



**PAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF MANAGEMENT SCIENCES

DEPARTMENT OF MARKETING AND LOGISTICS

QUALIFICATION: BACHELOR OF BUSINESS MANAGEMENT/MARKETING	
QUALIFICATION CODE: 07BBMA	LEVEL: 7
COURSE CODE: BRM711S	COURSE NAME: RETAIL MANAGEMENT
SESSION: July 2019	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100

2ND OPPORTUNITY EXAMINATION QUESTION PAPER	
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INSTRUCTIONS
<ol style="list-style-type: none">1. Answer ALL the questions.2. Write clearly and neatly.3. Number the answers clearly.4. Detach the table on page 10 to answer the multiple choice and true or false questions and attach it to your answer sheet.

THIS QUESTION PAPER CONSISTS OF 10 PAGES (Including this front page)

Question 1: 20

Discuss any five of the Micro and Macro environmental forces that will have an influence on the Namibian retail businesses.

Question 2: 10

Discuss two forms of retailing:

- a) Video kiosk (5)
- b) Airport Retailing. (5)

Question 3: 10

3.1 Discuss the features that have made airport retailing the second-biggest source of revenue?

3.2 Differentiate between social responsibility and consumerism from the perspective of a retailer. 10

Answer all questions by ticking, or inserting an X in the table provide (page 9) after the set of questions below

- 1) A retail strategy is _____.
 - A) the overall plan guiding a retail firm
 - B) the choice and satisfaction of a target market
 - C) an integrated effort by a retailer
 - D) a goal-directed effort by a retailer

- 2) All of the elements in a retail offering that encourage or inhibit consumers during their contact with a given retailer comprises _____.
 - A) store atmosphere
 - B) the retail concept
 - C) the total retail experience
 - D) retail image

- 3) A characteristic of relationship retailing is
 - A) reliance on a data base of current customers
 - B) search for new customers
 - C) constant bargaining between customers and suppliers
 - D) low trust among channel members

- 4) Without the sorting process, final customers would _____.
 - A) not purchase goods on impulse
 - B) not receive credit
 - C) have to shop at individual manufacturers
 - D) reduce the number of transactions necessary to complete a purchase

- 5) In which form of distribution do retailers typically agree to limit their assortment of brands in a selected product category?
 - A) intensive
 - B) dual
 - C) exclusive
 - D) selective

- 6) All of the activities and processes that provide a certain value for the customer are referred to as _____.
 - A) a value chain
 - B) customer service
 - C) a value delivery system
 - D) relationship retailing

- 7) A retailer's focus on satisfaction of existing customers through seeking to form and maintain long-term bonds with customers is referred to as _____.
 - A) commitment-based retailing
 - B) customer satisfaction

- C) relationship retailing
 - D) SERVQUAL
- 8) A customer is billed monthly on the basis of his/her outstanding cumulative balance in a(n) _____.
- A) debit account
 - B) open credit account
 - C) revolving credit account
 - D) option credit account
- 9) "Revenues from an "unrented hotel room are lost forever" refers to which characteristic of services?
- A) the perishability of services
 - B) the variability of a service's quality
 - C) the inseparability of the producer from the service
 - D) the inseparability of the service from the service provider
- 10) Which statement concerning retail technology is not correct?
- A) The roles of technology and humans must be clear and consistent with the objectives and style of a business.
 - B) Technology can be viewed as impersonal and cold by some consumers.
 - C) Consumers should be forced to use the most advanced technology as a means of cost control.
 - D) Customers now expect certain technological advances, such as feedback on product availability.
- 11) Which statement concerning value is not correct?
- A) Value is based on shoppers' perceptions.
 - B) Value is based on perceived benefits received versus the price paid.
 - C) Value relates to tangible product dimensions.
 - D) A price-oriented shopper seeks low prices.
- 12) The major difference between value and a value chain is that only _____.
- A) value covers tangible benefits
 - B) value covers intangible benefits
 - C) the value chain relates to a channel of distribution
 - D) the value chain covers the total bundle of benefits received by consumers
- 13) Which statement concerning complaints is correct?
- A) Most consumers complain when dissatisfied.
 - B) Complaining is relatively easy.
 - C) Marketers should make it more difficult for consumers to complain.
 - D) Most people feel complaining produces little or no positive results.
- 14) Which of the following is not a controllable variable?
- A) store location
 - B) pricing
 - C) merchandise management
 - D) technology

