

## Higher National Unit Specification

### General information for centres

**Unit title:** Retail Location

**Unit code:** DL33 34

**Unit purpose:** This unit is designed to give the candidate an understanding of the current trends in retail location, an understanding of the planning guidelines and the site selection criteria utilised by retailers.

On completion of the Unit the candidate should be able to:

1. Evaluate the location strategies of retailers within the UK market.
2. Explain the selection criteria that can be utilised by retailers.
3. Outline the current trends and legal implications of retail location.

**Credit points and level:** 1 HN Credit at SCQF level 7: (8 SCQF credit points at SCQF level 7\*)

*\*SCQF credit points are used to allocate credit to qualifications in the Scottish Credit and Qualifications Framework (SCQF). Each qualification in the Framework is allocated a number of SCQF credit points at an SCQF level. There are 12 SCQF levels, ranging from Access 1 to Doctorates.*

**Recommended prior knowledge and skills:** Access to this Unit is at the discretion of the centre, but it would be beneficial if the candidate had a basic understanding of the retail sector in the UK.

**Core skills:** There may be opportunities to gather evidence toward core skills within this Unit, although there is no automatic certification of core skills or core skills components in this Unit.

**Context for delivery:** If this Unit is delivered as part of a group award, it is recommended that it should be taught and assessed within the subject area of the group award to which it contributes.

**Assessment:** It is suggested that a holistic approach is taken to this unit. One assessment could be used for all three outcomes.

Candidates must complete an 1800 word report, based on a scenario made available to them at the commencement of the unit.

## **Higher National Unit specification: statement of standards**

**Unit title:** Retail Location

**Unit code:** DL33 34

The sections of the Unit stating the Outcomes, knowledge and/or skills, and evidence requirements are mandatory.

Where evidence for Outcomes is assessed on a sample basis, the whole of the content listed in the knowledge and/or skills section must be taught and available for assessment. Candidates should not know in advance the items on which they will be assessed and different items should be sampled on each assessment occasion.

### **Outcome 1**

Evaluate the location strategies of retailers within the UK market

#### **Knowledge and/or skills**

- ◆ Concepts of store location
- ◆ Strategy formation
- ◆ Location policy e.g. spatial and regional analysis
- ◆ Classifications of retail locations
- ◆ SWOT of retail locations

#### **Evidence requirements**

Evidence must be produced for all the knowledge/skills section. Evidence should be current, clear and concise.

Each candidate must be able to show that s/he understands the importance of location to the Retail sector and cite relevant examples of current location strategies.

There must be evidence of substantial research, retailer and industry specific.

Strategy formation should be discussed in relation to retailers who have specific locational departments, for example Tesco – Site Research Department.

Classifications of Retail locations include: city centre, out of town, edge of town, neighbourhood, mixed used development, shopping centre and stand alone developments.

SWOT of retail locations to include considerations of transport, general infrastructure, levels of customer spend, drive times to stores, rent prices.

## **Higher National Unit specification: statement of standards (cont)**

**Unit title:** Retail Location

### **Assessment guidelines**

It is suggested that a holistic approach is taken to this unit. One assessment should be used for all three outcomes. Please refer to assessment guidelines section under Outcome 3 for details.

### **Outcome 2**

Explain the selection criteria that can be utilised by Retailers

#### **Knowledge and/or skills**

- ◆ Rationale for site selection
- ◆ Constraints of site selection
- ◆ Checklist method
- ◆ Analogue method
- ◆ Trade area mapping
- ◆ Multiple Regression
- ◆ Sources of Information

#### **Evidence requirements**

Evidence must be produced for all the knowledge/skills section. Evidence should be current, clear and concise.

Each candidate must be able to show that s/he understands and can evaluate each of the methods of site selection. The candidate must be able to place these theories into the context of current examples.

There must be evidence of research, retailer and industry specific.

Rationale for site selection to include information on time, cost, data available, staff experience and software available.

Constraints of site selection to include information on: price of site, brownfield and greenfield sites, infrastructure, local employment and planning guidelines.

Discussion of each of the methods of site selection available to retailers should include discussion of the suitability to the company, cost of technique and software requirements.

Sources of information could include the following: CACI, ACORN, footfall, postcode surveys.

