



**PAMIBIA UNIVERSITY**  
**OF SCIENCE AND TECHNOLOGY**

**FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION**

**DEPARTMENT OF MARKETING AND LOGISTICS**

<b>QUALIFICATION:</b> BACHELOR OF BUSINESS MANAGEMENT	
<b>QUALIFICATION CODE:</b> 07BBMA	<b>LEVEL:</b> 7
<b>COURSE CODE:</b> BRM711S	<b>COURSE NAME:</b> RETAIL MANAGEMENT
<b>SESSION:</b> JUNE 2022	<b>PAPER:</b> THEORY
<b>DURATION:</b> 3 HOURS	<b>MARKS:</b> 100

<b>1<sup>ST</sup> OPPORTUNITY EXAMINATION QUESTION PAPER</b>	
<b>EXAMINER(S)</b>	Mr. S. Tjitamunisa Ms. F. 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 10 to answer the multiple choice and true or false questions and attach it to your answer sheet.</li></ol>

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



**Question 1:****20**

Discuss how a health and wellness clinic can successfully conduct its business activities by applying a retail strategy.

**Question 2:****15**

What are the expected and augmented value chain elements for each of these retailers?

- a. FurnitureMart.
- b. Game.
- c. Local fruit-and-vegetable store.

**Question 3:****15**

Describe 5 pros and 5 cons of a firm such as Apple having its own retail facilities and E-commerce Web site ([www.apple.com](http://www.apple.com)) as well as selling through traditional retailers? **(Hint: Write for marks)**



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

1. 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
  
2. A retailer collects an assortment of goods and services from various sources, buys in large quantities, and sells in small amounts to final consumers. This is referred to as \_\_\_\_\_.
  - A) one-stop shopping
  - B) the retail concept
  - C) retail transactional efficiency
  - D) the sorting process
  
3. Channel relations tend to be the smoothest in \_\_\_\_\_ distribution.
  - A) exclusive
  - B) selective
  - C) intensive
  - D) wide
  
4. Which of the following is not part of the total retail experience for a men's clothing retailer?
  - A) offering store credit
  - B) corporate form of ownership
  - C) the store's atmosphere
  - D) the brands carried
  
5. Just-in-time inventory management and electronic data interchange are examples of \_\_\_\_\_.
  - A) a value chain
  - B) channel conflict
  - C) seamless logistics management
  - D) direct store delivery
  
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. A potential problem relating to scanning that is unique to the self-checkout system is \_\_\_\_\_.
  - A) consumer fraud



- B) scanner error
  - C) employee training of how to use the scanner
  - D) need for special shopping bags
8. Each of the steps in a retail strategy is \_\_\_\_\_.
- A) interdependent with other steps
  - B) independent of each other
  - C) organized on the basis of strategy and tactics
  - D) organized by company, geographic region, and store units
9. Decision making relating to a retailer's daily and short-term operations involve \_\_\_\_\_.
- A) tactics
  - B) target market determination
  - C) competitive advantage determination
  - D) strategies
10. An advantage of buying an existing business versus starting a new business is \_\_\_\_\_.
- A) no cost for goodwill
  - B) no time lag before opening
  - C) favorable lease terms
  - D) flexibility in developing and changing a retail strategy
11. Which objective is the most difficult to quantify?
- A) sales
  - B) profit
  - C) satisfaction of publics
  - D) market share
12. A mass market strategy should be used by a retailer when \_\_\_\_\_.
- A) important differences exist among consumers in terms of their needs
  - B) consumer needs in terms of goods and services are homogeneous
  - C) consumer needs in terms of goods and services are so diverse that they cannot be accurately characterized
  - D) many small niche markets exist
13. A dealer receives assistance on site location, start-up practices, accounting systems, and management training in \_\_\_\_\_.
- A) a leased department
  - B) business format franchising
  - C) independent channel ownership
  - D) a chain
14. In most situations, leased departments have been used by existing retailers to \_\_\_\_\_.
- A) improve the store's overall image by emphasizing fashion
  - B) deepen the merchandise assortment in selected merchandise categories
  - C) broaden their offerings into product categories that are on the fringe of the store's major product lines
  - D) generate rental income from "dead" space
15. A benefit to the use of a fully integrated system is \_\_\_\_\_.
- A) greater use of specialized expertise in production and marketing





