

Final Project: Retail Business New Store Project

Goal: Reach a cumulative profit of at least \$500,000 (In Level 2, you may open more than one store, so you may add all of your profits together.)

Grades and Profit:

<100,000 F Range

100,000 to 200,000 D Range

200,000 to 300,000 C Range

300,000 to 400,000 B Range

400,000 to 499,000 A Range up to 99%

>500,000 A+

Things to remember:

- Location, location, location! Your store should focus on college students.
- Most products will need less than 35 point margin; however, college students like slushies and coffee, so consider a higher margin on those products. See how high you can go by listening to your customers and paying attention to your sales!
- Your target inventory should be around 250.
- You will need cash registers, of course! Don't forget to purchase those.
- Set your trade credit to 30 days.
- Consider advertising! Think about your market—college students. Which radio stations do they listen to the most? What time would they be listening to the radio stations?
- Consider storefront advertising, as well! Think about those staples that college students may need. Consider setting those prices lower than usual, even if you take a loss on those products.
- Consider placing a billboard ad.
- Consider purchasing security cameras.
- You'll need to set up the physical inventory. Maybe once every 8 weeks would work. If not, adjust as necessary.
- Pay attention to your staffing needs! When is your store the busiest? The slowest? Don't forget that you need at least one shelf stocker and cashier during each shift.
- After your store becomes well-known and more popular, consider raising your purchasing/inventory.
- Think about seasonal items! Don't stock your store with items that are out of season. When a new season arrives, stock up your store on those seasonal items.
- Good luck and have fun!