



**CAREER CLUSTER**  
Marketing

**INSTRUCTIONAL AREA**  
Economics

## **BUYING AND MERCHANDISING TEAM DECISION MAKING EVENT**

### **PARTICIPANT INSTRUCTIONS**

- The event will be presented to you through your reading of the General Performance Indicators, Specific Performance Indicators and Case Study Situation. You will have up to 30 minutes to review this information and prepare your presentation. You may make notes to use during your presentation.
- You will have up to 10 minutes to make your presentation to the judge (you may have more than one judge), followed by up to 5 minutes to answer the judge's questions. All members of the team must participate in the presentation, as well as answer the questions.
- Turn in all of your notes and event materials when you have completed the event.

### **GENERAL PERFORMANCE INDICATORS**

- Communications skills—the ability to exchange information and ideas with others through writing, speaking, reading or listening
- Analytical skills—the ability to derive facts from data, findings from facts, conclusions from findings and recommendations from conclusions
- Production skills—the ability to take a concept from an idea and make it real
- Teamwork—the ability to be an effective member of a productive group
- Priorities/time management—the ability to determine priorities and manage time commitments
- Economic competencies

### **SPECIFIC PERFORMANCE INDICATORS**

- Explain the concept of economic resources.
- Explain the principles of supply and demand.
- Discuss the global environment in which businesses operate.
- Identify factors affecting a business's profit.
- Explain factors affecting pricing decisions.
- Describe factors used by businesses to position corporate brands.
- Demonstrate connections between company actions and results.



## CASE STUDY SITUATION

You are to assume the roles of merchandise managers for DELUXE LINENS, a popular brand of luxury bath towels. The marketing manager (judge) has asked your team to decide the best way the company should respond to rising cotton prices.

DELUXE LINENS was introduced ten years ago when the economy was soaring and consumers had much more disposable income. The company sells luxury bath towels made from 100% cotton that are known for superior softness and absorbency. DELUXE LINENS bath towels are sold in department stores and are moderately priced.

In the last year, continuous bad weather has resulted in smaller cotton crops overseas. Since all textiles worldwide are made from the same cotton crops, all textile companies are competing for the small supply of cotton. This has created a steady increase in cotton prices. Before the year is over, prices for cotton will be more than double its usual price.

DELUXE LINENS cannot afford to pay the steep prices for cotton and still sell the merchandise at moderate prices. The marketing manager (judge) has come up with two possible solutions to the rise in cotton prices and wants you to determine which is the best option for DELUXE LINENS.

### **Solution 1: Raise the price of DELUXE LINENS' bath towels**

When textile prices slowly increase, a company is able to slowly increase the price of merchandise. With cotton prices more than doubling, DELUXE LINENS would have to increase the price of their bath towels significantly.

### **Solution 2: Switch to a less expensive cotton blend**

DELUXE LINENS could save money by not producing bath towels made from 100% cotton, but using a blend of cotton and other materials. This would lessen DELUXE LINENS' demand for cotton, save the company money and not affect the price passed to consumers.

You will explain which solution you have chosen and the reasoning for the choice to the marketing manager (judge) in a meeting to take place in the marketing manager's (judge's) office. The marketing manager (judge) will begin the meeting by greeting you and asking to hear your ideas. After you have explained your solution and reasoning and have answered the marketing manager's (judge's) questions, the marketing manager (judge) will conclude the meeting by thanking you for your work.

## JUDGE'S INSTRUCTIONS

You are to assume the role of marketing manager of DELUXE LINENS, a popular brand of luxury bath towels. You have asked the merchandise managers (participant team) to decide the best way the company should respond to rising cotton prices.

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The merchandise managers (participant team) will explain their solution and the reason they chose the solution to you in a meeting to take place in your office. You will begin the meeting by greeting the merchandise managers (participant team) and asking to hear about their ideas.

After the merchandise managers (participant team) have chosen and explained their solution, you are to ask the following questions of each participant team:

1. Do you think we should keep this change to ourselves or will we need to address it?
2. Will this change require a new marketing plan?
3. What would be the biggest benefit of going with the other solution?