## **Higher National Unit specification: statement of standards (cont)**

**Unit title:** Retail Location

### **Assessment guidelines**

It is suggested that a holistic approach is taken to this unit. One assessment could be used for all three outcomes. Please refer to assessment guidelines section under Outcome 3 for details.

### **Outcome 3**

Outline the current trends and legal implications of retail location

#### **Knowledge and/or skills**

- ◆ Site availability
- ◆ Impact of lifestyle changes e.g. motor car economy
- ◆ Retail development survey
- ◆ Planning guidelines i.e. local and national
- ◆ Terms and types of lease
- ◆ Legal considerations

#### **Evidence requirements**

Evidence must be produced for all the knowledge/skills section. Evidence should be current, clear and concise.

Each candidate must be able to show that s/he understands the implications of the current planning guidelines on the retail sector. They should understand the types of leases available to retailers. Again these should be placed in the context of current examples.

There must be evidence of research, retailer and industry specific.

In terms of lease, types of lease to be discussed include percentage lease, fixed rate, sliding scale and net lease. Terms of lease should include exclusive use clause.

#### **Assessment guidelines**

It is suggested that a holistic approach is taken to this unit. One assessment should be used for all three outcomes.

Candidates must complete a report based upon a scenario which should be made available to them at the commencement of the unit.

Undertaking the role of new store development manager, they should be asked to evaluate a potential site for the company they work for. This can be a brownfield/greenfield site on an out of town development or it can be a city centre or neighborhood-shopping site.

The candidate may also choose the type of retailer they wish to represent; again, this may be a current UK retailer or a fictitious company.

## **Higher National Unit specification: statement of standards (cont)**

### **Unit title:** Retail Location

Candidates are asked to report on the following to the board of directors:

- ◆ The site selection criteria that are deemed most appropriate for this site. Each method should be evaluated
- ◆ Information sources that will be utilized should be cited and candidates should carry out the appropriate research on their chosen geographical area
- ◆ Current demographic and geographic trends should be discussed, as relevant to the organisation
- ◆ Trends in store location, e.g. planning guidelines and other competitor's location strategies discussed.
- ◆ Recommendations on the proposed site should be given

There must be evidence of research into both the retailer and the retail sector in terms of location.

The report should be approximately 1800 words.

Where candidates experience difficulty in gathering relevant information a case study may be used as an alternative.

Candidates should be issued with the scenario at the start of the subject along with a relevant resources guide.

## **Administrative Information**

<b>Unit code:</b>	DL33 34
<b>Unit title:</b>	Retail Location
<b>Superclass category:</b>	BA
<b>Date of publication:</b>	August 2004
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## **Higher National Unit specification: support notes**

**Unit title:** Retail Location

This part of the Unit specification is offered as guidance. The support notes are not mandatory.

While the exact time allocated to this Unit is at the discretion of the centre, the notional design length is 40 hours.

### **Guidance on the content and context for this Unit**

This unit is designed to give the candidate an understanding of the current trends in retail location, an understanding of the planning guidelines and the site selection criteria utilised by retailers.

Where possible current examples should be used throughout to illustrate all three outcomes, a number of sources such as the Scottish Executive and Retail Week will add value to teaching. Candidates should be encouraged to carry out additional reading through an up to date reading list: books, journals, and the internet. Relevant resources list is attached to this document.

The most recent 2002 NPGG guidelines should be discussed in detail. In particular the implementation of the sequential approach: Town Centre-Edge of Town-Out of Town.

The unit should not be viewed in isolation and other subject areas taught within the HNC/HND Retail Management will be of relevance e.g. Marketing, Retail Environment and Store Design and Layout.

Candidates should be encouraged to research a retailer of their choice or one with whom they currently work. This may be encouraged through site visits.

**Outcome 1** This outcome sets the scene for the unit, candidates should be introduced to the concept of store location and what it involves e.g. store expansion, store closure, relocation, refits and exceptional circumstances. Candidates should be introduced, briefly to the formation of strategy and specifically to how location strategy is formulated. Here it is beneficial to look at current examples of UK retailers' location strategy; the supermarket sector is particularly relevant here. Candidates must also be introduced to the concepts of retail classifications e.g. shopping centres, city centre, traditional high street, neighbourhood centre, and brownfield/greenfield site. The Scottish Executive provides useful descriptions of these classifications.

