INTRODUCTION AND COURSE OBJECTIVE

The retail industry is undergoing a period of extraordinary turbulence. Many companies that only recently were riding a wave of growth in revenue, profit, and share price have been stunned as their markets have gyrated and consumer buying patterns have altered in unimaginable ways. Far from continuing their aggressive expansion plans, many retailers have pulled back—some have slowed expansion, others have contracted, still others have declared bankruptcy.

Yet as in past periods of upheaval, there are and will continue to be winners as well as losers. Consumers will always need to buy things for themselves and their families, and there will be space for different retail formats and different value propositions. The retailer’s challenge and opportunity will be (as it always has been) to find a meaningful way to add value to products and services for a chosen segment of customers.

This course will explore the following questions:

- What is the role of retailers in the supply chain that brings goods and services to consumers?
- How do retailers add value?
- How is the landscape of retailing changing? What trends are emerging?
- Which retail models are winning today? Which are likely to win in the future?
- What are the keys to leading a successful and profitable retail business?

We will provide frameworks for analyzing retail firms, and the dynamics within the retailer’s competitive, industry, and macro environments. We will apply our knowledge through case analysis, discussion of current events, speakers, and student projects.

LEARNING OBJECTIVES

By the end of the term, you will have learned how to:

- Analyze the role of retailing in the supply chain that links manufacturers to consumers;
- Understand the basic functions involved in running a retail business, and the concepts and principles necessary for decision-making in a retail firm;
- Analyze historical and current trends affecting retailing, including environmental, industry, firm, and consumer dimensions;
- Analyze retail channels and retail firms from a strategic perspective;
- Develop recommendations and compelling arguments for strategic decisions in retail situations;
- Understand careers in retail and retail-related fields and be able to evaluate your own suitability for such careers.
**LEARNING IN THIS COURSE**
The course combines concepts and application. There are two resources for the concepts component—a text and course readings. (Many of the latter are available through USC’s electronic library reserves system (ARES); some are included in a Coursepack, available at the USC Harvard University Publishing Website; a few are on Blackboard.) The text provides wide *breadth* concerning conceptual frameworks used in retail analysis and the course readings offer *depth* and contemporary analyses of topics of particular interest.

In terms of *application*, cases, current event readings, guest speakers and student projects will provide an opportunity for us to *apply* the theory. Students will have hands-on opportunity for research, analysis, and decision-making through projects requiring primary and secondary research on retail channels and organizations.

The amount of learning you accomplish will be a direct function of your personal involvement in these activities. ALL students are expected to come to class prepared for all discussions and activities.

I will endeavor to create a supportive environment for our discussions, and I expect students to contribute to that goal too. My aim is make the class a “learning community,” where we can all learn from each other. This requires active participation and respect for one other’s contributions.

**REQUIRED MATERIALS**

**Syllabus:** Read this syllabus very carefully, and refer to it throughout the semester!


**Required HBS Coursepack:** Cases and selected readings are available on the Harvard Business School Publishing website. The unique link for this course is: [https://cb.hbsp.harvard.edu/cbmp/access/32776219](https://cb.hbsp.harvard.edu/cbmp/access/32776219)

If you already have an online account at HPSP, you will login and this link will take you to our Coursepack, which will appear in your library. If you do not have an account, you will register and create an account with this link, and then will be able to login and see this Coursepack in your newly created library. Once you see this Coursepack, there is a button to PURCHASE MATERIALS. If you have technical difficulty, you may call Harvard Business Publishing technical support (800) 545-7685. They are available 24/7.

**ARES (USC Electronic Library Reserves) and BB:** A collection of readings is available without charge on the university electronic course reserves (ARES). Additional materials may be posted on ARES or BB during the semester (see discussion of BB, below).

**Wall Street Journal:** The daily WSJ is required reading for this course.

To order the Wall Street Journal at the student discount price, use the following link: [WSJ.com/studentoffer](https://WSJ.com/studentoffer)

- After you type in your payment and delivery information, you will need to provide School information. USC’s zip code is: 90089. On the scroll bar, USC is listed as: U STHRN CAL LS ANG
• You will then scroll and select "referring professor."
• Subscription, print and online, will start very quickly.

**Recommended Materials: Sample of sites to sign up for e-mails on retailing:**

- WWD: [www.wwd.com/newsletters](http://www.wwd.com/newsletters)
- Kantar Retail Forward: [www.kantarretailiq.com](http://www.kantarretailiq.com)
- Retailing Today: [http://www.retailingtoday.com](http://www.retailingtoday.com)

**Business Press:**
In addition, you are expected to peruse the business press, seeking articles pertaining to the topics covered in the course, and particularly the topic you have chosen for your team report. This reading will enable you to contribute examples and applications regularly.

**Additional Materials:**
Additional materials may be assigned during the semester, which may be posted electronically or require purchase.

**Course Notes and Blackboard (BB):**
I use BB as my primary method of communicating with you. E-mails sent to the class originate from the Blackboard system, and will also be archived as Announcements on Blackboard. In addition to direct communications, you will also find other important materials posted to BB, including any syllabus updates, information about class sessions, including preparation requirements, additional required and supplemental reading, as well as news posts. You should check BB daily for any new information posted relevant to upcoming sessions.

