



A Retail Business Simulation

Welcome to shopX

A locally designed Retail Business Simulation designed to ensure the players;

- Engage in an educational, real life environment where they learn the essentials of how to run a retail store
- Learn, understand and plan for retail engagements such as NPD, Layout Plans, POP execution, Category planning and Shelf mapping
- Learn about, utilise and explore the metrics that determine retail success in the key dimensions of financial, customer, operations and market,
- Deal with the vagaries and premeditated obstacles that a real and dynamic market place throws at them

Who should attend

Suppliers - Account managers, KAM's, NAMS, Marketers and support staff – anyone who interacts or supplies to the retail environment. The experience is perfectly suited to assist suppliers in their customer engagement planning

Retailers - Store Owners, Department Managers, Trainee Owners and anyone who wants to own, manage or be part of a retail environment



What's involved?

The delegates participate in 10 Rounds of Retail battles, each representing a Financial Period.

These rounds are designed to test, stress and pit them against each other where there can be only 1 winner – the store that grows and delivers the best customer experience, profit, cash and store management in a competitive environment.

The 10 Rounds cover

STRATEGY “What should my store deliver, what metrics shall we chase and what will we be famous for?”

LAYOUTS “What flow and layouts shall we adopt?”

RANGE “What does the perfect Range Architecture look like?”

PRICING “How do we build a price architecture?”

PROMOTION “How do we take our value offer to market, and what strategies do we plan to follow?”

MARKET “How do we respond to unanticipated market changes?”

INVENTORY “How much inventory should we carry and what are the implications on cash and interest? How should we assess buy-up opportunities?”

SUPPLIERS “How best do I manage my supplier community?”

EXECUTION “What strategies do I use to execute my plans at the Point of Purchase?”

REVIEW “With the benefit of hindsight, would I do anything differently?”



shopX follows best practice adult learning approaches





How does it **work?**

4 Stores fight for market supremacy in the Lone Hill Valley



- 1 Four Teams are briefed on their stores and then take part in a highly competitive and fun filled two-day challenge to win the hearts and minds, and therefore wallet spend, of the citizens of the Lone Hill Valley, an artificially constructed area
- 2 Lone Hill Valley is loosely modelled on a real district, with real shopper, market and competitor data as well as Statistical data
- 3 Each round they receive a full P&L as a measure of business performance, plus quarterly market updates and competitor data
- 4 In addition each team can choose at any time to purchase a number of different options from the local suppliers. These include everything from new Freezers and Displays to customer service training and OOS systems
- 5 Lone Hill Valley has real banks, suppliers, people, recruitment suppliers, research companies - everything you would expect to find in real life
- 6 The simulation is run in-house for training purposes, as an assessment centre, or as an educational tool for business, retail and manufacturing suppliers to the retail industry
- 7 ShopX is also utilised at tertiary education level

"This has got to be the most amazing learning experience we have ever been on. In 2 days I learnt more about retail and my own brand and market strategies than I thought possible. It leaves everything else in New Zealand for dead!"

- Stefan Marusich, MD, Avalanche Coffee



For more **information**

What key metrics do you **learn about?**

The key metrics that govern success of the store include:

- ✓ Sales
- ✓ GP (% AND \$'s)
- ✓ Wages and Opex
- ✓ CTP and CTM
- ✓ EBIT
- ✓ Inventory levels and Cash flow
- ✓ Customer satisfaction measures
- ✓ Staff competence
- ✓ General customer loyalty insights
- ✓ Interest and cash flows
- ✓ Range optimisation
- ✓ Price architecture and elasticity
- ✓ Promotional sweet spots
- ✓ Space efficiencies
- ✓ Supplier funding including coop and other forms of BTL "money"
- ✓ Merchandising and Display measures
- ✓ The full P and L

The business **scenario**

You own a store in the Lone Hill Valley...you have 3 competitors. Each of you begin with a fair market share and every round gives you an opportunity to gain (or lose) some of that share

Teams deliver against their own store Strategy, endeavouring to deliver the best possible commercial return

Not only do you have to manage multiple financial periods, you also have the chance to engage the local suppliers for everything from new fixtures to Shopper Insights - a whole range of possibilities exist in the valley - just like in real life. And of course the local bank manager keeps an eye on your cash flows.



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