**Outcome 2** Candidates should be introduced here to the methods of site selection. One of the most widely used techniques is the checklist method and it is recommended that this is tackled before some of the more complex statistical methods such as multiple regression. Current examples must be used to illustrate these points. The concepts of saturation index and footfall could be introduced here.

## **Higher National Unit specification: support notes (cont)**

### **Unit title:** Retail Location

Retailers who are proactive in site selection often have site research departments, however information is available to all retailers, regardless of size. Such information can be found through local authorities, the Office of National Statistics, local and national press, estate agents and store directories. Candidates should be encouraged to research these areas.

**Outcome 3** This outcome is intended to look at the wide range of factors currently affecting retail location. The fast moving social changes that have changed the face of retailing since the 1950s should be discussed, for example the motor car economy, declining population, the concept of ‘cash rich time poor’ and areas of dwelling. The move to out of town sites as a result of many of these factors ensured the need for changes to planning guidelines. Current planning guidelines should be discussed in terms of influences, constraints, role of local and central government, planning inquiries, gentrification and the sequential approach, which retailers are encouraged to adopt.

Planning issues that result from a new site should be discussed and include, economic, environmental and social.

Lease types are also an important aspect of location, types of lease include: straight lease, fixed rate lease, graduated lease and net lease and terms should also be discussed: prohibited clause use, escape clause. These should be discussed making use of current examples.

### **Guidance on the delivery and assessment of this Unit**

The Unit is an optional unit within the HNC/D Retail Management, it does not form part of other business related HN qualifications. Ideally it should be delivered in year two.

### **Open learning**

If this unit is delivered by open or distance learning methods, additional resources will be required for candidate support, assessment and quality assurance. For further information and advice please refer to the SQA guide: Assessment and Quality Assurance for Open and Distance Learning (SQA, February 2001 Publication code A1030).

### **Candidates with additional support needs**

This Unit specification is intended to ensure that there are no artificial barriers to learning or assessment. The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments or considering alternative Outcomes for Units. For information on these, please refer to the SQA document *Guidance on Special Assessment Arrangements for Candidates with Additional Support Needs* (BA 2399, SQA, due 2004).



## **General information for candidates**

### **Unit title:** Retail Location

This unit is designed to give you an understanding of the current trends in retail location, an understanding of the planning guidelines and the site selection criteria utilised by retailers

The unit provides knowledge that will benefit you in a number of other units and if you enter employment within the retail sector.

Many of the issues discussed in this unit also apply outwith the retail sector to general business premises.

The unit provides you with an understanding of why Retail Location is one of the most important aspects of the retail marketing mix.

You will gain an insight into how retailers select sites, there are a number of techniques available, and each will be evaluated in turn with relevant examples to put these into context for you.

There are a number of planning restrictions in place here in the UK; this has been as a result of the increased growth in out of town sites at the cost of city centres. These planning guidelines will be explained as will the factors that have changed the face of retail location in the last 50 years.

Your understanding of this unit will be increased through an awareness of the retail sector in the UK and at least one Retailer in detail. It is recommended that you actively visit some retail sites.

In order to complete this unit successfully you will be required to achieve a satisfactory level of performance on one piece of assessed work. This will be based around an organisation of your choice and requires research on your behalf. Your assessment will be available from the start of the unit to allow you to undertake this research. The assessment is a report of approximately 1800 words.

## Reference Material:

### 1. Textbooks

Retail Marketing – McGoldrick, 2<sup>nd</sup> edition 2002  
Retailing - Kent and Omar – 1<sup>st</sup> edition, 2003  
Retailing Management – Levy and Weitz, 4<sup>th</sup> edition, 2002  
Retail Management, A Strategic Approach – Berman and Evans, 8<sup>th</sup> edition, 2001  
Retail Strategy Planning and Control – Walters and Hanrahan, 2000  
Principles of Retail Management – Varley and Rafiq, 2003

### 2. Journals

Checkout  
Grocer  
Independent Retailer  
Retail Week  
Marketing Week  
Marketing  
Marketing Business  
National Statistics: Family Spending  
National Statistics: Economic Trends  
National Statistics: Living In Britain

