



**CAREER CLUSTER**

Marketing

**INSTRUCTIONAL AREA**

Product/Service Management

**APPAREL AND ACCESSORIES MARKETING SERIES EVENT**

**PARTICIPANT INSTRUCTIONS**

**PROCEDURES**

1. The event will be presented to you through your reading of these instructions, including the Performance Indicators and Event Situation. You will have up to 10 minutes to review this information to determine how you will handle the role-play situation and demonstrate the performance indicators of this event. During the preparation period, you may make notes to use during the role-play situation.
2. You will give an ID label to your adult assistant during the preparation time.
3. You will have up to 10 minutes to role-play your situation with a judge (you may have more than one judge).
4. You will be evaluated on how well you meet the performance indicators of this event.
5. Turn in all your notes and event materials when you have completed the role-play.

**PERFORMANCE INDICATORS**

1. Identify factors affecting a business's profit.
2. Describe current business trends.
3. Identify the impact of product life cycles on marketing decisions.
4. Explain the nature and scope of the product/service management function.
5. Plan reductions.

## EVENT SITUATION

You are to assume the role of new general manager of SPERRY'S CLOTHING, an independent clothing store. The owner (judge) has asked you to develop a plan to improve the profit margin of the store quickly.

SPERRY'S CLOTHING is an independent clothing store located in a medium-size city in the upper Midwest. SPERRY'S features upscale, fashionable lines of clothing and accessories for younger women. Now operated by the second generation of the Sperry family, for 43 years the store has stayed contemporary and profitable.

The Sperry family has recently hired you as the general manager for their store. The previous manager was let go for poor performance. The family is most concerned about declining profit margins, even though gross sales have been strong. You are expected to improve the profit margin for the store quickly. The owner (judge) has asked you to present your analysis of the situation and a preliminary plan on how best to address it.

Key information to consider:

- A review of sales reports from the past five years shows a steady downward trend in the maintained margin on all of SPERRY'S lines. The change is the greatest on trendy, seasonal apparel.
- Vendors are increasing their pressure to buy in larger quantity early; it is difficult to fill in stock on seasonal apparel once the season is under way.
- During the past five years, big box department stores like Kohl's and Target have been opening in your market area.
- You have noticed many of your customers wearing clothing purchased from catalog and on-line retailers such as Lands' End and Eddie Bauer.
- Fashion trends have been changing more quickly than in the past, especially on business apparel.
- The store enjoys a high degree of customer loyalty. Customers are very aware of the sales that run at regular intervals throughout the year.

You are to create an analysis of the decreasing profit margins and develop a preliminary plan for improving profit margins and present it to the storeowner (judge).

Be sure your presentation includes the following:

- Possible causes of the decreasing margin
- An explanation of how overall gross sales can be steady or increasing while profit margins decrease
- Ideas on how to control inventory levels to avoid excessive markdowns
- Specific plans on how to increase profit margins

You will present your plan in a role-play to take place in the owner's (judge's) office. The owner (judge) will begin the role-play by greeting you and asking to hear your presentation. After you have presented your information and have answered the owner's (judge's) questions, the owner (judge) will conclude the event by thanking you for your work.

## JUDGE'S INSTRUCTIONS

### DIRECTIONS, PROCEDURES AND JUDGE'S ROLE

In preparation for this event, you should review the following information with your event manager and other judges:

1. Procedures
2. Performance Indicators
3. Event Situation
4. Judge Role-play Characterization  
Participants may conduct a slightly different type of meeting and/or discussion with you each time; however, it is important that the information you provide and the questions you ask be uniform for every participant.
5. Judge's Evaluation Instructions
6. Judge's Evaluation Form  
Please use a critical and consistent eye in rating each participant.

### JUDGE ROLE-PLAY CHARACTERIZATION

You are to assume the role of second-generation owner of SPERRY'S CLOTHING, an independent clothing store. You have asked the new general manager of your store (participant) to develop a plan to improve the profit margin of the store quickly.

SPERRY'S is an independent clothing store located in a medium-size city in the upper Midwest. SPERRY'S features upscale, fashionable lines of clothing and accessories for younger women. Now operated by the second generation of the Sperry family, for 43 years the store has stayed contemporary and profitable.

You have recently hired a new general manager for the store (participant), replacing a manager whose performance was unsatisfactory. The Sperry family has been most concerned about declining profit margins, even though gross sales have been strong. You expect the new general manager (participant) to develop a strategy to improve the store's profit margin quickly.

You have asked the new general manager (participant) to present an analysis of the situation and a preliminary plan on how best to address the problem of the shrinking profit margins.

Key information you have asked the new general manager (participant) to consider:

- A review of sales reports from the past five years shows a steady downward trend in the maintained margin on all of your lines. The change is the greatest on trendy, seasonal apparel.

- Vendors are increasing their pressure to buy in larger quantity early; it is difficult to fill in stock on seasonal apparel once the season is under way.
- During the past five years, big box department stores like Kohl's and Target have been opening in your market area.
- You have noticed many of your customers wearing clothing purchased from catalog and on-line retailers such as Lands' End and Eddie Bauer.
- Fashion trends have been changing more quickly than in the past, especially on business apparel.
- The store enjoys a high degree of customer loyalty. Customers are very aware of the sales that run at regular intervals throughout the year.

