NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY

FACULTY OF COMMERCE; HUMAN SCIENCES AND EDUCATION

CENTRE FOR ENTERPRISE DEVELOPMENT (CED)

QUALIFICATION : DIPLOMA IN BUSINESS PROCESS MANAGEMENT	
QUALIFICATION CODE: 06DBPM	**LEVEL: 6**
COURSE CODE: BRM 711C	**COURSE NAME**: RETAIL MANAGEMENT
SESSION: NOVEMBER 2024	**PAPER:** PAPER 1
DURATION: 3 HOURS	**MARKS:** 100

SECOND OPPORTUNITY EXAMINATION – QUESTION PAPER	
EXAMINER(S)	**MR. S. TJITAMUNISA**
MODERATOR:	**MR. R. RITTER**

INSTRUCTIONS
1. Answer ALL the questions. 2. Write clearly and neatly.

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

SECTION A **ANALYTICAL QUESTIONS** **50%**

Question 1: **20**

What are the factors to consider when choosing a business location? How do you conduct a business location analysis? What's the importance of location to a business' success?

Question 2: **15**

Name and describe the four major factors that distinguish marketing services in Namibia and support your answers by backing with Namibian examples.

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) 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 10) 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 <u>not</u> 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. Decisions 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 leasor
    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 <u>not</u> 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

NB!!!! (DETACH AND INSERT IN YOUR ANSWER SHEET)

Student no..... **/50 marks**

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