- 15) Which management format best assures a low-cost provider retail strategy on the basis of quantity discounts, buyer negotiating ability, and the ability to easily switch merchandise among store units?
- A) centralized structure
 - B) decentralized structure
 - C) professional manager system
 - D) owner-manager system
- 16) Which target market strategy is most complex in terms of planning and implementation?
- A) mass marketing
 - B) concentrated marketing
 - C) differentiated marketing
 - D) market niche
- 17) A chain retailer can achieve wholesale cost efficiencies by _____.
- A) stressing the sale of private label brands
 - B) buying goods directly from suppliers in large quantities
 - C) using computer-based inventory management systems
 - D) having suppliers list suggested selling prices on labels
- 18) An example of a product/trademark franchise is a(n) _____.
- A) real-estate brokerage franchise
 - B) auto dealer
 - C) fast-food franchise
 - D) auto-rental service franchise
- 19) According to the wheel of retailing theory, as retail innovators mature, they _____.
- A) increase their market share at the expense of high-cost, full-service retailers
 - B) reduce customer services to concentrate on the price-conscious customer segment
 - C) further reduce price levels to maintain their low-cost competitive advantage
 - D) increase their services which leads to higher prices
- 20) In scrambled merchandising, a retailer _____.
- A) adds goods and services that may be unrelated to each other and to the firm's original business
 - B) trades up its customer services to attract a new target market
 - C) attempts to reduce its out-of-stock inventory
 - D) attempts to become a "category killer" retailer through its extensive assortment of merchandise
- 21) Which theory asserts that retail institutions pass identifiable stages ranging from innovation to decline?
- A) scrambled merchandising
 - B) the wheel of retailing
 - C) rationalized retailing
 - D) the retail life cycle

- 22) A retailer can reduce dependency on its core operations through _____.
- A) a cost-containment strategy
 - B) downsizing
 - C) diversification
 - D) mergers
- 23) A huge form of combination store is a _____.
- A) convenience store
 - B) supercenter
 - C) box (limited-line) store
 - D) warehouse store
- 24) Department stores are now facing increased competition from off-price chains, factory outlets, membership clubs, and flea markets. This illustrates _____.
- A) scrambled merchandising
 - B) the wheel of retailing
 - C) rationalized retailing
 - D) the retail life cycle
- 25) Sales per square foot and gross margin per square foot are examples of _____.
- A) a retail audit
 - B) retail objectives
 - C) specific activities
 - D) performance measures
- 26) Which statement concerning benchmarking is not correct?
- A) Benchmarking data is available from government, trade magazines, and other sources.
 - B) A retailer should seek to benchmark its performance against high-performance firms regardless of industry.
 - C) Benchmarking is only suitable for large retailers.
 - D) Retailers can benchmark their performance against retailers and nonretailers.
- 27) Complex assumptions about the economy, population forecasts, and competition are best handled in _____ planning.
- A) scenario-based
 - B) decentralized
 - C) bottom-up
 - D) top-down
- 28) The information needs of retail managers are anticipated, collected, organized, and stored on a continuous basis in _____.
- A) a retail information system
 - B) observation
 - C) an experiment
 - D) retail research
- 29) An example of nonsystematic research in retailing, relating to the effect of a price rise on projected sales, is _____.