It is your responsibility to insure that your e-mail address and account settings in Blackboard are correct for you to receive messages. Please insure that your BB account settings forward your messages to your preferred internet provider (IP) account such as your correct USC e-mail address, AOL, G-Mail, Hotmail, etc.

You can access BB by going through the “My Marshall” portal [http://mymarshall.usc.edu](http://mymarshall.usc.edu). You will need your UNIX password.

**GRADING SUMMARY**
The components of the final course grade will be weighted as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation</td>
<td>15%</td>
</tr>
<tr>
<td>Multiple Quizzes (Drop lowest score)</td>
<td>35%</td>
</tr>
<tr>
<td>Channel Presentation (team)</td>
<td>25%</td>
</tr>
<tr>
<td>Company Report (team)</td>
<td>15%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>10%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>
Final grades represent how you perform in the class relative to other students. Your grade will not be based on a mandated target, but on your performance. Historically, the average grade for this class is about A-/B+ (3.5).

**ASSIGNMENTS AND GRADING DETAIL**

**Class participation**
Because this class is built on in-class discussion and analysis, class attendance and active participation are essential to your learning. Pre-class preparation is crucial. You should complete all assignments in advance, and be prepared to describe the central ideas and offer your critical analysis of readings and cases. You are expected to prepare for speaker visits by doing research on their companies. This preparation will help you to ask meaningful questions and gain maximum benefit from the opportunity these visits afford. In addition, you are expected to read the business press, seeking articles pertaining to the topics covered in the course, and particularly the area you have chosen for your team projects. As class “experts” on your channel, you are expected to contribute examples and applications regularly.

To encourage you to participate actively in class, I will cold call, and I will grade class participation. Class participation will provide a material portion of your grade. My logic for grading class participation is quite simple: Grading of class participation motivates class participation, and having highly interactive class sessions helps the learning process. Active class participation encourages students to be well prepared and thus to become active, rather than passive, learners. Participation provides students with the opportunity to gain from the experiences and talents of everyone in the class. And class participation helps students improve their oral communication skills. This is important because research shows that people in business tend to spend very little time reading and even less time writing reports. A great deal of managers’ and other professionals’ interactions with others are through oral communication.

Class participation evaluations will be based primarily on the quality of the contributions to our classroom discussions. To help you understand what I am looking for regarding class participation, I have listed below some questions I will try to answer in evaluating class participation:

1. Does the class member make points that are especially pertinent to the discussion? Do they increase the understanding of the class or are they simply a regurgitation of the problem or case facts?

2. Is there continuity in one's contribution from what has been said previously during class, or are the comments disjointed, isolated, or tangential? The best class contributions are those that reflect not only excellent preparation, but also good listening, interpretive and integrative skills.

3. Do the comments reflect a willingness to put forth new, challenging ideas or are they always agreeable and “safe”?

4. Is the participant able and willing to interact with others by asking questions, providing supportive comments or challenging constructively what has been said?

I will evaluate participation on a scale, the end points of which can be described as follows:

**Outstanding Contributor:** This person's contributions reflect exceptional preparation, and the ideas offered are always substantive and provide major insights and direction for the class. If this person were not a member of the class, the quality of the discussions would be diminished significantly.
Unsatisfactory Contributor: This may be a person who is absent from class or rarely participates in class discussion. Alternatively, this person’s contribution in class reflects inadequate preparation and/or understanding. Ideas offered are not substantive and provide few, if any, insights and rarely or never a constructive direction for the class. Integrative comments and effective arguments are absent. Class comments are either obvious, isolated from the main discussion, or confusing to the class.

If you are not present, are late, or leave early, you will lose points for class contribution. Each student is allowed three absences, no questions asked and no penalty. However, since you cannot participate if you are not present, all further absences will reduce the student's course grade, at the rate of one-third a letter grade for every additional absence. Students with an excessive number of absences are at risk of failing the course.

If an emergency has prevented you from thorough preparation in a particular class, please do attend anyway, but let me know in advance to spare us both the embarrassment of my calling on you.

Finally, a few words about classroom etiquette: An atmosphere of mutual respect is in order. So please...
- arrive at class on time: late arrivals are disruptive to your fellow classmates and to the conduct of the class;
- turn off your cell phones before you enter the classroom;
- do not engage in side conversations during class;
- do not pack up and leave towards the end of the class until it is clear the class is over.

Multiple Quizzes
I will give multiple, unannounced short quizzes throughout the semester, which will consist largely multiple choice and short answer questions. Quizzes will generally occur at the beginning of class. In computing quiz portion of the final grade, I will drop the lowest score for each student. No makeup quizzes will be given.

You must bring a #2 pencil with eraser and a pen to every class in order to be prepared for quizzes.

