

**School for New Learning  
DePaul University  
FA 314 The Business of Retail  
Oak Forest  
Dates: Monday Winter 2007-2008, 6:30-9:30  
Instructor: Jill A. Joachim  
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The famous business theorist Peter Drucker has called American culture a unique combination of materialism and idealism. These qualities have combined to make America a consumer based society unlike any other culture. What is it about American stores and the American shopper makes both so unique? Super stores, the consolidation of regional stores into multinational conglomerates, online shopping, the emergence of an-ever-more savvy and demanding consumer, economic cycles, international monetary values and the demographics of American shoppers have combined to transform the experience of shopping in the last twenty years.

How do stores entice consumers to buy? That question will be answered in this class. This class will look at a variety of store environments and will feature student-based discussion of weekly store visits. Using the science of shopping (as defined by Paco Underhill and others) the class will visit and evaluate (time and scheduling permitting):

- A niche boutique
- A discount super store
- A department store
- A home improvement super store and a hardware store
- A sporting goods super store
- A specialty grocery market
- A super toy store
- An online merchandiser
- An online auction agency
- A media store

These visits will demonstrate and reinforce common retail concepts like space management, store layout, inventory turns, displays, POP, signage, product placement, conversion rate, category management, supplier managed inventory, product differentiation, margins, markup, cash flow, generic branding, proprietary branding, demographic attraction, shrinkage, etc. The class will also examine where goods purchased in the US come from and why this is so. Post-class discussion will evaluate the practices of each store, positives and negatives, strengths and weaknesses.

**Students must be able to travel to a number of area stores. Students will visit stores on their own time and as part of class groups.**

**Faculty Biographical Sketch: Jill A. Joachim is a lifelong learner and is dedicated to the principal that effective instructors lead students to personal discoveries.**

With a Bachelor degree in Forestry and a Masters in Science focused on business abetted by almost 20 years in operations and human resources management, the instructor has a solid basis of real life experience in business. It is perhaps no coincidence that she currently is a buyer for a specialty gift store. Additionally, the instructor is a true polymath and actively pursues new learning and experience in a wide range of topics. These interests include crafting, sports and competitions of all types, math and science developments, the wacky activities of the British Royal Family, gardening, maintaining an eight ear old travel pod, adoring her pets, family activities, music of all kinds, silly mystery novels and anything else that catches her fancy. Finally, the instructor is grateful she had the foresight to finish her education before entering a professional field. She is always appreciative that SNL students are full time workers, parents and caregivers in addition to being part time students.

## Competencies

### THE BUSINESS OF RETAIL

**FX: Understands the nature of the retail industry and can assess the contribution of major retail institutions to the American economy**

1. Can identify various retail environments and observe common retail business practices.
2. Can identify the relative retail business strengths and weaknesses of several stores or chains.
3. Can explain, in a broad way how super merchandisers have changed the role of retail in cities and in the American economy.
4. Can explain how the consumer behavior has evolved in the last several decades and can identify retail practices that target consumers.

*What are the many ways stores display merchandise – and how does this impact consumer behavior? What is Vendor Managed Inventory and what stores use it? How does a super store shopper's experience differ from that in a niche store or a more traditional store? What retailers are doing well – profiting and growing and why? What retail chains are on the ropes and why? How are retailers targeting different kinds of shoppers for different products? What would you recommend to improve a retail business?*

### THE CREATIVE PROCESS

**A-5: Can define and analyze a creative process.**

1. Can define the concept of creativity.
2. Can identify, analyze, and describe the components of a creative process in one or more fields of human endeavor.
3. Can explain how engaging in a creative process affects one's perception of the world.

Creativity is often associated with forms of human expression in the literary, fine, and applied arts. Because it involves the development of innovative ideas and fresh approaches to problems, however, the practice of creativity is no less integral a

component of the social, physical, and technological sciences. In any field of human endeavor, the creative process requires an ability to question accepted and “acceptable” ways of perceiving and thinking, as well as a willingness to forge connections and refine knowledge through doubt, curiosity, and imagination. Through engagement, reflection, and analysis, this competence invites the student to understand how a creative process is born, how it functions, and how it changes our perception and experience of the world. Such insights may develop, for example, by analyzing the creative process in the writing of a poem, the production of a visual narrative, the planning of a city, the design of a web site, or the development of an innovative way of perceiving and explaining a natural phenomenon.

