



SPORTS BUSINESS PROGRAM STUDENT ACTIVITY GUIDE: MERCHANDISE SALES



STUDENT ACTIVITIES GUIDE: SBP MERCHANDISING

ACTIVITIES GUIDE

MERCHANDISING TEAM

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*** Teacher Note:** *This activity is also included with the marketing group student activities.*

Focus groups can provide an extremely valuable means for performing market research. A focus

group is, for all intents and purposes, a “group” interview with 6-10 participants from outside your organization and a moderator. The moderator (facilitator) is someone from your program who is responsible for leading the session and asking questions of the participants.

Focus groups require four important steps:

- 1) Preparation
- 2) Planning
- 3) Activating (implementation)
- 4) Evaluating

Review the information below describing each step in the market research process, and then describe how your merchandising team will apply each step using the worksheets below.

Preparing for your focus group session:

- What is the primary objective of this focus group?
- What information do you hope to gather? What questions will you ask?
- How will that information be used?
- Who will the participants be? How will you contact them? Will gaining participation require some incentive such as free lunch or a ticket to a game?

Planning:

- Schedule the session – plan for one half hour or one full hour
- Gain access to a tape recorder or other means for recording the session
- Prepare questions – you will have time for 5-10 questions
- Invite attendees
- Plan for gaining equal participation from all participants and create agenda
- Room preparation – food, beverages etc. (you want participants to be comfortable)

Activate:

- The moderator (facilitator) should introduce themselves
- Make sure everyone is comfortable and seated before beginning
- Communicate the goals for the session and make sure everyone knows the session is being recorded

- Follow agenda – ask questions and record answers while encouraging equal participation
- Close the session, making sure to thank all participants

Evaluate:

- Verify that the session was recorded
- Review and clarify any hand written notes
- Make note of any additional observations
- Was the session effective? Did you get the information you had hoped to get?
- Communicate the results of the session to your class and discuss
- Determine whether an additional session(s) will be necessary

Step 1: Based on the information above, describe what your merchandising team must do to prepare for your focus group.

Step 2: Based on the information above, create a list of all the potential questions your moderator/facilitator might ask your focus group participants.

1) _____

2) _____

3) _____

4) _____

5) _____

6) _____

7) _____

8) _____

9) _____

10) _____

Step 3: In the space below, describe and/or list the people you will choose to invite to participate in your focus group.

Step 4: In the space below, create the session agenda for your focus group.



MERCHANDISING

Merchandising Activity #2



MARKET RESEARCH

*** Teacher Note:** *This activity is also included with the marketing group student activities.*

It is critical that your Sports Business Program's Merchandise Group takes the time to understand

your customers. Who are they? What types of products would they find appealing? What types of items would be unlikely to sell?

Begin by doing some research online to see if you can identify any current trends (i.e. - what colors are popular now?), learn about your potential customers, and review potential products that you may want to make available to your fans. You may also want to consider implementing a student survey to help determine potential products to offer, or even pair this activity with your marketing department's market research activities.

After doing some initial research online, the best way to determine what type of merchandise will be popular with your fan base is to conduct market research. Ideally, you will collaborate with your marketing group to create your research plan. After gathering your data, you should analyze the results to help determine merchandising decisions.

You and your group will have to decide how you will collect your information and what information to collect. You will also need to determine how the information will be analyzed and how it will help you to make decisions to help elevate your merchandising efforts.

Use the worksheets below to develop your market research plan.

Step 1: Determine your data collection technique.

Step 2: Determine where you will collect the data from.

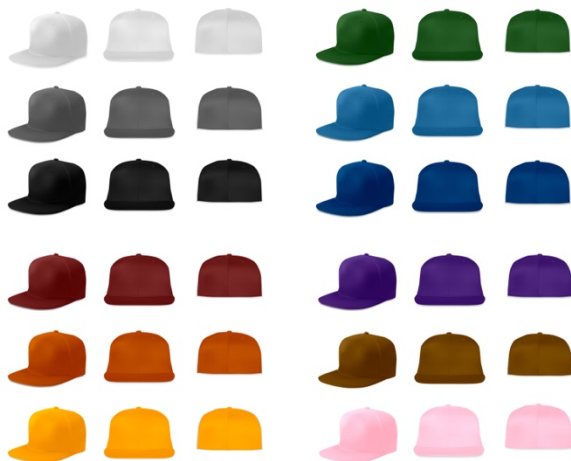
Step 3: Determine the type of information that will be collected.