Team assignments—Retail Channel Analysis and Final Group Research Project on a Company:
Students will form teams of 5 members by the beginning of the third week of classes. These teams will be responsible for a channel analysis and a final research project on a company within that channel. (See Appendix: Channel Analysis and Final Group Research Project)

These two team projects (5 students per team) will give students the opportunity to develop expertise on a particular channel within the retail industry and then prepare a comprehensive analysis on a company within that channel. Channel analyses will be presented by student groups on multiple days late in the semester, and the final comprehensive company analysis (including recommendations) will be due in writing and through a brief presentation in the last class.

Channel selection: I will provide a list of potential channel and company projects on Blackboard. We will have no more than one team representing a channel. Members of that team will become “channel experts,” and are expected to read the press throughout the semester, and bring up examples from that channel as we discuss various topics.

You will provide me names of your team members and top three channel choices no later than the beginning of class on January 28. You will also email me electronic backup copy within 24 hours. Be
sure to write the course number (MKT 430), and the words “channel preferences” in the subject line of the email. If there are multiple groups with the same preferences, I will randomly assign channels.

Notes:
1. Channel preferences (top three) must be submitted in typewritten form, following format guidelines discussed in this syllabus under “Marshall and Course Guidelines.”
2. You must also propose a company within preferred channel (from the list provided on BB) for your final company project.
3. You must provide names of all group members.
4. For email copy, you must include the course number (MKT 430), and the words “channel preferences” in the subject line of the email.
5. Please—provide all information in the body of the email, NOT in an attachment.

Channel presentations: The channel presentations will occur on several days later in the semester. Presentations may range from 15-20 minutes. I will specify time limits later, based on number of groups in the class. You will provide me with hard copy of your “talking document” – Slides—full sized, PowerPoint Notes, including names of presenters, and Appendices—at the beginning of your presentation, and email me a backup copy within 24 hours. Be sure to write the course number (MKT 430), your group number, and the name of the channel in the subject line of the email. See requirement for deliverable in the Appendix: Guidelines for Channel and Company Analyses.

Final research paper and presentation on company within your channel: You will propose, in writing, a company for the final report along with your channel preferences. I will approve all company proposals. The final company research analysis will be in written form (10-15 pages) and turned in on the last day of class. Required electronic backup requirement is similar to backups for Channel Preferences and Channel Reports. Each group will give a brief presentation the last day of class.

Final Exam
The final exam will be a single essay that will integrate many dimensions of the course. It will be given during the normal final exam period at the time specified by the university.

Peer Evaluations
This course relies heavily on teamwork. In addition to the team assignments, I strongly encourage you to meet in teams to prepare for class. Your learning from this course will be greatly augmented by team preparation.

Following the channel presentation, students should discuss with their team any “team process” issues that may have emerged during the first major team assignment, so as to enhance team effectiveness for the final project.

The Peer Evaluation form at the end of the syllabus must be turned in the last day of class, once the final company project has been completed. The peer evaluation covers BOTH the channel analysis and the final company project. Completion of the Peer Evaluation form is a course requirement, and will be considered part of class participation.
MARSHALL AND COURSE GUIDELINES

Add/Drop process
You may be dropped from this class if you do not attend the first two sessions. Please note: If you decide to drop, or if you choose not to attend the first two sessions and are dropped, you risk being not being able to add to another section this semester, since they might reach capacity.

Assignment submission deadlines
Assignments must be turned in on the due date/time specified and in the manner specified (hard copy/online/etc.). Any assignment turned in late, even if by only a few minutes, will receive a grade deduction. Deduction will depend upon period of lateness. For fairness, late penalties will be applied at a rate of 1/3 letter grade per day or part thereof—e.g. being 2 days late would drop an ‘A’ paper to a ‘B+’, a ‘B’ to a ‘C+’, etc. Group presentations MUST be given on the date assigned in order for credit to be received. You must complete all required assignments to pass this course.

Formatting of assignments
All assignments must be typed on plain white 8 ½ x 11” paper in 11 or 12-point font with one-inch margins around the page. All assignments must include a cover page with assignment title, course title and number, section number, and, for team projects, each team member’s name with e-mail address. All text material (not tables or references) must be double-spaced. All pages, including slides, must be numbered. Papers should be fastened with a staple in the upper left corner—no folders please. Creative formatting may result in penalty.

Power Point slides submitted as hard copy MUST be full-sized and legible. Also, there must be sufficient white space for comments. Number all slides.

Bibliographic references must be provided, and any appendices must support and be referenced in the body of your report.

No makeup quizzes
No makeup quizzes will be given. Your lowest quiz score will be dropped in computation of quiz score for final grade.

Evaluation of Your Work
You may regard each of your submissions as an “exam” in which you apply what you’ve learned according to the assignment. I will do my best to make my expectations for the various assignments clear and to evaluate them as fairly and objectively as I can. If you feel that an error has occurred in the grading of any assignment, you may, within one week of the date the assignment is returned to you, write me a memo in which you request that I re-evaluate the assignment. Attach the original assignment to the memo and explain fully and carefully why you think the assignment should be re-graded. Be aware that the re-evaluation process can result in three types of grade adjustments: positive, none, or negative.