*How do stores capture our attention and imagination? Where are the beauty, creativity and art of retail design and display? Does “better” retail design or display creativity create greater consumer appeal? What is the connection between consumer behavior and the creative things stores do? What would you recommend a store do to creatively merchandise products?*

### **SHARED CREATIVITY**

**A-2-X: Can compare the design elements of a retail environment with an acknowledged work of art.**

1. Can describe an artistic element of a retail environment
2. Can describe a work or body of art, which shares form, function, color, design, etc. with that retail environment element.
3. Can compare the two and contrast the message, function and utility of each.

Some believe there are no more truly new ideas – merely variations of existing thought. Clearly, retail environments today “recycle” existing art works and art concepts. In some cases artists’ work is reproduced on tee shirts, or ancient roman torsos used as mannequins for clothing displays. Some stores have a decidedly art deco, cubist, minimalist or romantic décor design. Kohler plumbing fixtures and Absolute Vodka have built entire retail advertising campaigns displaying their product as interpreted by real artists. In all these cases, it is easy and important to compare the original art with the borrowed and draw conclusions about the relationship.

*What artists’ works (or knockoffs of that work) are popular now in clothing lines – why do you think this is so popular? What is the interior design style of a favorite and loathed store of yours? What do you think these interiors please or displease you so much? What artists invented these styles? What colors are popular now in some element of retail design and which artists used a similar palette? It is now popular to design sculptural containers for high-end perfumes and beauty products – why is this so and which sculptors are evoked? Can you find elements of Matisse or Modigliani or Rafael in your favorite pet or home center – why or why not?*

### **Global Perspectives**

**H-5: Can analyze issues and problems from a global perspective.**

1. Analyzes one or more global issues, problems, or opportunities facing the human race.

2. Explains how these issues affect individuals or societies in both positive and negative ways.

Americans enjoy one of the highest average disposable incomes in the world. Our consumer society delights in spending and displaying wealth and accumulated property. The US is evolving into a service-based society and decreasing the production of goods in America. Increasingly, production happens outside US borders where wages are lower and labor laws are liberal (or non-existent). The class will examine the practices and policies of retailers' purchase of foreign goods and discuss with retailers the reasons for those policies.

*Where do the retailers visited get their goods and why? What is the impact on the country of origin and why? What is the impact on the US and why? What is happening with world markets for goods and removing trade barriers? What is the impact of this? What, if any, is the impact of our shopping behavior on other countries? What personal responsibility, if any, do shoppers exercise when they purchase goods from countries lacking human labor laws, environmental regulation, etc? Should celebrity clothing label designers or fashion houses be held accountable for the labor practices of their producers? What is the impact of the emergence of multi-national retailers?*

**L7: Can learn collaboratively and examine the skills, knowledge, and values that contribute to such learning.**

1. Can collaborate in Socratic group discussion
2. Can collaborate in questioning retail managers about their business and practices
3. Can reflectively evaluate and articulate the nature of those collaborations

This class is based on trips to retail environments and discussions about those visits. Weekly assignments for observation in various retail environments will be made. After each visit, the class will collaboratively reflect on all they saw and draw conclusions about various retailers and retail practices. Students will also collaboratively work in groups to solve a retail problem and reflect on their group process.

*What makes group discussion work or not work? When are you at your best (or worst) in group discussion and why is that? What did you learn from someone else in each class? What conclusions did the class reach collectively that could never have been reached individually – and why is that? When doing a group project – what activities, responsibilities and understandings are important? What ensures true collaboration in a group project?*

**Learning Experience**

The learning experience will be largely, experience-based. Half of class time will be spent in a store, the other half in classroom discussion. Visits to stores outside of class times will be required. Discussion will be based on observation, short concepts introduced by the instructor and concepts included in the class text. Each student will

be required to submit a short assessment of a store of his or her choice before the end of the term.

Required reading resources include:

Underhill, Paco. *Why we buy: The Science of Shopping*. Touchstone. NY, NY. 1999  
Hope, Augustine and Walch, Margaret. *Living Colors*. Chronicle Books. NY, NY. 2003

Additional resources include:

Berman, Barry; Evans, Joel R; Evens, Joel. *Retail Management: A Strategic Approach*. Prentice Hall. 2000

Din, Rasshied. *New Retail*. Conran. 2000

Green, William R. *The Retail Store: Design & Construction*. Excel, Inc. 2000

Levy, Michael; Weitz, Barton A. *Retailing Management*. McGraw-Hill/Irwin. 2000

Nielsen Marketing Research. *Category Management*. McGraw-Hill Trade. 1993

Portas, Mary. *Windows: The Art of Retail Display*. Thames and Hudson. 1999

Richards, Kristen; Rockwell, David. *Retail and Restaurant Spaces: An International Portfolio of 41 Designers*. Rockport Publishers. 2002

Taylor, Don, Smalling Archer, Jeanne. *Up Against the Wal-Marts: How Your Business Can Prosper in the Shadow of the Retail Giants*. Amacom. 1996

*Women's Wear Daily: The Retailer's Newspaper*. Fairchild Productions. NY, NY

### **Evidence the Students will Submit**

Students will participate in class store trips and weekly discussion. The student will submit a short paper or presentation on a store of choice.\* This paper can be a group project. The class and its participants will abide by the University's guidelines on academic integrity found in the Student Handbook.

