



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 21st Century Skills, 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 15 minutes to make your presentation to the judge (you may have more than one judge). All members of the team must participate in the presentation, as well as answer any questions.
- You will be evaluated on how well you demonstrate the 21st Century Skills and meet the performance indicators of this event.
- Turn in all of your notes and event materials when you have completed the event.

21st CENTURY SKILLS

- Critical Thinking – Reason effectively and use systems thinking.
- Problem Solving – Make judgments and decisions, and solve problems.
- Communication and Collaboration – Communicate clearly and show evidence of collaboration.
- Creativity and Innovation – Show evidence of creativity.

PERFORMANCE INDICATORS

- Describe the functions of prices in markets.
- Explain the concept of competition.
- Identify factors affecting a business's profit.
- Determine factors affecting business risk.
- Explain the role of customer service as a component of selling relationships.
- Explain the nature of product/service branding.
- Discuss motivational theories that impact buying behavior.

CASE STUDY SITUATION

You are to assume the roles of the vice president of merchandising and the director of branding for SIR COFFEE, one of the leading brands of mid-priced coffeemakers. The senior vice president (judge) wants your team to weigh the pros and cons of developing a new coffeemaker that comes with a lifetime product guarantee.

SIR COFFEE sells a variety of coffeemakers for household use. The coffeemakers range in price from \$20.00 for a simple 4-cup coffeemaker to \$100.00 for a programmable 12-cup coffeemaker. There are several other brands of coffeemakers, both more and less sophisticated than SIR COFFEE, with varying price points.

Currently all SIR COFFEE coffeemakers come with a one-year warranty. All customers that can prove date of ownership of a SIR COFFEE coffeemaker can mail a broken product to the SIR COFFEE repair center, and the company will either fix or replace the product with no charge to the customer. After one year, the warranty is void. The SIR COFFEE products are manufactured for approximately 18 months of use, meaning that loyal customers purchase a new SIR COFFEE coffeemaker roughly every two years. This is the same for all comparable coffeemaker brands.

Executives at SIR COFFEE are considering introducing a new product, a 12-cup programmable coffeemaker that comes with a lifetime product guarantee. Once the new product is purchased and the customer registers the product on the SIR COFFEE website, the company will replace the new product as often as needed for the customer's lifetime. The customer must only pay for shipping costs.

The senior vice president of SIR COFFEE (judge) wants your team to weigh the pros and cons of developing and marketing the new coffeemaker with a lifetime product guarantee. Specifically, the senior vice president (judge) wants to understand how the new product would affect the following:

- Pricing
- Customer loyalty
- Repeat sales
- Brand reputation

You will present your ideas to the the senior vice president (judge) in a meeting to take place in the senior vice president's (judge's) office. The senior vice president (judge) will begin the meeting by greeting you and asking to hear your ideas. After you have presented your ideas and have answered the senior vice president's (judge's) questions, the senior vice president (judge) will conclude the meeting by thanking you for your work.

JUDGE INSTRUCTIONS

DIRECTIONS, PROCEDURES AND JUDGE ROLE

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

1. Participant Instructions, 21st Century Skills and Performance Indicators
2. Case Study Situation
3. Judge Characterization
Allow the participants to present their ideas without interruption, unless you are asked to respond. 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 team.
4. Judge Evaluation Instructions and Judge Evaluation Form
Please use a critical and consistent eye in rating each participant team.

JUDGE CHARACTERIZATION

You are to assume the role of the senior vice president for SIR COFFEE, one of the leading brands of mid-priced coffeemakers. You want the vice president of merchandising and the director of branding (participant team) to weigh the pros and cons of developing a new coffeemaker that comes with a lifetime product guarantee.

SIR COFFEE sells a variety of coffeemakers for household use. The coffeemakers range in price from \$20.00 for a simple 4-cup coffeemaker to \$100.00 for a programmable 12-cup coffeemaker. There are several other brands of coffeemakers, both more and less sophisticated than SIR COFFEE, with varying price points.

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You want the vice president of merchandising and the director of branding (participant team) to weigh the pros and cons of developing and marketing the new coffeemaker with a lifetime product guarantee. Specifically, you want to understand how the new product would affect the following:

- Pricing
- Customer loyalty
- Repeat sales
- Brand reputation

The participants will present information to you in a role-play to take place in your office. You will begin the role-play by greeting the participant and asking to hear about his/her ideas.

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

1. What is your final recommendation; should we launch this new product?
2. What is the number one reason for your recommendation?

Once the vice president of merchandising and the director of branding (participant team) have presented information and has answered your questions, you will conclude the role-play by thanking the vice president of merchandising and the director of branding (participant team) for the work.

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

EVALUATION INSTRUCTIONS

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 demonstrated by the participants, those listed in the Performance Indicators section are the critical ones you are measuring for this particular event. The maximum score for the evaluation is 100 points. The presentation will be weighted twice (2 times) the value of the exam scores.

Evaluation Form Interpretation

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

Level of Evaluation	Interpretation Level
Exceeds Expectations	Participants 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	Participants 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 th percentile of business personnel performing this performance indicator.
Below Expectations	Participants 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 th percentile of business personnel performing this performance indicator.
Little/No Value	Participants demonstrated the performance indicator with little or no effectiveness; a great deal of formal training would be needed immediately; perhaps the participants should seek other employment; would rank in the 0-49 th percentile of business personnel performing this performance indicator.



**BUYING AND MERCHANDISING TEAM DECISION MAKING
2021**

JUDGE'S EVALUATION FORM
DISTRICT EVENT - VIRTUAL

Participant: _____

INSTRUCTIONAL AREA:
Economics

Participant: _____

ID Number: _____

Did the participant team:

		Little/No Value	Below Expectations	Meets Expectations	Exceeds Expectations	Judged Score
PERFORMANCE INDICATORS						
1.	Describe the functions of prices in markets?	0-1-2-3	4-5-6	7-8	9-10	
2.	Explain the concept of competition?	0-1-2-3	4-5-6	7-8	9-10	
3.	Identify factors affecting a business's profit?	0-1-2-3	4-5-6	7-8	9-10	
4.	Determine factors affecting business risk?	0-1-2-3	4-5-6	7-8	9-10	
5.	Explain the role of customer service as a component of selling relationships?	0-1-2-3	4-5-6	7-8	9-10	
6.	Explain the nature of product/service branding?	0-1-2-3	4-5-6	7-8	9-10	
7.	Discuss motivational theories that impact buying behavior?	0-1-2-3	4-5-6	7-8	9-10	
21st CENTURY SKILLS						
8.	Reason effectively and use systems thinking?	0-1	2-3	4	5-6	
9.	Make judgments and decisions, and solve problems?	0-1	2-3	4	5-6	
10.	Communicate clearly and show evidence of collaboration?	0-1	2-3	4	5-6	
11.	Show evidence of creativity?	0-1	2-3	4	5-6	
12.	Overall impression and responses to the judge's questions	0-1	2-3	4	5-6	
TOTAL SCORE						