Return and retention of graded coursework
Students who miss class sessions when assignments are returned are responsible for arranging an appointment to retrieve their materials. To keep things fair for future students, I do not allow students to take their quizzes or exams out of the classroom. You may look these over in my office at any time. Final exams and all other graded work which affect the course grade will be retained for one year after the end of the course if the graded work has not been returned to the student; i.e., if I returned a graded paper to you, it is your responsibility to retain it.

Technology policy
Laptop and Internet usage is not permitted during academic or professional sessions unless otherwise stated by me. Use of other personal communication devices, such as cell phones, is considered unprofessional and is not permitted during academic or professional sessions. ANY e-devices (cell phones, PDAs, I-Phones, Blackberries, other texting devices, laptops, i-Pads, and i-Pods) must be completely turned off during class time. Upon request, you must comply and put your device on the table in off mode and FACE DOWN. You might also be asked to deposit your devices in a designated area in the classroom. Videotaping faculty lectures is not permitted due to copyright infringement regulations. Audiotaping may be permitted if approved by me. Use of any recorded or distributed material is reserved exclusively for the USC students registered in this class.

**No Recording and Copyright Notice**
It is a violation of USC’s Academic Integrity Policies to share course materials with others without permission. No student may record any lecture, class discussion or meeting with me without my prior express written permission. The word “record” or the act of recording includes, but is not limited to, any and all means by which sound or visual images can be stored, duplicated or retransmitted whether by an electro-mechanical, analog, digital, wire, electronic or other device or any other means of signal encoding. I reserve all rights, including copyright, to my lectures, course syllabi and related materials, including summaries, PowerPoints, prior exams, answer keys, and all supplementary course materials available to the students enrolled in my class whether posted on Bb or otherwise. They may not be reproduced, distributed, copied, or disseminated in any media or in any form, including but not limited to all course note-sharing websites. Exceptions are made for students who have made prior arrangements with DSP and me.

**Students with disabilities**
Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me as early in the semester as possible. DSP is located in STU 301 and is open 8:30 a.m. – 5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776.

**Academic conduct**
Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in SCampus in Section 11, Behavior Violating University Standards [https://scampus.usc.edu/1100-behavior-violating-university-standards-and-appropriate-sanctions/](https://scampus.usc.edu/1100-behavior-violating-university-standards-and-appropriate-sanctions/). Other forms of academic dishonesty are equally unacceptable. See additional information in SCampus and university policies on scientific misconduct, [http://policy.usc.edu/scientific-misconduct/](http://policy.usc.edu/scientific-misconduct/).

Discrimination, sexual assault, and harassment are not tolerated by the university. You are encouraged to report any incidents to the Office of Equity and Diversity [http://equity.usc.edu/](http://equity.usc.edu/) or to the Department of Public Safety [http://capsnet.usc.edu/department/department-public-safety/online-forms/contact-us](http://capsnet.usc.edu/department/department-public-safety/online-forms/contact-us). This is important for the safety whole USC community. Another member of the university community – such as a friend, classmate, advisor, or faculty member – can help initiate the report, or can initiate the report on behalf of another person. The Center for Women and Men [http://www.usc.edu/student-affairs/cwm/](http://www.usc.edu/student-affairs/cwm/) provides 24/7 confidential support, and the sexual assault resource center webpage [https://sarc.usc.edu/reporting-options/](https://sarc.usc.edu/reporting-options/) describes reporting options and other resources.

**Support Systems**
Students whose primary language is not English should check with the American Language Institute [http://dornsife.usc.edu/ali](http://dornsife.usc.edu/ali), which sponsors courses and workshops specifically for international graduate students.

**Emergency preparedness/Course continuity**

In case of emergency, and travel to campus is difficult, USC executive leadership will announce an electronic way for instructors to teach students in their residence halls or homes using a combination of Blackboard, teleconferencing, and other technologies. For additional information about maintaining your classes in an emergency please access: [http://cst.usc.edu/services/emergencyprep.html](http://cst.usc.edu/services/emergencyprep.html)

Please make sure you can access this course in Blackboard and retrieve the course syllabus and other course materials electronically. You should check Blackboard regularly for announcements and new materials. This preparation will be crucial in an emergency. USC's Blackboard learning management system and support information is available at [blackboard.usc.edu](http://blackboard.usc.edu).

**ABOUT YOUR PROFESSOR**

Judith Blumenthal has published, taught, and consulted in the areas of: strategic management; corporate governance; organizational design, development and leadership; strategic alliances; and the management of retail and services firms. She has also served as a senior corporate executive and a university administrator. Dr. Blumenthal was Associate Dean of the Marshall School of Business (January 1996 through March 2000) and USC’s Chief Alumni Officer and Executive Director of the USC Alumni Association (April 2000 through June 2006).