[illegible]



MERCHANDISING

Merchandising Activity #3



PRODUCT DEVELOPMENT

Analyzing data is a critical marketing tool. Information helps businesses make smart decisions about the products they sell.

This is a brainstorming exercise designed to get students thinking about the

products that will grab the attention of the customer and drive product sales. After all, sales are a very important part of the merchandising process!

Use the following worksheets to gain a better understanding of your customer and help guide your decision-making process on what products to offer.

Your goal is to provide merchandise that fans and spectators will be excited about. Without demand for the product, you will be left with unsold inventory that could end up costing your organization money rather than providing a valuable platform for generating revenue.

Part 1: In the space below, describe any industry trends you discovered when researching potential merchandise products. Explain how those trends might help you determine what items you will offer.

[illegible]

Part 3: In the space below, list any potential apparel items that your program might offer (hats, hoodies, etc.).

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Part 4: In the space below, list any potential novelty items that your program might offer (logo golf balls, team pennants, foam fingers, bobbleheads etc.).

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MERCHANDISING

Merchandising Activity #4



PRODUCT DESIGN

* Important Note: In this step of the product development process, it is important for the merchandising team and the marketing team to collaborate. Branding is one of the most important aspects of your program, so make sure the marketing and merchandise teams are on the same page from a strategic branding perspective.

Now that you have identified the type of products that you will offer, it is important to design the product. Consider partnering with a digital design or art class to assist with the development of your merchandise.

Alternatively, there are a variety of websites online that offer templates and basic design tools making it easy to upload your school colors and logo to help create your merchandise.

To help get the process started, use the templates provided in this activity to get a general idea of what you would like your products to look like. You might also want to consider offering products that offer a secondary logo or alternative branding, if your research suggests your fans would purchase those products.

T-shirt Template:



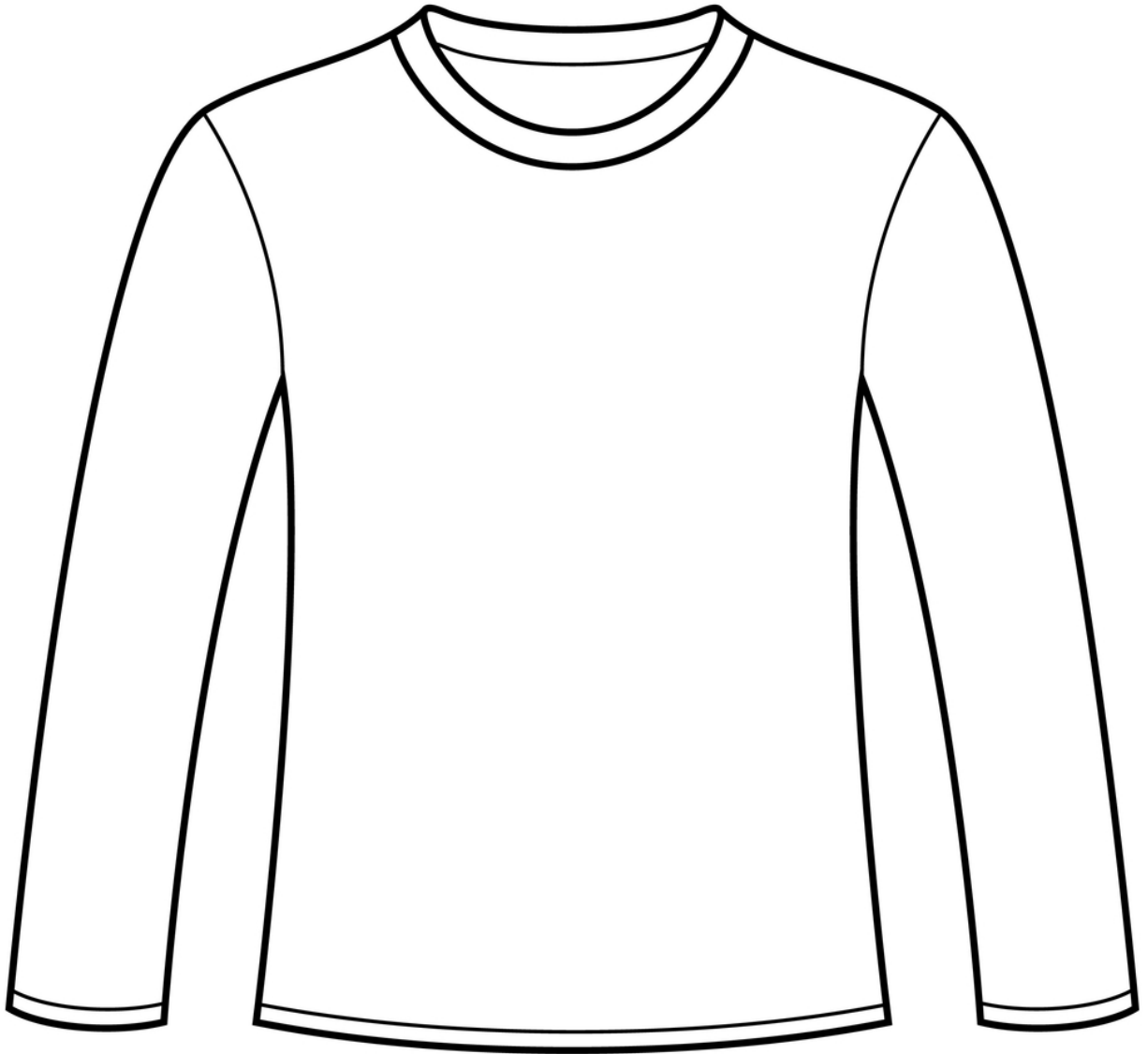
Golf Shirt Template:



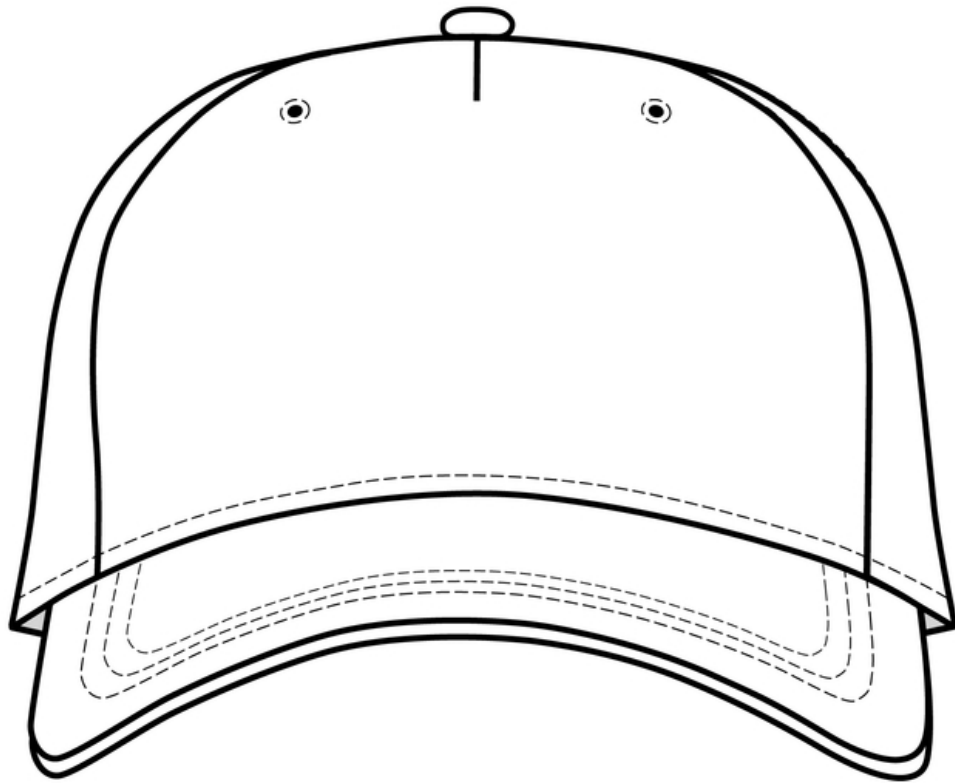
Hoodie Template:



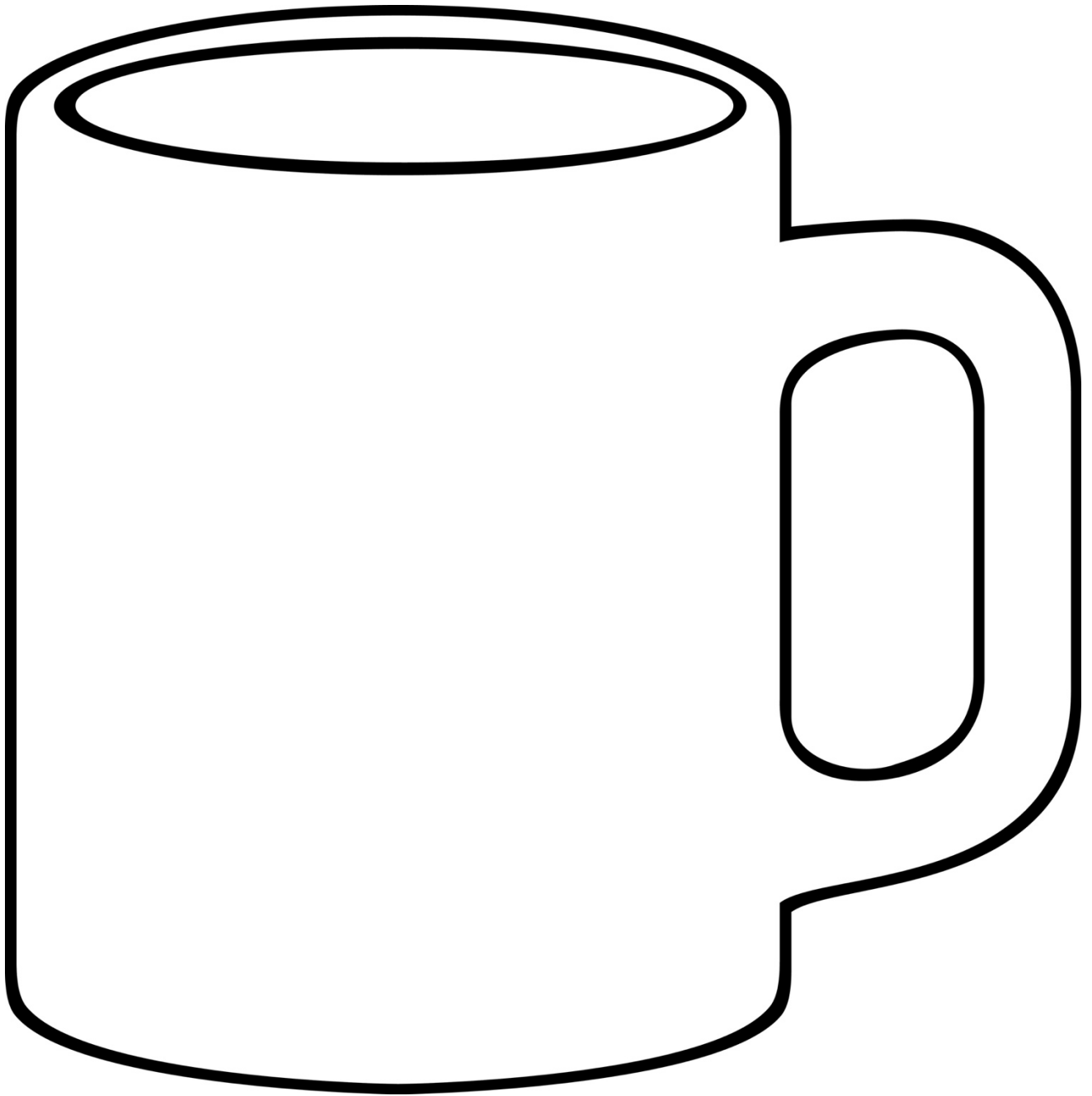
Long Sleeve Shirt Template:



Hat Template



Coffee Mug Template





MERCHANDISING

Merchandising Activity #5



INVENTORY DECISIONS

Careful strategic planning is essential to the success of any organization, and your Sports Business Program is no different. Perhaps no aspect of building your program is more important than the inventory process, which is the responsibility of the merchandising team. It is nearly impossible to determine exactly how much product to order or know how many of each size t-shirt will be sold at your first events. However, with some careful planning, you should be able to zero in on a strategy that will put your group in position to find success with your merchandising efforts.

Using the worksheets below with your merchandise team, develop your Sports Business Program inventory plan.

Step 1: Identify the best place for storage

The first thing you will need to consider is where to store your merchandise. Be sure to consult your teacher and/or Athletic Director to help decide the best place for storage as this may influence the quantities ordered.

You also should consider how secure the storage area will be to minimize the risk of theft. Choose a secure place with limited to no student access that can be locked when your staff is not there to monitor the merchandise.

You will also want to consider the location of the storage area. Is it in an area that is close to the areas or spaces where you plan to sell the merchandise? How easily can your merchandise be transported from the storage area to the sales area?

In the space below, list your ideas for potential inventory storage space.

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Step 2: Decide on a distributor

Another difficult decision your team will need to make is where to order your merchandise. Will you order from one of the many online sellers? Or will your group work with someone locally?

In the space below, determine the advantages and disadvantages to ordering your merchandise from an online wholesaler.

Advantages: _____

Disadvantages: _____

In the space below, determine the advantages and disadvantages to ordering your merchandise from a local wholesaler.

Advantages: _____

Disadvantages: _____

In the space below, offer your recommendation for a wholesaler from which your group should order its merchandise (including the company website):

Step 3: Determine sizes

This step becomes even more challenging when you begin to offer a wider variety of product options. As you begin this process, you may want to limit the number of products being offered. Keep it simple, like t-shirts, hoodies and hats and limit the number of design options.

In the space below, list all the products you plan to offer where you will need to decide on sizes. Then, list the different sizes you plan to offer. Keep in mind, the average size worn by U.S. consumers is a large, followed by XL and medium.

Product

Sizes offered

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Step 4: Determine quantities

The most important thing to consider when determining the quantity in your order is to eliminate as much guess work as possible. The last thing you want to do is arbitrarily decide to order 25 of every size for every product. If you order too many, you will undercut your program's ability to maximize profits and risk having boxes of product in storage all summer. If you don't order enough, you miss out on revenue opportunities and risk the potentially of dissatisfied customers.

It is important that you make an informed decision by evaluating the information from your research to create a realistic sales forecast. When evaluating

As a rough estimate, you might consider the following percentages on your order, based on U.S. averages:



Using the worksheet below, determine the sizes needed for your initial order.

<u>Product</u>	<u>Size</u>	<u>Sales Projection</u>	<u>Total Order</u>



MERCHANDISING

Merchandising Activity #6



SALES PLANNING

After all the market research and developing your inventory management strategy, it is time to create a plan for maximizing sales of your program merchandise. As you host more events, you will discover the best areas to stage your merchandise sales, identify the most popular products, establish ideal price points, and sharpen your sales skills.

In this activity, you will begin the preliminary planning process for setting up shop for your first event. Using the sample checklist provided, create your own event-day prep checklist to make sure you are as prepared as possible to start ringing up sales for your program!



Sports Business Program Event Day Merchandise Sales Area Checklist

- ☐ Will you accept credit cards? How?
- ☐ Where will set up your merchandise area?
- ☐ How will you minimize risk of theft?
- ☐ How will you draw attention to your area?
- ☐ Will you offer discounts?
- ☐ How will you display prices?
- ☐ Store hours: When will you open and close?
- ☐ Can items also be purchased online?
- ☐ How will you keep the area neat & organized?
- ☐ Who will staff the area?
- ☐ Do they have strong sales skills?
- ☐ What is your return policy?
- ☐ How will you promote the products?





Sports Business Program Event Day Merchandise Sales Area Checklist

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