



# **Small Business Management Team**

(510)

**REGIONAL 2025**

## INITIAL CASE STUDY TOPIC

Innovation Retail, a well-established chain of brick-and-mortar retail stores, is grappling with declining sales due to the surge in e-commerce. The stores, located in a city of 550,000 people, employ eight full-time employees at each of their four locations located in different parts of the city. The hours of operation at each store are Monday – Friday from 9:00 a.m. – 5:30 p.m., Saturday from 9:00 a.m. – 2:00 p.m., and closed on Sunday.

Over the past two years, in-store sales have dropped significantly: by 27% at store 1, 24% at store 2, and 19% at store 3. At the fourth store's location, there was a slight increase in sales of 15%. CEO Matthew Lawrence has decided to embark on a digital transformation project to integrate online and offline shopping experiences, tasking project manager Monroe Lewis and his team with leading this initiative. However, due to the continued decrease in sales and multiple attempts to generate additional income, discussions are now taking place about potentially cutting employees at each location. Even though total sales decreased at three stores, each full-time salesperson was paid a 20% commission on every purchase plus a bonus.

### Internal Challenges

- Employee morale
- Employee digital skills gap
- Balancing resources between physical stores and developing the digital platform
- Employee costs

### External Challenges

- Technology adoption
- E-commerce competition
- Economic factors
- Changing consumer behavior

As a team, you will develop a plan with different strategies for Monroe Lewis and his team to employ to help Innovation Retail be more profitable. While developing your plan, consider the following questions:

- How can Innovation Retail use its physical stores to make online shopping better and attract more customers?
- What online marketing methods can help bring more people to both the website and the physical stores?
- What new technology is needed to connect online and in-store shopping smoothly?
- How can Innovation Retail make customers more loyal and keep them coming back?
- What ways can Innovation Retail save money without hurting employee morale or customer service?

**JUDGING PROCEDURE**

- As a team of judges, formulate two to three questions to ask at the conclusion of the presentation. Be sure to ask the same questions of each team.
- Teams will present before a panel of judges and timekeeper.
- All team members must participate.
- The length of set-up will be no more than three (3) minutes.
- The length of the presentation will be no more than ten (10) minutes; followed by judges' questions not to exceed ten (10) minutes.
- Excuse teams upon completion of judges' questions.
- **There can be no ties in the top ten (10) teams.** It is the responsibility of the judges to break any ties.
- Administrator will fill out the ranking sheet prior to dismissing the judges.
- If more than one (1) section is necessary, finalists will be determined by selecting an equal number from each section.
- Give administrator all Judges' Rating Sheets, Judge Evaluation Sheets, and contest materials.
- No audience will be allowed.

**Please double-check and verify all scores!**

**Suggestions for Questions:**

- What are the immediate challenges that Innovation Retail can resolve?
- Should the business consider a re-branding and if so, what could it look like?
- How will employee roles change with the introduction of new technologies?