Other general management journals will also provide articles on retailing

### 3. WWW

#### General Information:

Alliance of Independent Retailers	<a href="http://www.indretailer.co.uk">www.indretailer.co.uk</a>
Centre for Retail Research	<a href="http://www.retailing.com">www.retailing.com</a>
Biz Ed	<a href="http://www.bized.ac.uk">www.bized.ac.uk</a>
British Institute of Retailing	<a href="http://www.bir.co.uk">www.bir.co.uk</a>
British Retail Consortium	<a href="http://www.brc.org.uk">www.brc.org.uk</a>
Department of Trade and Industry	<a href="http://www.dti.gov.uk">www.dti.gov.uk</a>
Economist magazine	<a href="http://www.economist.com">www.economist.com</a>
Office of National statistics	<a href="http://www.ons.gov.uk">www.ons.gov.uk</a>
Retail Magazine	<a href="http://www.retailing.co.uk">www.retailing.co.uk</a>
Consumers Association	<a href="http://www.which.net">www.which.net</a>
Retail Magazine	<a href="http://www.thegrocer.co.uk">www.thegrocer.co.uk</a>
Financial Times	<a href="http://www.ft.com">www.ft.com</a>
Financial Times Case Studies	<a href="http://www.thetimes100.co.uk">www.thetimes100.co.uk</a>
Access to web sites of UK Retailers	<a href="http://www.verdict.co.uk">www.verdict.co.uk</a>

### **Supermarkets:**

Asda	<a href="http://www.asda.co.uk">www.asda.co.uk</a>
Co-operative movement	<a href="http://www.co-op.co.uk">www.co-op.co.uk</a>
Sainsbury's	<a href="http://www.sainsbury.co.uk">www.sainsbury.co.uk</a>
Somerfield	<a href="http://www.somerfield">www.somerfield</a>
Tesco	<a href="http://www.tesco.co.uk">www.tesco.co.uk</a>
Wal Mart	<a href="http://www.wal-mart.com">www.wal-mart.com</a>

### **Department Stores:**

Debenhams	<a href="http://www.debenhams.com">www.debenhams.com</a>
John Lewis	<a href="http://www.johnlewis.com">www.johnlewis.com</a>
Harvey Nichols	<a href="http://www.harveynichols.co.uk">www.harveynichols.co.uk</a>
House of Fraser	<a href="http://www.houseoffraser.co.uk">www.houseoffraser.co.uk</a>
Marks and Spencer	<a href="http://www.marks-and-spencer.co.uk">www.marks-and-spencer.co.uk</a>

### **Other Retailers:**

B and Q	<a href="http://www.diy.com">www.diy.com</a>
HMV	<a href="http://www.hmv.co.uk">www.hmv.co.uk</a>
Next	<a href="http://www.next.co.uk">www.next.co.uk</a>
Toys R Us	<a href="http://www.toyrus.co.uk">www.toyrus.co.uk</a>
Body shop	<a href="http://www.body-shop.com">www.body-shop.com</a>
Boots the Chemist	<a href="http://www.boots.co.uk">www.boots.co.uk</a>
Urban Outfitters	<a href="http://www.urbanoutfitters.com">www.urbanoutfitters.com</a>
USC	<a href="http://www.usc.co.uk">www.usc.co.uk</a>
Habitat	<a href="http://www.habitat.co.uk">www.habitat.co.uk</a>
IKEA	<a href="http://www.ikea.com">www.ikea.com</a>
Virgin	<a href="http://www.virgin.co.uk">www.virgin.co.uk</a>
Zara	<a href="http://www.zara.com">www.zara.com</a>

### **Online Retailers:**

Amazon booksellers	<a href="http://www.amazon.co.uk">www.amazon.co.uk</a>
QVC	<a href="http://www.qvc.com">www.qvc.com</a>

### **Mail Order:**

British Mail Order Companies	<a href="http://www.britishmailorder.com">www.britishmailorder.com</a>
Littlewoods	<a href="http://www.littlewoods.co.uk">www.littlewoods.co.uk</a>

### **Shopping Centres:**

Bluewater	<a href="http://www.bluewater.co.uk">www.bluewater.co.uk</a>
Buchanan Galleries	<a href="http://www.buchanangalleries.co.uk">www.buchanangalleries.co.uk</a>
Metro Centre	<a href="http://www.themetrocentre.co.uk">www.themetrocentre.co.uk</a>