

Union News - Sunday Republican, Massachusetts

Sunday, December 16, 2001

VIRTUAL PROGRAM TEACHES RETAILING

By LORI STABILE

Holyoke Community College students Emily Pluciennik of Westfield and Kristin Anderson of Chicopee work with their instructor, Anne Potter, on their virtual store last week.

It's 12:30 p.m. in a classroom at Holyoke Community College in Holyoke.

A dozen students sit in pairs, looking at computer screens that show models of their "virtual" convenience stores.

Should they buy more milk? How about bread? Is the advertising working? How much is the store making?

With a click of a mouse, the students can find answers to these questions. The program – called "Virtual Business" – is something like a popular SimCity computer program, only the students are learning how to run stores instead of building their own cities.

HCC business professor Anne E. Potter began using Virtual Business in her retail marketing class this year.

"This is a computer program that teaches (the students) to understand what's really happening," Potter said. "They really have to use their critical thinking skills."

Virtual Business allows the students to choose the location of their store in a city, and gives them a variety of products to sell.

Just as in a real store, the students are forced to deal with staffing issues, shoplifters and unexpected mishaps, like broken water pipes which ruin the inventory.

They also can keep track of their profits – and losses – on their income statement, and figure out which brands – natural, premium, generic or middle grade – are selling the best.

Kristin E. Anderson, 19, of Chicopee, is running her store with Emily A. Pluciennik, 19, of Westfield. Their store is "Krisem's" – a combination of their first names.

"You realize how much work really does go into running a store," Pluciennik said.

"How complicated it is, and how easy it is to lose money," Anderson added.

Another store, JuleNHuel's, run by Julie L. Martineau, 20, of Chicopee, and Huel G. Fritz, 32, of Easthampton, was nearing the \$1 million sales mark. They attributed their success to figuring out what the customer wants and needs.

The duo cut back on their radio advertising, saving about \$3,000 a week. They also discovered that people weren't buying the "natural" brands.

The class is good experience for Martineau, who wants to open her own restaurant someday. Martineau plans to study culinary arts after she completes her retail marketing degree.

Martineau and Fritz clicked on the market survey, a service they "pay" for to determine who is using the store. They read that 81 out of 100 people surveyed found out about JuleNHuel's through a newspaper ad and that most people shop there four times a month.

Potter said the program also exposes the students to issues they would have to face in the real world, such as how much employees cost, including benefits and time and a half pay.

Timothy D. Raymond Jr. of South Hadley and Ruth-Ann Ostrander, 25, of Springfield set up two stores on Virtual Business – Adirondack's and Quicky's. They wanted to experiment with two stores, instead of just one. They opened the second on at a cheaper rent.

Running a business is familiar to 20-year-old Raymond. For the past four years, he's had a side business setting up and maintaining fish tanks.

Potter said the students used about \$250,000 in virtual money to start their stores. The students all set up their stores during the first week of school. Some became frustrated over slow sales, and closed their initial stores to open new ones. A few, like Martineau and Fritz, stuck with the same store the entire semester.

Virtual Business, created by Peter A. Jordan, president and chief executive officer of Knowledge Matters Inc. in Northampton, is used in 41 states.

In addition to Holyoke Community College, the two-year-old program is used at William J. Dean Technical High School in Holyoke; Monument Mountain Regional High School, Great Barrington; Amherst Regional High School; and the Springfield school system.

"The sim has enough depth and complexity that high schools tend to use it at a surface level whereas colleges can probe much deeper," Jordan wrote in an e-mail.

Jordan said he will release another program – "Virtual Business – Management" – next month. That program is a simulation of a distribution center business.

He said he got the idea for this type of educational, simulation program by observing what young people like to do in their spare time.

“We looked and saw that young people were absolutely fascinated with programs like SimCity. They would play it for hours on end,” Jordan said.

While the program shares many of the same elements as popular computer simulation games, Jordan stresses that Virtual Business is not a game.

“We are solely dedicated to the education market. Teachers don’t want a game in their classroom. They want a teaching tool,” Jordan said.

Next year, Jordan plans to upgrade Virtual Business, adding clothing and sporting goods stores to the program. He’s also looking at adding agriculture and construction businesses. He works with business owners and teachers for the content information in the programs.

“They are more than willing to contribute,” Jordan said.

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