Once the merchandise managers (participant team) have answered your questions, you will conclude the meeting by thanking them for their work. You are not to make any comments after the event is over except to thank the participants.

## JUDGING THE PRESENTATION

Team members, assuming the role of a management team for the business represented, will analyze a case situation related to the chosen occupational area. The team will make decisions regarding the situation, and then make an oral presentation to the judge. The role of the judge is that of an executive for the business.

Participants will be evaluated according to the Evaluation Form.

Please place the name and identification number label on the Scantron sheet (unless it has already been done for you).

Participants will have a 30-minute preparation period and may make notes to use during the role-play.

During the first 10 minutes of the presentation (after introductions), the team will present their analysis, their decisions and the rationale behind the decisions. Allow the teams to complete this portion without interruption, unless you are asked to respond.

During the next 5 minutes, you may ask questions of the team to determine their understanding of the situation presented. Each member of each team should respond to at least one question. To ensure fairness, you must ask each team the same questions. After asking the standard questions, you may ask other questions for clarification specific to the current team.

After the questioning period, please thank the team and state that they will be notified of your decision soon. Then complete the Evaluation Form, making sure to record a score for all categories. The maximum score for the evaluation is 100 points. The presentation will be weighted at twice (2 times) the value of the exam scores.

A maximum score of “Exceeds Expectations” in any category means that, in your opinion, the information is presented effectively and creatively; nothing more could be expected of an employee.

A “Meets Expectations” rating means that the information is present well. Though there may be a few minor problems or omissions, they are not significant. Creativity, however, is not shown to any great degree. A combined total score of 70 or better on the written and presentation sections will earn the participant team DECA’s Certificate of Excellence at the international conference.

A “Below Expectations” score means that the information presented does not meet minimum standards of acceptability.

A “Little/No Value” score means either that some major flaw has been noted that damages the effectiveness of the presentation (this may be a major omission, a serious misstatement or any other major flaw) or that the information presented is of no value (does not help the presentation at all).

We hope you are impressed by the quality of the work of these potential managers. If you have any suggestions for improving the event, please mention them to your series director.

*We thank you for your help.*

# **JUDGE'S EVALUATION FORM**

## **BTDM**

### **SAMPLE EVENT**

#### **PERFORMANCE INDICATORS**

##### **DID THE PARTICIPANT:**

	<b>Exceeds Expectations</b>	<b>Meets Expectations</b>	<b>Below Expectations</b>	<b>Little/No Value</b>	<b>Judged Score</b>
1. Explain the concept of economic resources?	10-9	8-7	6-5-4	3-2-1-0	_____
2. Explain the principles of supply and demand?	10-9	8-7	6-5-4	3-2-1-0	_____
3. Discuss the global environment in which businesses operate?	10-9	8-7	6-5-4	3-2-1-0	_____
4. Identify factors affecting a business's profit?	10-9	8-7	6-5-4	3-2-1-0	_____
5. Explain factors affecting pricing decisions?	10-9	8-7	6-5-4	3-2-1-0	_____
6. Describe factors used by businesses to position corporate brands?	10-9	8-7	6-5-4	3-2-1-0	_____
7. Demonstrate connections between company actions and results?	10-9	8-7	6-5-4	3-2-1-0	_____

#### **PRESENTATION**

	<b>Exceeds Expectations</b>	<b>Meets Expectations</b>	<b>Below Expectations</b>	<b>Little/No Value</b>	<b>Judged Score</b>
8. Clarity of expression	6-5	4	3-2	1-0	_____
9. Organization of ideas	6-5	4	3-2	1-0	_____
10. Showed evidence of mature judgment	6-5	4	3-2	1-0	_____
11. Effective participation of both team members	6-5	4	3-2	1-0	_____
12. Overall impression and responses to the judge's questions	6-5	4	3-2	1-0	_____

**TOTAL SCORE**

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