She currently serves on the Board of Directors of the California Council on Economic Education, where she is Chair of the Board Affairs Committee and a member of the Executive Committee. She is also a member of the USC Radio (KUSC) Advisory Board. She served on Board of Directors of Guess? Inc. (2007 to 2013), and was Chair of the Nominating and Governance Committee and a member the Audit and Compensation Committees. She previously served as a member the Community Advisors for the Natural History Museum of Los Angeles County, a member of USC Alumni Association Board of Governors, and a member of the Board of Directors of the Council for Advancement and Support of Education (CASE), District VII. She is a member of Women Corporate Directors.

Judith Blumenthal received her bachelor's degree in English from Hunter College of the University of New York, and her M.B.A. and Ph.D. degrees in Business Administration from USC.
### MKT 430 RETAIL STRATEGY

**PROJECTED CLASS SCHEDULE SPRING 2015**

****You are responsible for any changes announced in class or on Blackboard****

<table>
<thead>
<tr>
<th>Cl</th>
<th>D</th>
<th>Date</th>
<th>Topics</th>
<th>Readings</th>
<th>Cases/HBS Articles</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Activities/Assignments Due/ Deliverables</strong></td>
<td><strong>Text, ARES, BB</strong></td>
<td><strong>HBS site</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>M</td>
<td>1/12</td>
<td>Introduction to Retailing</td>
<td>Text: Ch. 1</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>W</td>
<td>1/14</td>
<td>Types of Retailers, Types of Retail Locations</td>
<td>Text: Ch. 2, 7</td>
<td></td>
</tr>
<tr>
<td>M</td>
<td></td>
<td>1/19</td>
<td><strong>MLK Birthday—Univ. Holiday</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>W</td>
<td>1/21</td>
<td>Omnichannel Retailing</td>
<td>Text: Ch. 3</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Non-store retail formats</td>
<td>ARES: Bell et al. <em>How to win...omnichannel retail world</em></td>
<td>QVC (897-050)</td>
</tr>
<tr>
<td>4</td>
<td>M</td>
<td>1/26</td>
<td>Customer Analysis and Buying Behavior</td>
<td>Text: Ch. 4</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>ARES: Underhill, P. <em>Why we buy.</em> (excerpts)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>ARES: Iyengar, <em>A better choosing experience</em></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>W</td>
<td>1/28</td>
<td>Retail Market Strategy</td>
<td>Text: Ch. 5</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Retailing: Past, Present, Future</td>
<td>ARES: Evans, J. <em>Retailing in perspective: the past is a prologue to the future</em></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>ARES: Lewis and Dart, <em>The New Rules of Retail</em> (conclusion)</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>W</td>
<td>2/4</td>
<td><strong>Guest Speakers,</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Trader Joe’s</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Jon Basalone, EVP Marketing</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Bryan Palbaum, President and COO</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>M</td>
<td>2/9</td>
<td>Retail Financial Strategy</td>
<td>Text: Ch. 6</td>
<td>Diamond Retailing: Blue Nile, Zales, &amp; Tiffany (KEL394)</td>
</tr>
<tr>
<td>9</td>
<td>W</td>
<td>2/11</td>
<td><strong>Guest speaker</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>American Rag</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Mark Werts, Founder/Chief Executive</td>
<td></td>
<td></td>
</tr>
<tr>
<td>M</td>
<td></td>
<td>2/16</td>
<td><strong>Presidents’ Day—Univ. Holiday</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>W</td>
<td>2/18</td>
<td>Retail Financial Strategy, cont.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>M</td>
<td>2/23</td>
<td>Human Resource Management and Retail Careers</td>
<td>Text: Ch. 9</td>
<td>Beverly Stern Retail Executive (604-018)</td>
</tr>
<tr>
<td>12</td>
<td>W</td>
<td>2/25</td>
<td>Customer Relationship Management, Retail Communication Mix</td>
<td>Text: Ch. 11, 15</td>
<td>Ron Johnson: Retail at Target, Apple, and J.C. Penney (513-103)</td>
</tr>
<tr>
<td>13</td>
<td>M</td>
<td>3/2</td>
<td>Merchandise Planning</td>
<td>Text: Ch. 12</td>
<td></td>
</tr>
<tr>
<td>Cl</td>
<td>D</td>
<td>Date</td>
<td>Topics</td>
<td>Activities/Assignments Due/ Deliverables</td>
<td>Readings</td>
</tr>
<tr>
<td>----</td>
<td>---</td>
<td>------</td>
<td>--------</td>
<td>------------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Text, ARES, BB</td>
</tr>
<tr>
<td>15</td>
<td>M</td>
<td>3/9</td>
<td>Guest Speakers, Cheesecake Factory</td>
<td>Don Evans, Chief Marketing Officer Cheesecake Factory with Alex Cappello, Chairman &amp; CEO Cappello Capital Corp., and Lead Director, Cheesecake Factory</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>W</td>
<td>3/11</td>
<td>Guest Speaker Ken Stevens</td>
<td>Multiple CEO/President Positions and BODs in retail</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>3/16-3/21</td>
<td>Spring Recess</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Merchandise Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>M</td>
<td>3/23</td>
<td>Buying Merchandise</td>
<td></td>
<td>Text: Ch. 13</td>
</tr>
<tr>
<td>18</td>
<td>W</td>
<td>3/25</td>
<td>Guest Speaker Sophie Rietdyk</td>
<td>Pres., International and Licensing BCBGMAXAZRIA</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>M</td>
<td>3/30</td>
<td>Retail Pricing</td>
<td></td>
<td>Text: Ch. 14 ARES: Cespedes et al. Raise your prices ARES: Fishman, The man who said no to Wal-Mart ARES: Kadet, Price-point politics</td>
</tr>
<tr>
<td>20</td>
<td>W</td>
<td>4/1</td>
<td>Retail Pricing, cont.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>M</td>
<td>4/6</td>
<td>TBA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>W</td>
<td>4/8</td>
<td>Channel Presentations</td>
<td>GROUPS: TBA</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>M</td>
<td>4/13</td>
<td>Channel Presentations</td>
<td>GROUPS: TBA</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>W</td>
<td>4/15</td>
<td>Channel Presentations</td>
<td>GROUPS: TBA</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>M</td>
<td>4/20</td>
<td>TBA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>W</td>
<td>4/22</td>
<td>TBA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>M</td>
<td>4/27</td>
<td>Course Wrap-up</td>
<td></td>
<td>BB: BCG, Retail 2020</td>
</tr>
<tr>
<td>28</td>
<td>W</td>
<td>4/29</td>
<td>Final Papers Due Brief Student Presentations (all groups)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. All readings and cases are to be thoroughly prepared in advance of class.
2. Additional readings may be added during the semester. They may be available electronically or require purchase.
3. Guest speakers will be an important part of the course. Speakers may be added and/or rescheduled during the semester, which may cause adjustments to this schedule.