Discussion will be based on observation, short concepts introduced by the instructor and concepts included in the class text. Each student (or group) will be required to submit a short assessment of a store of his or her choice\* before the end of the term. The topic of the paper will differ by competence:

**FX Understands the nature of the retail industry and can assess the contribution of major retail institutions to the American economy:** *Identify a retail environment and recommend a business improvement: Describe the business and environment, describe the problem, present a solution and explain why the solution would work*

**A-5 Can define and analyze a creative process:** *Define creativity. Identify a retail environment and identify something it has done that you think is creative. Explain why your think it is creative. Explain the impact of this creativity on you and your perception of the store/product and/or ask other's their perception of what has been done.*

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\* excepting stores visited by the class

**A-2-X Can compare the design elements of a retail environment with an acknowledged work of art:** *Defines an element of a retail environment and compares it to an acknowledged a work of art. Describes the work of art and its context. Compares and contrasts the two.*

**H-5 Can analyze issues and problems from a global perspective:** *Defines a retail practice with global implications. Evaluates the impacts of those practices on the world and on the US. Recommends and evaluates alternatives.*

### **Criteria for Assessment**

Student's grades will be based equally on attendance, participation in discussion and the content of a short paper.

Attendance: Student's grades will be adversely impacted by more than one absence. More than two absences will result in failure.

Discussion: Participation in discussion with clear, persuasive, fact-based or creative comments will be evidence for competence achievement. Students who contribute regularly, persuasively, creatively and in a non-disruptive manner demonstrate excellence.

Written work: Similarly, papers must be clear, creative and persuasive and discuss all items required for the competence. Papers must also be footnoted and comply with Academic Integrity policies (see <http://studentaffairs.depaul.edu/handbook/code16.html>). Use of other's ideas or words (down to a phrase level) without citation will result in failure on the paper. Please also see SNL's guide to research and using sources at <http://www.snل.depaul.edu/contents/current/forms/usingsources.doc>. **ONLY ELECTRONIC VERSIONS OF PAPERS WILL BE ACCEPTABLE. HARD COPY PAPERS WILL NOT BE ACCEPTED.**

### **Tentative Class Schedule**

#### **Class 1**

Discussion: Introductions  
Syllabus  
Expectations

#### **Class 2**

Prereading: Underhill, Chapter 1-4  
Class Trip: Mall.  
Discussion: Retail Architecture  
Basic Mall Shopper behavior observation  
Learning in dyads, discussion in groups

#### **Class 3**

Prereading: Underhill Chapters 5-8  
Class Trip: Sports store  
Discussion: Children  
Grays

#### **Class 4**

Prereading: Chapters 9-11

Class Trip: Grocery stores  
Discussion: Grocery store issues  
Grocery store aesthetics  
Solo observation, group learning

### **Class 5**

Prereading: Chapters 12-end  
Class Trip: Home Centers  
Discussion: Signage  
POP displays and Information  
Group learning a task

### **Class 6**

Prereading: None  
Class Trip: Target and Wal-Mart  
Discussion: Brands and Differentiation  
Group observation and discussion  
Country of Origin

### **Class 7**

Prereading: None  
Class Trip: None  
Discussion: Lecture on traditional retail subjects

### **Class 8**

Prereading: <http://www.bathandbodyworks.com> and <http://www.rockler.com/>  
Class Trip: Retail and gender  
Discussion: Niche retailers  
Guys vs. girls  
Licensed products  
Learning from the opposite sex

### **Class 9**

Prereading: Selected internet topics  
Class Trip: None  
Discussion: World Issues

### **Class 10**

Prereading: None  
Class Trip: None. Bring in your favorite web shopping store to share  
Discussion: Cyber shopping

### **Class 11 and beyond**

Papers due electronically on or before one week after the last class. Incomplete requests due via e-mail same day. Hard copy Incomplete forms by close of grading period.