

PROJECT OBJECTIVE

The objective of this graded project is to apply what you've learned throughout the subject. You'll select a retailer from the list provided and research, examine, and report your findings in the following three areas:

1. Strategic Analysis
2. Store Layout, Design, and Visual Merchandising
3. Internet Retailing

You will be asked to consider what you've studied and apply it to a specific retailer by answering the questions for each section. Your answers to these questions will be put together to constitute your project for this course.

Be sure to answer each of the questions as completely as possible, using the information in your textbook, information from your research, and any other information you've learned to support your positions.

INSTRUCTIONS

To satisfy the requirements for this project, you must prepare the research project demonstrating your knowledge of the subject matter. There's no minimum or maximum number of pages required for the project. The number of pages will depend on the retailer selected and the information obtained from your research. Answers to the provided questions should be well thought out, written coherently, and answered in essay/paragraph format using the following guidelines. Use MLA format for the paper. Any references should be cited. A minimum of three citations is required. Although this is a research project, attention to English and the writing of research papers should be paid attention to and will be graded accordingly.

The research paper will contain the following sections:

1. Title Page
2. Strategic Analysis
3. Store Layout, Design, and Visual Merchandising
4. Internet Retailing
5. Works Cited

Each section should begin on a new page and should be labeled at the beginning (for example, Strategic Analysis). The question(s) should be typed, followed by the answer(s) in essay/paragraph format.

For this graded project, select a retailer that you're interested in from the following list:

Abercrombie & Fitch	Finish Line	PetSmart
American Eagle Outfitter	Foot Locker	Pier 1 Imports
Ann Taylor	Home Depot	Radio Shack
Autozone	Hot Topics	Ross Stores
Bed Bath & Beyond	Kohl's	Safeway
Best Buy	Kroger	Staples
Burlington Coat Factory	Lowe's	Target
Cato	Macy's	Tiffany
CVS	Men's Warehouse	Walgreens
Dillard's	Michaels	Wet Seal
Dollar General	Office Depot	Whole Foods Market
Dress Barn	Pacific Sunwear	Zales
Family Dollar	Pep Boys	

Prepare a paper and presentation using MLA format about your retailer using the guidelines that follow. Your graded project will be due after the completion of the lesson exams for Retail Management.

STRATEGIC ANALYSIS

To ensure that you can get information about these retailers, all of the listed retailers are publicly held companies, meaning that you can access financial statements and annual reports. Many reports can be found at the SEC's website (**<http://www.sec.gov>**), and annual reports can be found online at the company's website or by calling the company and requesting a report be sent to you as a potential investor.

You'll find the information you need to complete the assignment using databases and resources, such as Yahoo Finance, MSN Money, Market Watch, Etrade, and ScottTrade; any provider of financial and industry news information, including the *Wall Street Journal*, *Investor's Business Daily*, *Money Magazine*, *MSNBC*, or any other purveyor of news; magazine articles; television; and Internet information. The assignment will help you become familiar with the databases, industry, market, and company reports, as well as other electronic library resources. In preparing your report, be sure to cite and reference the original sources that your information was drawn from (not the database where you found the source). Please don't summarize information without giving credit to the source from which it was drawn. (In researching and preparing your paper, a minimum of three sources of information are required for the project.)

1. Describe the current climate and situation that your retailer finds itself in as it attempts to compete. Describe what's occurring in the industry. Provide a brief overview of the retail sector in which the retailer operates. What economic factors and environmental factors (if any) are affecting the retailer? Describe competitive pressures, changing demographics and buying preferences, consumer behavior issues, image issues, and so on that affect this retailer and how they conduct business. How has the industry changed because of e-commerce and technology?

2. How has your retailer changed and evolved over time? What is your retailer's primary business? What is their business model (how do they choose to operate)? What is their corporate strategy? What are their goals? What parts of their business are growing and generate the most revenue? How is your retailer seeking to increase revenue in the future?
3. Complete a corporate analysis by answering these questions: Has the retailer been profitable during its last fiscal year? What are its projections for the future? Is the retailer expanding or contracting its operations? How does this retailer compare financially to other retailers in its industry?
4. Do a financial analysis of your retailer and two to five of its top competitors. Include revenue growth, ROA, Gross Margin, Net Margin, GMROI, Inventory Turnover, and so on. What does this analysis say about how your retailer operates and its profitability? What can your retailer do to improve its profitability?
5. Analyze the competition by answering these questions:
 - Who are the retailer's competitors (both direct and indirect)? How does your retailer compare to these competitors in terms of its size, market dominance/share, sales, profitability, and so on?
 - What is your retailer's competitive strength? How do they try to compete? Are there strategies that haven't worked for them?
 - What retailers have they identified as competitive threats? Why?
6. Determine the retail market strategy:
 - Who is their target audience? (Describe the audience demographically and psychographically, if possible.) How does this compare to the competition?
 - What image do they want to convey? How do they attempt to position themselves in the minds of consumers in the market? What is their current image in the industry and in the minds of consumers? Is this image working for them? How does this compare with the image of competitors?