*You are expected to prepare for all speaker presentations by doing individual research on their companies.*
Appendix: Case Assignment Questions

QVC

1. Is QVC conducting e-commerce?
2. Define the Existing Value chain for traditional retailers. What is QVC’s Value system? Is QVC operating as a marketplace or marketspace company? What seed opportunities has QVC exploited?
3. Define QVC’s value proposition. Which of the 7c’s is/are the focus of why QVC can deliver value to the target market better than HSN? Diagram QVC’s resource systems. How does the resource system support the value proposition?
5. Which capabilities of the resource system are readily leveraged for Internet based commerce?

Marshall Fields and the Rise of the Department Store

1. In the 1850s and 1860s, how did Field view the possibilities for mass distribution? Where did he get his information?
2. How did he act on this information and his larger vision? Which business practices made Marshall Field so successful?
3. How were Field’s strategic initiatives related to the broader environment?
4. How would you evaluate Field as an entrepreneur? As an institution builder?
5. What were the most important lessons of Field’s experience for brand creators and stewards today?

Diamond Retailing: Blue Nile, Zales & Tiffany
See questions included at the end of the case

Beverly Stern Retail Executive

1. What aspects of Beverly Stern’s career in retailing appeal to you? (Explain)
2. What aspects do not appeal to you? (Explain)
3. Do you think she should accept the position with Gymboree? Why or why not?

Ron Johnson: Retail at Target, Apple, and J.C. Penney

1. How successful was Ron Johnson at Target? At Apple? Explain.
2. Evaluate the changes he attempted to make at J.C. Penney? Consider specific changes as well as his overall approach.
3. Why did things “go south”? What can we learn from what occurred?
4. What advice would you give Mike Ullman at the end of the case?

Showrooming at Best Buy

1. Describe Best Buy’s positioning relative to other retailers of electronics. Consider elements of the retail mix.
2. What tactics and strategies were available to Best Buy as it attempted to respond to the rise of online retailing and the showrooming phenomenon? How did their response evolve over time?
3. Evaluate the permanent price matching policy explained at the end of the case. Is this policy viable long-term, given relative cost structures of Best Buy and its competitors?
4. What would you recommend?
Appendix: Guidelines for Case Analysis

PURPOSE
Case analysis helps students to develop the kinds of skills that are essential to success in business organizations: identification and analysis of complex business problems, application of judgment in developing solutions, interactive problem-solving, and persuasive presentation of conclusions.

THE NATURE OF BUSINESS CASES
Business cases are detailed descriptions of real company situations in which management is confronted with important issues or problems. Students are required to (1) identify problems or key issues that management needs to address, (2) assemble relevant data, (3) perform appropriate analysis and evaluation, and (4) propose an action plan and a set of recommendations that address the issues identified. Cases contain a rich variety of data, including company background and performance, environmental forces, and points of view of key decision makers. Not unlike real world situations, cases will not contain all the data you would like. Your challenge is to do the best job you can with the information available.

HOW TO APPROACH A CASE

A. GETTING THE LAY OF THE LAND
   1. Read the case quickly to get a sense of layout and form preliminary hypotheses about major issues. Initial impressions can be revised, but this groundwork will provide structure and direction for a more in-depth reading.
   2. Read assignment questions and think about where in the case you might discover answers. Assignment questions are provided to help guide your analysis.
   3. Reread the case carefully, annotating, highlighting, and distinguishing important information, omissions, and questions.
      a. Take notes that sort information, facts, and observations under a number of relevant headings.
      b. Try to formulate theories or hypotheses about what is going on as you read ("the company loses money on small orders"), modifying or rejecting them as new information surfaces ("Table 2 shows that shipping costs per unit are higher for small orders, but only for long-distance shipments").

