price-Setting ➤ Methods for Adjusting the Prices ➤ Building a reference price 	<p>Pre-Class Chapter Reading: LWP Chapter 14</p> <p>Pre-Class Cases Reading: Cases # 24 + Backlog</p> <p>Cases will be summarised, and the Questions at the end of the cases will be discussed in class.</p> <p>In-Class: 15 mins Quiz & Volunteer Student Presentation!</p> <p>Post-Class: Specific assignments will be emailed to participants directly.</p>
21	<p><i>Supply Chain Management in context of retailing</i></p> <p>Learning objective: To understand the role of efficient and sustainable SCM for retailers</p>	<p>Pre-Class Chapter Reading: LWP Chapter 10</p> <p>Pre-Class Cases Reading:</p>

	<p>The session will include the following:</p> <ul style="list-style-type: none"> ➤ Efficient SCM is a SCA for a retailer ➤ Retailing logistics for the physical flow of merchandise 	<p>Cases # 7</p> <p>Cases will be summarised, and the Questions at the end of the cases will be discussed in class.</p> <p>In-Class: 15 mins Quiz & Volunteer Student Presentation!</p>
22	<p><i>Effective CRM and Customer Service means loyalty... but only for the next transaction!</i></p> <p>Learning objective: To understand how CRM has been able to keep retailers on their guards against competitive threats; and how customer service can increase possibilities of business</p> <p>The session will include the following:</p> <ul style="list-style-type: none"> ➤ Collecting and analyzing customer data ➤ Developing and implementing CRM programs ➤ Discussions and examples of Customer Service and its improvements 	<p>Pre-Class Chapter Reading: LWP Chapter 11</p> <p>Pre-Class Cases Reading: Cases # 17,18,19</p> <p>Cases will be summarised, and the Questions at the end of the cases will be discussed in class.</p> <p>In-Class: 15 mins Quiz & Volunteer Student Presentation!</p>
23&24	<p><i>Usage and adoption of technology to make an error-free retailing; Planning and Methods of Retailing Communication; Synergies in Brick and Mortar and E-Commerce</i></p> <p>Learning objective: To understand how technology is shaping up retailing; and how retailers are using technology and traditional methods to communicate with customers. To understand the newer trends of Brick and Mortar stores participating in the E-Commerce boom.</p> <p>The session will include the following:</p> <ul style="list-style-type: none"> ➤ Types of Technologies used in retailing ➤ Methods of Communications with customers ➤ Planning process for retail communications 	<p>Pre-Class Chapter Reading: LWP Chapter 15</p> <p>Report: Future of Shopping (HBR)</p> <p>Pre-Class Cases Reading: Cases # 25,26</p> <p>Cases will be summarised, and the Questions at the end of the cases will be discussed in class.</p> <p>In-Class: 15 mins Quiz & Volunteer Student Presentation!</p>