- How do they make use of technology (web and e-commerce, supply chain management, information systems, and so on)? How has technology affected the way they conduct business?
 - What is their global presence and strategy? What countries have they entered? How successful have they been expanding into these countries? What obstacles have they faced?
 - What is their location strategy? Why have they chosen this strategy?
 - What is their approach to managing human resources (if this information is available)?
 - Describe their merchandising strategy: how they buy, what they buy, breadth versus depth of merchandise, and so on. How is it reflected in their financial strategy?
 - What is their pricing strategy, and how does this affect their profitability?
 - Describe their approach to advertising and sales promotions. Has it been effective for them?
 - What challenges does your retailer face in terms of the retail strategy variables just described? Do some appear to be working better than others?
7. Summarize your retailer's primary strengths and weaknesses and support your assessment. What are the retailer's largest opportunities? What are their biggest challenges now and in the future? How are they preparing to meet those challenges? What do they view as their opportunities for the future?
 8. What do you think the future holds for this retailer? If you were hired as the CEO, what specific strategies would you pursue in the future for this retailer? What opportunities would you capitalize on? Why?

STORE LAYOUT, DESIGN, AND VISUAL MERCHANDISING

Go to the retailer and evaluate the store layout, design, and visual merchandising techniques employed. Be sure to reference the concepts you've learned in your chapters. (You may want to let an employee or manager know that you're taking notes because you're a student at Penn Foster doing research for a graded project.)

Select a particular product. You'll be using this product to compare with your Internet shopping experience. Review the next section on Internet Retailing to understand the information that will need to be gathered complete the next section of the research project.

Explain your answers to the following questions:

I. Appearance

- A. Is the store layout, design, and visual merchandising techniques used consistent with the exterior of the store and the location? What does it say about the type of store this is and the market it is trying to attract?
- B. Is the store's ambiance consistent with the merchandise presented and your expectations as a customer?
- C. Does the store need a face-lift, update, remodel, or renovation? What improvements would you suggest?

II. Fixtures

- A. Does the lighting highlight merchandise, structure space, capture a mood, or downplay unwanted features?
- B. Are the fixtures consistent with the merchandise and the overall ambiance of the store?
- C. What type of image do the fixtures portray?

III. Promotion

- A. Evaluate the store's signage. Does it effectively sell merchandise?
- B. Has the retailer used any theatrical effects to help sell merchandise?
- C. Does the store make creative use of wall space to sell product?
- D. Does the sales staff use suggestive selling?
- E. Is the sales staff friendly and helpful?
- F. Is the image of the staff consistent with the image of the store?

IV. Layout

- A. Does the store layout help draw people throughout the store? Why or why not?
- B. How does the layout facilitate purchases?
- C. What type of layout is used? Would another type of layout be better?

V. Merchandising

- A. Has the retailer employed any techniques for achieving greater space productivity such as using the "cube," downsizing gondolas and racks, minimizing no-selling space, and so on?
- B. Are there any displays that increase interest in the products being offered? If not, would you recommend any?
- C. How has the retailer organized merchandise?
What improvements could be made?

VI. Summarize your suggestions on how this retailer can improve the shopping experience for their customers, increase sales, and improve their image.

INTERNET RETAILING

Go to the retailer's website and shop for a product. (You do not need to purchase any products or services.) Select the product and place it in the shopping cart. Go through the checkout procedure up to the point where you're asked to enter credit card or checkout information. Answer the following questions in detail:

1. How do you compare your experience shopping on the Internet to shopping in a local store for this type of product?
2. What are the advantages and disadvantages of the Internet shopping experience?
3. Describe the Internet shopping experience using the following criteria:
 - Price
 - Suggestive selling
 - Website features
 - Design of website
 - Ease of website use
 - Closing of the sale

PROJECT SPECIFICATIONS AND FORMAT

1. Create a title page with the following information:
 - a. Title: Retail Management
 - b. Your name
 - c. Your student number
 - d. Graded project number: 08001400
 - e. Current date
2. Prepare your questions and answers to the three sections in a word-processing program. Each section should begin on a new page. Each answer for that section should be labeled by its number/designation and question and should be answered in an essay/paragraph format.
3. Double-space your answers, with left and right margins of 1 to 1.25 inches, flush left and ragged right. Use a plain 12-point font, such as Times New Roman.
4. Incorporate and properly reference any sources of information you've used to develop your answers.
To cite your sources, please follow this procedure:
 - a. Use in-text citations to indicate references to information from outside sources. Include the author's name and the relevant page number(s) in parentheses. Here's an example: Human beings have been described as "symbol-using animals" (Burke 3).
 - b. At the end of your paper, include a Works Cited page, listing all of the sources you've consulted. Use MLA format for this page.
5. Read over your work carefully. Make sure it's professional with correct formatting, grammar, spelling and citations, along with adequate support for any arguments you make.
6. Submit the final draft of your work, along with the title page, only after you've completed writing your questions and answers to each section.

GRADING CRITERIA

Your project will be graded on the following criteria:

Strategic Analysis	40%
Store Layout, Design, and Visual Merchandising	30%
Internet Retailing	15%
Written Communication and Format	15%

Here's a brief explanation of each of these criteria.

Strategic Analysis

Each “numbered” section (set of topics/questions) is worth 5 points each.

Store Layout, Design, and Visual Merchandising

Each “numbered” section (set of topics/questions) is worth 5 points each.

Internet Retailing

Each “numbered” section (set of topics/questions) is worth 5 points each.

Written Communication and Format

This is worth 15 points in total. Student should

- Provide a title page
- Use correct grammar, spelling, punctuation, and sentence structure
- Provide clear organization by using words and phrases like *first, however, on the other hand, and so on, consequently, since, next, and when*
- Make sure the answers contain no typographical errors
- Provide citations in the correct format
- Follow MLA guidelines