- B) lower investment requirements
  - C) increased sales due to more intensive distribution
  - D) total control over its retail strategy
16. Which vertical marketing system allows a firm to utilize different wholesale and retail channels of distribution?
- A) dual marketing
  - B) independent vertical marketing system
  - C) partially integrated system
  - D) fully integrated vertical marketing system
17. The major difference between a voluntary wholesaler and a cooperative wholesaler is based upon \_\_\_\_\_.
- A) functions performed by retailers
  - B) size in number of units
  - C) ownership
  - D) basis for payment (straight cash payment versus royalty)
18. An advantage of a leased department form of organization to a lessee is \_\_\_\_\_.
- A) management assistance
  - B) financial support provided by the lessor
  - C) high traffic potential
  - D) protection from FTC regulations
19. Retailers use private labeling to generate channel control because \_\_\_\_\_.
- A) greater channel communication is fostered
  - B) a large proportion of a manufacturer's output is sold to one retailer
  - C) retailers can more easily obtain bank financing
  - D) store loyalty accrues to the retailer from positive experiences with the brand
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. The wheel of retailing suggests that \_\_\_\_\_.
- A) consumers desire customer service over price
  - B) established retailers should be cautious in changing their strategy from low end to high end
  - C) retail consumers are store loyal
  - D) retailers that move up the wheel typically can keep their price-conscious customers
22. A merger benefits the affected retailers through \_\_\_\_\_.
- A) increased bargaining power
  - B) greater store name awareness
  - C) more efficient ordering systems
  - D) higher return on investment
23. The use of standardized store layouts, second-use locations, and buying refurbished



- equipment are characteristics of \_\_\_\_\_.
- A) adaptation strategies
  - B) a cost-containment approach
  - C) positioned retailing
  - D) mass merchandising
24. Which retail institution is not included in the traditional definition of a supermarket?
- A) convenience store
  - B) food-based superstore
  - C) warehouse store
  - D) box (limited-line) store
25. A combination store combines \_\_\_\_\_ into one facility.
- A) multiple leased departments
  - B) a supermarket and a general merchandise retail operation
  - C) a department store and a full-line discount house
  - D) a warehouse store and a specialty store
26. Which retail institution purchases brand-name merchandise on an opportunistic basis?
- A) warehouse store
  - B) full-line discount store
  - C) flea market
  - D) off-price chain
27. Direct marketing is forecast to grow based on \_\_\_\_\_.
- A) greater product standardization and the prominence of well-known brands
  - B) the growth of private label brands
  - C) direct marketing clutter
  - D) reduced postal rates and paper stock costs
28. Conventional vending machines are generally not considered as a form of direct marketing since \_\_\_\_\_.
- A) most transactions involve beverages, food items, and cigarettes
  - B) consumers do not complete transactions via mail, phone, fax, or computer
  - C) the transaction is automated
  - D) no credit or checks are involved as part of the transaction
29. Which of the following is not an advantage of using the Web by retailers?
- A) A Web site generally costs less to develop and maintain than a store.
  - B) The potential marketplace on the Web is large and dispersed.
  - C) Web sites do not have to be maintained after they are developed.
  - D) People can visit Web sites at any time.
30. Which of the following is an example of dual marketing?
- A) single-channel retailing
  - B) multi-channel retailing
  - C) nonstore retailing
  - D) electronic retailing
31. 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
32. 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
33. Which is not a consumer demographic?
- A) population mobility
  - B) social mobility
  - C) education level
  - D) place of residence
34. 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
35. 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
36. 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.
37. An application of data mining is \_\_\_\_\_.
- A) pilferage control
  - B) sales forecasting
  - C) micromarketing
  - D) mass marketing
38. 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
39. 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
40. 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
41. Between 50 and 80 percent of a store's customers come from its \_\_\_\_\_ trading area.
- A) secondary
  - B) primary
  - C) fringe
  - D) tertiary
42. A store which does not have a real trading area of its own is a \_\_\_\_\_ store.
- A) fringe
  - B) parasite
  - C) destination
  - D) convenience
43. What type of retailer has a very large primary trading area?
- A) impulse retailer
  - B) convenience retailer
  - C) destination retailer
  - D) parasite store
44. 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
45. 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
46. 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
47. 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.
48. The way in which a retailer is perceived by consumers and others is its \_\_\_\_\_.
- A) store perception
  - B) aesthetics
  - C) image
  - D) atmosphere
49. The least expensive display is a(n) \_\_\_\_\_ display.
- A) cut case
  - B) assortment
  - C) ensemble
  - D) rack
50. Which form of promotion has media payment, a nonpersonal presentation, out-of-store mass media, and an identified sponsor?
- A) sales promotion
  - B) advertising
  - C) public relations
  - D) personal selling







Student no.....

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