



COURSE SYLLABUS

Course: **MKTG 4443 Retail Buying and Merchandise**

Prerequisite: MKTG 3433

Catalog Description of the Course:

Duties, problems of store buyer, merchandise manager, demand forecasting, sources of buying information; analysis of records as aids to merchandise control; evaluation of resources; buying policies and practices; buyer as department manager; budgeting problems.

This class will address the responsibilities of a retail buyer that must balance the (1) needs of retailer, (2) understand the needs and objectives of their suppliers, and (3) the preferences of consumer for long-term customer satisfaction. As such, it is suited to prepare students for business-to-business careers either as a vendor or a retailer of consumer merchandise, with an emphasis on consumer packaged goods (CPG).

Value of the Course:

This course is designed as an advanced course for senior College of Business Majors completing the Retail Major. The course is open to all students completing Walton College of Business prerequisites who have an interest in consumer products, either from the suppliers' or retailers' perspective. Emphasis given to the issues of pricing, gross margins, assortment, display and inventory management. Due to the variety of backgrounds and majors in this course, there is a grading option.

Texts for the class:

Nirmalya Kumar and Jan-Benedict E.M. Steenkamp, "Private Label Strategy," Harvard Business School Press

A.C. Nielsen, "Consumer-Centric Category Management," Wiley (ISBN 0-471-70359-1).

From 4433, Michael Levy and Bart Weitz "Retail Management," Chapters 12-13 (6e), required if you'll be completing both 4433 and 4443, but is an optional text.

On-line sources:

<https://answers.nielsen.com/portal/site>

Wall Street Journal, wsj.com

Chain Store Age, www.chainstoreage.com

The majority of class materials will be available on Blackboard, such as lecture notes, sample quiz questions, and project instructions.

REQUIREMENTS OF THE COURSE

All components of grades will be posted to Blackboard in terms of “points” with 1000 available throughout the semester. The number of points awarded for any single graded component may vary slightly from the schedule below, and depending on the project components that are submitted. The “points” appearing in Blackboard are based on a total of 1000 for a students working alone and completing all projects without “Deadline Points.” Because of this, the possible point total may be above what you have attempted.

Exams: (45%)

Quizzes are a minimum of 45% of your course grade. Quizzes will be multiple choice format, students should bring a dark-blue Scantron for answers. Practice quizzes, consisting of old questions, will be made available on Blackboard one week prior to the quiz. Three exams are planned at four week intervals, and will be a scored at 150 points, differing due to the number of items used for each and the adjustment made for the number possible (denominator). A final exam is optional and will be given on the assigned date for the class, permitting the lowest of three to be dropped; or to make-up of an earlier missed quiz. If certain project components are missed/skipped due to personal conflicts, the quizzes can be worth up to 60% of course.

Component Points	Deadline	Projects	Total
Exams (3 taken with classmates)	12		450
Projects and activities			450-550
Financial Analyses I & II	12	200	
Category Progress/Project Presentation (group) or	20	250-350	
Decisions, Software/Lab Dates	56		100
<i>Estimated points</i>	100	450 to 550	1000

Projects:

Up to 45% of your grade is based on the completion of projects. These projects are designed to demonstrate your familiarity with assignments as entry level positions as buyers or vendors. Financial Analysis Projects (20%, 200 points) Retailer Draft: Each student will select one retailer for Financial Analysis I. If Financial Analysis II is submitted, the retail-inventory method must be used by the retailer for merchandise budgets.

The first assignment area is the financial analysis and preparation of merchandise budget for a publicly traded apparel, electronics, or home furnishings retailer. The assignment uses the 10-K reports found on the Security and Exchange Commission’s Edgar site (www.sec.gov) for the retailer’s most recent year. The core component of the assignment is the creation of a spreadsheet using a minimum of two to three years) of financial data. Combining elements lines from income statement and balance sheet, the spreadsheet will create calculations (or estimates) of profitability (gross margin, cost of goods, gross margin return on inventory), indicants of productivity (inventory turnover, sales per square foot, sales per store, sales per employee), use of credit (leverage, days payable), plus the remaining components of the strategic profit model (profit margin, asset turnover, return on assets, return on net worth) (10%).

The second assignment will use the data from the first phase to create merchandise budgets for product lines within your retailer. While we cover the material in lecture, you may update merchandise budgets for the upcoming selling seasons. Data on quarterly sales, number of stores, and merchandise lines is used to prepare two six-month merchandise budgets for one line in an average store within the retail chain

Convenience Good Category Project (25-35%, 250-350 points)

The project is designed to familiarize students with the data and analysis necessary to complete a standard approach to category management, getting a feel for the basic analysis needed to become either an effective buyer or seller on a convenience good category. We will follow A.C. Nielsen's eight steps procedure from the "Consumer-Centric Category Management" book.

The written project is designed to be completed by an individual (35%), requires a PowerPoint file be created, but it does not have to be presented to class. If presented to class, up to 15% of the Course grade can be based on the presentation, unless the written project has a higher score.