B. IDENTIFICATION OF PROBLEMS/ISSUES AND ANALYSIS QUESTIONS
   1. Now decide what the action issues really are. These are the one or two key issues and problems that your in-depth analysis will address. Remember, every issue in the case will not rise to the level of a key issue. The true underlying problems/key issues will become further clarified as you gain greater insight through analyses and additional review of the case.
   2. Decide exactly what you have to analyze in order to solve the key issues you have identified. Asking focused analysis questions will provide direction on where and how to spend your time. Remember, ask questions whose answers will inform what action needs to be taken.

C. PERFORM ANALYSES
   1. Perform quantitative and qualitative analyses to answer the questions you have identified. You will apply appropriate concepts and models in this section. This is not a “dump” of all models you know, but rather an opportunity to apply particular concepts, models, and analytical tools that will enable you to gain insight and advance your analysis. Your objective is to get beyond the level of problem symptoms to analyze underlying issues and causes.
You will support your analysis with case data and any well-informed assumptions you make about necessary but missing information. Be sure to distinguish between factual data from the case, opinions of actors in the case, and assumptions you make. **Use only information that was available at the time the case ends.**

2. Integrate the findings of your analysis. Formulate an analytical synthesis which clarifies the critical issues.

D. ACTION PLANNING

1. Alternatives
   Identify and evaluate alternative courses of action. Alternatives must address the issues you have identified and follow logically from your analysis. You will explicitly consider and reject various alternatives, based on criteria you identify as most important. Some alternatives may not be effective in addressing the issues you identified, others may cause more problems than they solve or cost more than they are worth, others may not be feasible or acceptable to management (solutions should be compatible with the values and preferences of management and those who will implement them). In formulating alternatives, avoid cop-outs such as: "Hire a new president who can solve the problem," "Conduct market research," or "Hire a management consultant to solve the problem."

2. Recommendations
   Based on your evaluation of alternatives, decide on a course of action. You will develop a plan by which the desired action may be achieved or implemented within the constraints encountered in the situation.

E. PREPARE NOTES FOR CLASS DISCUSSION

WRITTEN REPORTS
An effective management report is a document which clearly and concisely communicates the information a manager needs to carry out his or her primary function -- decision making. Your report should be clear and tightly written, unembellished with flowery language, hyperbole, or unsupported personal opinions. Do not waste space summarizing information already found in the case. Assume the reader is already completely familiar with the situation as described. Refer to specific case data when necessary to support your analysis or conclusions. All written reports should be carefully edited. Appendices, including tables, charts, diagrams, financial analyses, etc. may be used to support your analysis. Be sure that any appendices are referenced in the body of your report.
Appendix: Guide to Article Analysis

The following set of questions is provided to guide your analysis of the readings assigned this semester. Please use this guide to structure your article analyses.

1. What is the purpose or objective of this article? (To challenge or debunk a well-accepted view; to contribute to a body of theoretical work; to explain a puzzling exception; to update theory in response to current phenomena; etc.)
2. What is the article’s basic argument/thesis? Its major findings/ conclusions?
3. What is the nature of evidence presented in support of the argument/ thesis? (Impressionistic, theoretical, empirical, etc.) Are the conclusions well supported?
4. Are there important assumptions, assertions, values, or biases that the author expects us to accept without support? Are these explicit or implicit?
5. How does this article contribute to your overall understanding of the subject? How does it relate to other articles you have read and to your own knowledge and experience?
6. How useful is the article for practicing managers?
7. Does the article leave you with any remaining problems or concerns?
Appendix: Channel Analysis and Final Group Research Project

These two team (5 students per team) research projects are related. In the first part, you will present research and analysis about a channel in the retail industry, and in the second project, you will prepare a complete analysis of a real retail company in that channel, including recommendations for its future. Details for channel selection submission are provided in body of syllabus, in section, “Assignments and Grading Detail.” You will also propose a company within the channel. I will approve all channels and companies for final projects. Additional details will be discussed in class.

These two team projects will give students the opportunity to develop expertise on a particular channel within the retail industry and then prepare a comprehensive analysis on a company within that channel. Channel analyses will be presented by student groups on multiple days later in the semester, and the final comprehensive company analysis (including recommendations) will due in writing the last class. Student groups will give very brief company presentations the last day.

Channel Analysis/Presentation

The channel analysis is basically similar to an industry/strategic group analysis in a strategy class. You will make a 15-20 minute presentation and turn in a report (see report requirements, below. (I will determine exact timing, based on number of groups in class.)

You will provide me with hard copy of your “talking document” – Slides—full sized slides, PowerPoint Notes, including names of presenters, and Appendices—at the beginning of your presentation, and email me a backup copy within 24 hours. Be sure to write the course number (MKT 430), your group number, and the name of the channel in the subject line of the email.

