



**PAMIBIA UNIVERSITY  
OF SCIENCE AND TECHNOLOGY**

**FACULTY OF MANAGEMENT SCIENCES**

**DEPARTMENT OF MARKETING AND LOGISTICS**

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

<b>1<sup>ST</sup> OPPORTUNITY EXAMINATION QUESTION PAPER</b>	
<b>EXAMINER</b>	Mr. S. Tjitamunisa Ms. R. Fotolela
<b>MODERATOR:</b>	Mr. R. Ritter

<b>INSTRUCTIONS</b>
<ol style="list-style-type: none"><li>1. Answer ALL the questions.</li><li>2. Write clearly and neatly.</li><li>3. Number the answers clearly.</li><li>4. Detach the table on page 07 to answer the multiple choice and true or false questions and attach it to your answer sheet.</li></ol>

**THIS QUESTION PAPER CONSISTS OF 07 PAGES (Including this front page)**

**Question 1:****25 marks**

Practically explain the steps in the strategic retail planning process that the Pick n Pay store will go through when developing a strategic plan in order to achieve its growth objectives?

**Question 2:****10 marks**

Will the time come when most consumer purchases are made with self-scanners? Explain your answer.

**Question 3:****10 marks**

Describe three unethical, but legal, acts on the part of retailers that you have encountered.

How have you reacted in each case?

**Question 4****5 marks**

Devise a consumer loyalty program for a national hardware store chain.

1. Which statement concerning retailing is correct?
  - a. Retailing activities must involve a store.
  - b. Retailing activities do not have to include a retailer.
  - c. Retailing activities cannot be performed by a wholesaler.
  - d. Retailing activities involve goods, not services.
  
2. The channel of distribution consists of \_\_\_\_\_.
  - a. the movement of goods and services from manufacturer to consumer-user
  - b. all of the businesses and people involved in the physical movement and transfer of ownership of goods and services from producer to consumer
  - c. all independent intermediaries involved with the transfer of title of goods and services
  - d. all middlemen involved with the physical movement of goods and services
  
3. Retailers have increased their power in the channel of distribution due to \_\_\_\_\_.
  - a. the growing number of regional and national chains
  - b. the growth of franchising as an alternative to independent ownership
  - c. the increased market share of national brands
  - d. shopping center contract provisions' limiting the range of goods to be sold
  
4. A manufacturer seeking to maximize its sales should utilize \_\_\_\_\_ distribution.
  - a. intensive
  - b. dual
  - c. exclusive
  - d. selective
  
5. 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
  
6. Activities that enhance the shopping experience and give retailers a competitive advantage are referred to as a(n) \_\_\_\_\_.
  - a. customer loyalty program
  - b. potential customer service
  - c. expected customer service
  - d. augmented customer service
  
7. Sales objectives are generally in the form of \_\_\_\_\_.
  - a. return on investment, efficiency, and level
  - b. satisfaction of stockholders and customers
  - c. maintenance of status quo
  - d. growth, stability, and/or market share

8. A retailer can determine how consumers and others perceive its company through use of \_\_\_\_\_.
- control analysis
  - situation analysis
  - target market assessment
  - positioning
9. The basic format or structure of a business is referred to as \_\_\_\_\_.
- a retail store
  - a franchise
  - vertical integration
  - a retail institution
10. An independent can increase its bargaining power with a supplier by \_\_\_\_\_.
- buying substantially larger quantities than needed to take advantage of all discounts
  - insisting on quantity discounts from vendors
  - belonging to buying groups with other independents
  - focusing increased attention on closeouts, irregulars, and the purchase of merchandise off-season
11. A benefit of franchising to a franchisor is \_\_\_\_\_.
- intrafranchise competition
  - the ease of establishing a uniform image
  - a national or global presence is developed more quickly and with less franchisor investment
  - the effect of an ineffective unit on resale values of other units
12. The leading form of vertical marketing system is \_\_\_\_\_.
- partially integrated marketing system
  - independent vertical marketing system
  - fully integrated marketing system
  - a retail cooperative
13. A retailer can become a \_\_\_\_\_ through low prices, specialized products, a large selection, and superb customer service.
- destination retailer
  - relationship retailer
  - parasite store
  - value-based retailer
14. According to the wheel of retailing theory, as retail innovators mature, they \_\_\_\_\_.
- increase their market share at the expense of high-cost, full-service retailers
  - reduce customer services to concentrate on the price-conscious customer segment
  - further reduce price levels to maintain their low-cost competitive advantage
  - increase their services which leads to higher prices

15. In scrambled merchandising, a retailer \_\_\_\_\_.
- adds goods and services that may be unrelated to each other and to the firm's original business
  - trades up its customer services to attract a new target market
  - attempts to reduce its out-of-stock inventory
  - attempts to become a "category killer" retailer through its extensive assortment of merchandise
16. An important advantage of scrambled merchandising to consumers is \_\_\_\_\_.
- one-stop shopping
  - self-service merchandising
  - increased customer service
  - lower prices
17. Which strategy represents diversification?
- electronic retailing
  - direct retailing
  - single-channel retailing
  - multi-channel retailing
18. Direct marketing is increasingly used by store-based retailers. This illustrates \_\_\_\_\_.
- multi-channel retailing
  - downsizing
  - diversification
  - vertical integration
19. The manner in which individual consumers and families (households) live and spend time and money is their \_\_\_\_\_.
- social-class structure
  - reference group behavior
  - life-style
  - demographic statistic
20. A person who values the status of goods, services, and retailers \_\_\_\_\_.
- has high self-confidence
  - has low perceived risk
  - is class conscious
  - is sociable

## SECTION C

## TRUE OR FALSE

(20x1=20 Marks)

No.	Question
1.1	Demographics are easily identifiable and measurable population statistics.
1.2	Face-to-face reference groups have the greatest impact on consumers.
1.3	Both small and large retailers can outsource their retail information system.
1.4	Data-base information can come from both internal and external sources.
1.5	A mystery shopper is a form of undisguised observation.
1.6	Reilly's law of retail gravitation and Huff's law are examples of analog models.
1.7	Trading-area delineation is more precise for existing retail store locations than for new retail store locations.
1.8	A secondary business district generally exists in the part of a city or town with the greatest concentration of office buildings and retail stores.
1.9	Pedestrian and vehicular traffic counts are typically measured through observation.
1.10	An isolated store location is not appropriate for a destination store.
1.11	The retailers in a string have low affinities with one another.
1.12	A disadvantage to the use of quick response (QR) inventory planning is that a retailer may not have adequate alternative sources of supply.
1.13	A high stock turnover rate is generally associated with high inventory-holding costs.
1.14	High brand loyalty, an excellent location, and strong customer service allow a retailer to utilize market pricing.
1.15	Atmosphere is not a valid consideration in retail strategy planning for a nonstore retailer.
1.16	A retailer can increase its sales productivity by increasing the ratio of selling space to total space.
1.17	Point-of-purchase displays may be developed by the retailer or provided by manufacturers or wholesalers.
1.18	A Web-based bridal registry is an example of solutions selling.
1.19	The checkout counter is more complicated for Web retailers than for physical store retailers.
1.20	Media charges are generally lower for manufacturers than for retailers.

THE END

MULTIPLE CHOICE QUESTIONS/TRUE AND FALSE

(30+20)=50 Marks

Student no.....

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Section B (Multiple Questions) (1.5X20) =30

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Section C (True and False) 20 marks

	True	False
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