- A) evaluating sales of sweaters at different price levels in prior years
 - B) developing an educated "guess" as to demand for sweaters based on current weather conditions
 - C) interviewing consumers to determine their probability of purchasing sweaters at different prices
 - D) experimentation with different price levels in matched-pairs of stores
- 30) Which business district is located in the part of a city or town with the greatest concentration of office buildings and retail stores?
- A) string
 - B) central business district
 - C) neighborhood business district
 - D) secondary business district
- 31) Which of the following is an example of dual marketing?
- A) single-channel retailing
 - B) multi-channel retailing
 - C) nonstore retailing
 - D) electronic retailing
- 32) Merchandise cannot generally be examined by consumers in which retail formats?
- A) vending machines and direct marketing
 - B) direct selling and specialty stores
 - C) membership clubs and flea markets
 - D) retail catalog showrooms and membership clubs
- 33) The manner in which individual consumers and families (households) live and spend time and money is their _____.
- A) social-class structure
 - B) reference group behavior
 - C) life-style
 - D) demographic statistic
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- 34) Which is not a consumer demographic?
- A) population mobility
 - B) social mobility
 - C) education level
 - D) place of residence
- 35) The family life cycle shows _____.
- A) the extent to which groups influence a person's thoughts and actions
 - B) the ranking of people within a culture
 - C) families which share a distinctive heritage
 - D) how a typical family evolves from bachelorhood to children to solitary retirement

- 36) A consumer's decision process is comprised of two parts: _____ and _____.
- A) purchase; postpurchase behavior
 - B) the process itself; the factors affecting the process
 - C) need recognition; stimuli
 - D) demographics; psychographics
- 37) Which of these is not a benefit of the use of a retail information system?
- A) Opportunities can be foreseen.
 - B) The initial time and labor investment is low.
 - C) Crises can be avoided.
 - D) The elements of a retail strategy can be coordinated.
- 38) An application of data mining is _____.
- A) pilferage control
 - B) sales forecasting
 - C) micromarketing
 - D) mass marketing
- 39) The Universal Product Code (UPC) system allows a retailer to _____.
- A) develop a personnel performance system
 - B) evaluate store managers based on profitability
 - C) read price information based on the code
 - D) store and monitor product sales data on an item-by-item basis
- 40) Marketing research in retailing involves _____.
- A) primary data collection and analysis
 - B) secondary data collection and analysis
 - C) the collection and analysis of information relating to specific issues or problems facing a retailer
 - D) the gathering, storing, and retrieval of data in an orderly manner
- 41) The first step in choosing a store location is to _____.
- A) determine whether to locate as an isolated store, in an unplanned business district, or in a planned shopping center
 - B) evaluate alternate geographic (trading areas) in terms of the characteristics of residents and existing retailers
 - C) select the general isolated business district or planned shopping-center location
 - D) analyze alternate sites contained in the specified retail location type
- 42) Between 50 and 80 percent of a store's customers come from its _____ trading area.
- A) secondary
 - B) primary
 - C) fringe
 - D) tertiary
- 43) A store which does not have a real trading area of its own is a _____ store.
- A) fringe
 - B) parasite

- C) destination
 - D) convenience
- 44) What type of retailer has a very large primary trading area?
- A) impulse retailer
 - B) convenience retailer
 - C) destination retailer
 - D) parasite store
- 45) A department store uses a(n) _____ computer site selection model. This model contains a series of equations linking variables such as traffic patterns, population size, average income, and transportation adequacy to estimated sales.
- A) regression
 - B) analog
 - C) gravity
 - D) historical analogy
- 46) A major advantage of an isolated store location is that _____.
- A) there are no group rules which must be abided by in operation
 - B) parking and security costs can be shared with other tenants
 - C) shoppers can be easily attracted and maintained at the location
 - D) advertising costs are generally low
- 47) A major difference between a central business district (CBD) and a regional shopping center is the existence of _____ in the CBD.
- A) a major concentration of office buildings
 - B) free parking
 - C) merchants associations
 - D) vertical malls
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- 48) What statement about the isolated store is correct?
- A) Isolated stores typically have high rents.
 - B) Isolated stores have high trading-area overlap with adjacent shopping centers.
 - C) Isolated stores have no affinities.
 - D) Isolated stores are parasite stores.
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- 49) The way in which a retailer is perceived by consumers and others is its _____.
- A) store perception
 - B) aesthetics
 - C) image
 - D) atmosphere
- 50) The least expensive display is a(n) _____ display.
- A) cut case
 - B) assortment
 - C) ensemble
 - D) rack

Student no.....

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