Include exhibits and a bibliography of articles and other sources for information used in making your report. Sources will include 10K reports at www.sec.gov, articles in magazines and newspapers found through library database, company web sites, etc., as well as data discovered through primary research (e.g. interviews with store executives). You must provide sources for your data on individual slides and in bibliography.

- Present your written report in the form of “Talking Documents,” composed of the PowerPoint slides—full sized, legible, with sufficient white space for comment—with accompanying PowerPoint Notes (including names of group members who will present various sections), and whatever appendices are necessary for backup information and analysis.

- Especially when the slides are not self-explanatory, bullet point Notes are essential. It can help to imagine that your presentation materials circulate after your meeting with the client, and you’d like people who didn’t make the meeting to be able to follow your reasoning. Your client (and your instructor!) will be reviewing your slides after the presentation, and may appreciate some notes as a reminder of the intent/meaning of the slide. (Do not simply copy your speech text into this space: the Notes pages should give us the bare minimum we need to follow the logic of your reasoning. Notes should not be your voice-over script and should not be a prose report in disguise; they should simply add, in bullet point form, whatever extra information the reader would need to understand the point of the slide.)

- Include Appendices that show any backup analysis you performed or data you analyzed, such as details of your decision analysis, or financial analysis. These may show some issues that are interesting but not quite important enough to include in your 15-20 minute presentation itself. It is good to have these ready in case they are useful in responding to questions.
• Provide me with hard copy of your “talking document” (slides, PP notes, and appendices) at the beginning of your presentation, and email me a backup copy within 24 hours. Be sure to write the name of the case in the subject line.

• Please number your slides. This will greatly facilitate our discussion.

Final research paper on company within your channel:

You will propose, in writing, a company for the final report along with your channel preferences. I will approve all channel and company proposals.

The final company research analysis will be in written form (10-15 pages) and turned in on the last day of class, along with the graded copy of your channel analysis. You will also email me a backup copy of your final report within 24 hours. Be sure to write the course number (MKT 430), your group number, the name of the channel, and the name of the company in the subject line of the email.

• You must select a publicly traded company for which financial data are readily available. A list of companies available for projects will be provided.
• While the company does not have to be locally-based, it should have stores that you will be able to visit.
• The company may not be one that the class is studying this semester.
• I will approve all student projects, and will make assignments if preferences are not submitted on time.

Your assignment is to prepare an analysis of the retail firm within a channel. You will identify the retailer’s strategy and compare your focal retailer to its direct competitors in terms of: the retailer’s target market and positioning, its retail mix (merchandise variety and assortment, pricing, locations, etc.), and its bases for developing a competitive advantage. Include a financial analysis for the retailer comparing its present to past performance and the performance of competitors. Based on your analysis, make recommendations for your retailer’s future strategy.

Your report will include exhibits and a bibliography of secondary sources, as well as data discovered through primary research (e.g. interviews with store executives). You must provide sources for your data on individual slides and in bibliography.

The report should contain a comprehensive analysis, including important detail concerning relevant competitors, an in-depth company analysis, and recommendations for top management, with supporting logic. All reports are due at the beginning of the last class.

Additional information will be provided in class.
Peer Evaluation Form

This form must be completed and submitted to me on the last day of class. Aggregate results may cause me to adjust individual grades for team projects up or down. Please consider overall contribution of team members to the two team projects, taking into account the following:

**Preparation**: Rate the extent to which the member completed the necessary assignments, had read the related material, and was ready to contribute to the team.

**Input**: Rate the extent to which the member provided valuable input of ideas towards the team’s work.

**Diligence**: Rate the extent to which the member took on the necessary roles to complete the team’s work, their timeliness in completing and distributing work, and the quality of the work performed.

**Facilitation**: Rate the extent to which the member helped the team maintain a positive climate and work together effectively.

Please follow directions carefully!
Allocate 100 points across all the members of your team *apart from yourself* to reflect your assessment of their individual contributions to the team effort. I will treat your assessments as confidential.

<table>
<thead>
<tr>
<th>Your name: ____________________________</th>
<th>Course name: ___________________ Date form completed__________</th>
</tr>
</thead>
<tbody>
<tr>
<td>Course number: ____________ Section number: ______________________</td>
<td></td>
</tr>
<tr>
<td>Group #: _____________________________</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Team-member name:</th>
<th>Contribution %:</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. __________________</td>
<td>____</td>
<td>__________________</td>
</tr>
<tr>
<td>2. __________________</td>
<td>____</td>
<td>__________________</td>
</tr>
<tr>
<td>3. __________________</td>
<td>____</td>
<td>__________________</td>
</tr>
<tr>
<td>4. __________________</td>
<td>____</td>
<td>__________________</td>
</tr>
<tr>
<td>5. __________________</td>
<td>____</td>
<td>__________________</td>
</tr>
<tr>
<td><strong>Total:</strong> 100%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

General Comments (Use additional page if necessary):

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________