

# MKTG30006 Retail Management

## Final Exam Revision & Key Content Summarization

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- Reasons:
  - **Expand** - reach new market
  - **Leverage** - competencies, assets and capabilities to increase profits (e.g. brand equity)
  - **Overcome limitations - of existing formats**
  - **Increase share** - of customer wallet.

### **New Frontier: Omni-channel retailing**

- A **seamless approach** to the customer experience through all available shopping channels.
- What does it involve?
  - **Merging** of retail and customer transactions
  - Multi-channel presence
  - **Shoppers** are able to **freely move...**
  - Target communication through multiple mediums
  - **Uniform across all channels**
  - **Wealth of information**

## Lecture 3 - Developing retail strategy

### **Situational analysis:**

Creates an **overview of the organization** that will lead to a better **understanding** of the factors that will influence its future.

- External analysis - Far: PEST Analysis
- External analysis - Near/Market Analysis: customers and competitors, retail cycles
- Internal Capabilities - People, financial resources, channels. Internal capability to create a competitive advantages: cost leadership, benefit differentiation.

### 1. PEST Analysis (Far)

- Political/legal
  - Change of government, tax policies, employment law, minimum wage, trading hour restriction, regulation policies.
- Economics
  - GDP Trends, exchange rates, interest rates, employment levels.
- Sociocultural
  - Aging population, Food concerns, environmental concerns, level of education.
- Technological
  - High-tech products, internet, warehousing technologies.

# Lecture 8 - Store location & customer experience

One of the most important considerations in retail: Location!

Factors impacting store site selection:

- **Fit with target market** - Catchment area, size and composition of household
- **Economic conditions** - population result in higher purchasing power
- **Competitors** - competition affects demand
- **Cost** of running the store at the location - high volume areas and access to premium customers attract higher rents.

Store location:

**Types of retail locations:**

1. **Solitary sites (freestanding)**
2. **Unplanned shopping areas (city centre)**
3. **Planned shopping areas (shopping mall)**

Decide store location (open **new store, extension, relocation**):

1. Site characteristics
  - a. **Traffic** flow and accessibility
  - b. **Parking**
  - c. **Visibility**
  - d. Adjacent tenants
  - e. Restrictions and **costs**
2. Locations within a shopping centre

## Customer Experience

Two factors **driving overall customer experience**:

- **Shopping environment**
  - **Store design objectives**
    - Implement retailers' **strategies**
    - **Influence customer buying behavior**
    - Provide flexibility
    - Control design and maintenance cost
  - Store design elements
    - **Layouts**
    - **Signage**
    - Atmospherics (**color, music, lighting and scent**)
- **Customer service**