The new general manager (participant) is to create an analysis of the decreasing profit margins and will develop a preliminary plan on how to improve profit margins. You have asked him/her to present the plan to you.

The presentation should include the following:

- Possible causes of the decreasing margin
- An explanation of how overall gross sales can be steady or increasing while profit margins decrease
- Ideas on how to control inventory levels to avoid excessive markdowns
- Specific plans for increasing profit margins

The manager (participant) will present the plan to you in a role-play to take place in your office. You will begin the role-play by greeting the new general manager (participant) and asking to hear about the plan.

During the course of the role-play you are to ask the following questions of each participant:

1. What do you think is the biggest cause of our decreasing profit margins?
2. Do you think having fewer promotions that include markdowns would affect the loyalty of our customer base?
3. What other factors besides inventory control and markdowns could be affecting our profit margin?

Once the manager (participant) has presented the plan and has answered your questions, you will conclude the role-play by thanking him/her for the work.

You are not to make any comments after the event is over except to thank the participant.

## JUDGE'S EVALUATION INSTRUCTIONS

### Evaluation Form Information

The participants are to be evaluated on their ability to perform the specific performance indicators stated on the cover sheet of this event and restated on the Judge's Evaluation Form. Although you may see other performance indicators being demonstrated by the participants, those listed in the Performance Indicators section are the critical ones you are measuring for this particular event.

### Evaluation Form Interpretation

The evaluation levels listed below and the evaluation rating procedures should be discussed thoroughly with your event chairperson and the other judges to ensure complete and common understanding for judging consistency.

<b>Level of Evaluation</b>	<b>Interpretation Level</b>
Exceeds Expectations	Participant demonstrated the performance indicator in an extremely professional manner; greatly exceeds business standards; would rank in the top 10% of business personnel performing this performance indicator.
Meets Expectations	Participant demonstrated the performance indicator in an acceptable and effective manner; meets at least minimal business standards; there would be no need for additional formalized training at this time; would rank in the 70-89 <sup>th</sup> percentile of business personnel performing this performance indicator.
Below Expectations	Participant demonstrated the performance indicator with limited effectiveness; performance generally fell below minimal business standards; additional training would be required to improve knowledge, attitude and/or skills; would rank in the 50-69 <sup>th</sup> percentile of business personnel performing this performance indicator.
Little/No Value	Participant demonstrated the performance indicator with little or no effectiveness; a great deal of formal training would be needed immediately; perhaps this person should seek other employment; would rank in the 0-49 <sup>th</sup> percentile of business personnel performing this performance indicator.

# JUDGE'S EVALUATION FORM

AAM  
STATE EVENT 2010

## DID THE PARTICIPANT:

### 1. Identify factors affecting a business's profit?

**Little/No Value**

**0, 2**

Attempts at identifying factors affecting a business's profit were inadequate or weak.

**Below Expectations**

**4, 6, 8**

Adequately identified factors affecting a business's profit.

**Meets Expectations**

**10, 12, 14**

Effectively identified factors affecting a business's profit.

**Exceeds Expectations**

**16, 18**

Very effectively identified factors affecting a business's profit.

### 2. Describe current business trends?

**Little/No Value**

**0, 2**

Attempts at describing current business trends were inadequate or weak.

**Below Expectations**

**4, 6, 8**

Adequately described current business trends.

**Meets Expectations**

**10, 12, 14**

Effectively described current business trends.

**Exceeds Expectations**

**16, 18**

Very effectively described current business trends.

### 3. Identify the impact of product life cycles on marketing decisions?

**Little/No Value**

**0, 2**

Attempts at identifying the impact of product life cycles on marketing decisions were weak or incorrect.

**Below Expectations**

**4, 6, 8**

Adequately identified the impact of product life cycles on marketing decisions.

**Meets Expectations**

**10, 12, 14**

Effectively identified the impact of product life cycles on marketing decisions.

**Exceeds Expectations**

**16, 18**

Very effectively identified the impact of product life cycles on marketing decisions.

### 4. Explain the nature and scope of the product/service management function?

**Little/No Value**

**0, 2**

Attempts at explaining the nature and scope of the product/service management function were inadequate or unclear.

**Below Expectations**

**4, 6, 8**

Adequately explained the nature and scope of the product/service management function.

**Meets Expectations**

**10, 12, 14**

Effectively explained the nature and scope of the product/service management function.

**Exceeds Expectations**

**16, 18**

Very effectively explained the nature and scope of the product/service management function.

### 5. Plan reductions?

**Little/No Value**

**0, 2**

Attempts at planning reductions were inadequate or weak.

**Below Expectations**

**4, 6, 8**

Adequately planned reductions.

**Meets Expectations**

**10, 12, 14**

Effectively planned reductions.

**Exceeds Expectations**

**16, 18**

Very effectively planned reductions.

### 6. Overall impression and response to the judge's questions.

**Little/No Value**

**0, 1**

Demonstrated few skills; could not answer the judge's questions.

**Below Expectations**

**2, 3, 4**

Demonstrated limited ability to link some skills; answered the judge's questions adequately.

**Meets Expectations**

**5, 6, 7**

Demonstrated the specified skills; answered the judge's questions effectively.

**Exceeds Expectations**

**8, 9, 10**

Demonstrated skills confidently and professionally; answered the judge's questions very effectively and thoroughly.

Judge's Initials \_\_\_\_\_

TOTAL SCORE \_\_\_\_\_