Groups must submit supporting exhibits and a make a PowerPoint presentation (25%), but do not have to prepare a written report. If one or more group members chooses to submit an additional written report (with its score exceeding the presentation score), it's the Project is worth 35% (Presentation 15%).

A major time-consuming (though interesting) portions of the semester project are in-store audits of category assortments. When completed, an audit should have a minimum of 50 SKUs after a minimum of 5 audits for a score of 80% (C/B) on this portion of the grade. Depending on the depth found in the category, a group of 3 should complete a minimum 15 different store locations for a score of 80% on this component. This will require some trips to stores throughout Fayetteville-Springdale-Rogers MSA, and maybe even a trip to stores in Fort Smith, Little Rock or Tulsa. Each group must submit a spreadsheet of their audit, accounting for roughly 90% of the SKUs and a minimum of four stores per group member, ready for creation of gross margins prior to Fall Break.

Other: "Deadlines"

An additional 10% (100 pts.) is applied to your grade, for making it easier to complete the grading, attend lab and speaker dates, and being ready for the content of exams. There are deadlines included in the schedule of meeting dates. The purpose of these are an incentives to keep all members of the group working together to get the project completed. These points are optional if you complete Financial Analysis II.

Please show courtesy to your classmates by being on-time for every class period and refrain from any activities which would be best done outside of class. For example, if you receive a "text" during lecture, it had better be sufficiently important to leave the classroom to answer, and you should leave the classroom to take care of the matter—but do not return, get the matter resolved immediately. (-5 points each occurrence of cell phone distractions).

Grading:

90.00% and above	=	A (Excellent)
80.00-89.99%	=	B (Good, above average)
70.00-79.99%	=	C (Satisfactory in a majority of graded components)
60.00-69.99%	=	D (Unsatisfactory, passing)
Below 60.00%	=	F (Missing work)

Note-taking: Partial PowerPoint notes will be available on Blackboard 12 hours prior to class. Modifications will occur prior to lecture. These notes do not contain all the material presented in lecture, but are used to assure that students have the half of important points. Additional material is provided in lecture to encourage note-taking. Students are advised to get notes and handouts from classmates should they not be able to attend class.

INSTRUCTOR POLICIES

1. Blackboard carries a running total of points for the course, however, missed assignments, course options, and missed quizzes create problems with keeping this current for every student. Due to this, all points posted to Blackboard are based on each student taking advantage of every option, with a total of 1000 points. If an option are skipped, the points from the deadline points are used for the 1000 point total
2. Every student is assigned an official University of Arkansas e-mail address. This is the address I will correspond with confidential information regarding your performance in class, such as grades on exams and projects. I do not use the telephone to discuss grades with any person. If you send me an e-mail from your UA e-mail address, please include MKTG 4443 in the subject line. It will be read. If it poses a question, I can usually respond within a day, but I may not respond to e-mails that don't pose a question.
3. The telephone is appropriate for two-way communication. My phone has caller ID. If it lists your name and number, I will pick up unless I am with another student. Please leave a brief message, but it is difficult for me to return all phone messages. An e-mail message would be an appropriate means to contact you.
4. I find academic dishonesty in all its various forms (for descriptions, see the Student Handbook) highly offensive. The Dean of Students will notified following University procedures.
5. I do not give quizzes or exams before scheduled times. Make-ups must be completed prior to the next class meeting, and may receive ½ the weight if cannot be completed in that time. Students will take quiz missed during the final exam period. Final exams are given at the scheduled time as listed in the schedule of classes.
6. I can't answer every e-mail, but I do read every e-mail from students. I answer those with a specific question not related to class attendance.

Academic Honesty:

“Academic dishonesty involves acts that may subvert or compromise the integrity of the educational or research process at the University of Arkansas, when such acts have been performed by a UA student. Academic dishonesty includes, but is not limited to, any act by which a student gains or attempts to gain an academic advantage for him/herself or another by misrepresenting his/her or another's work or by interfering with the independent completion, submission, or evaluation of academic work.”

“As a core part of its mission, the University of Arkansas provides students with the opportunity to further their educational goals through programs of study and research in an environment that promotes freedom of inquiry and academic responsibility. Accomplishing this mission is only possible when intellectual honesty and individual integrity prevail.” (2012-13 University of Arkansas Undergraduate Catalog)

As a University of Arkansas student, you are required to be familiar with and abide by the University’s Academic Integrity Policy which may be found at <http://catalogofstudies.uark.edu/2882.php>.

Inclement Weather Policy:

The University of Arkansas inclement weather policy prevails. Announcements will be made via local news media by campus administration signifying the cancellation of classes due to inclement weather. Students must make personal judgments. If weather conditions are such that it would be dangerous to drive to campus, students should elect not to drive to campus. If possible, students may inform the instructor via e-mail or via telephone; however, notification is not required on days of inclement weather. If a student lives off-campus, a good indicator of dangerous conditions is signaled if public schools in Washington County are dismissed. Students will not be penalized for missing a class on days of inclement weather.