



PG – 016

**IV Semester M.B.A. Degree Examination, June 2011**  
**(2007– 08 Scheme)**  
**MANAGEMENT**  
**M-5 : Retailing Management**

Time : 3 Hours

Max. Marks : 75

**SECTION – A**

Answer **any six** of the following. Each question carries **two** marks. (6×2=12)

1. a) Give the meaning of General Merchandize Retailing.
- b) What is high involvement buying ?
- c) Define adequate service.
- d) Name the important forms of retail format.
- e) What is Assortment planning ?
- f) What is a retailer brand ? Give examples.
- g) What are Customer Loyalty Programmes ?
- h) Name the types of Non-store retailers.
- i) What is meant by agricultural marketing ?

**SECTION – B**

Answer **any three** of the following questions. Each carries **eight** marks. (3×8=24)

2. Explain the important features of modern organized retailers.
3. Explain the customer management strategies in retail marketing.

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4. Discuss the GAPS model for improving retail service quality.
5. Explain the various considerations in devising a merchandize plan.
6. Explain the steps involved in planning a retail promotional strategy.

#### SECTION – C

Answer **any two** of the following questions. **Each** carries **twelve** marks. (2×12=24)

7. Discuss the characteristics of retail customers of an organized retailing. Also, profile the Indian retail consumers.
8. With the help of an example of organized retailer, explain the retail marketing strategies of a retailer in India.
9. Explain the role of Strategic planning as a tool for building competitive advantage in modern retailing.

#### SECTION – D

(Compulsory)

10. Read the following case and answer the questions given below. 15

Even though some small retailers and many mid-sized chains have been forced out of business by successful big-box chains (such as Wal-Mart and Best Buy) and Web retailers (such as Amazon), many small retailers have survived and even thrived. According to an analyst at one consulting firm, “We see Wal-Mart around for generations to come. But we’re seeing on a daily basis a shift in consciousness that there are other choices, that it’s not always about the lowest price.” In a recent survey of shoppers, 45 percent of respondents said they would pay more for products if they could shop in a nicer environment.



Adds the president of another consulting firm, “Wal-Mart’s influence over shoppers has peaked. Maybe consumers need to go to big-box retailers to buy toilet paper, cat food, and such everyday items. But shopping is about more than necessities. More consumers today look for products and experiences that are more unique, more stylish, and more sensory than what Wal-Mart has.”

One indication that smaller stores are economically viable is the recent growth of specialty stores in several industries. In 2000, 8 percent of survey respondents stated that they made clothing purchases at specialty stores. By 2005, that percentage grew to more than 21 percent.

Let’s look at the strategies used by successful small and mid-sized chains. They :

- Use a niche strategy that Wal-Mart cannot copy. Jim Baum, author of *Challenges of the Future: The Rebirth of the Small Independent Retailer in America*, found that the his hometown’s best retailers included a fabric store that sells crafts and quilting and gift shops with specialty items. And although 30 percent of all toy dollars go to Wal-Mart, smaller toy stores with unique goods and merchandising strategies can still successfully attract shoppers.
- Offer personalization and customization opportunities. American Girl ([www.americangirl.com](http://www.americangirl.com)) and Build-A-Bear Workshop ([www.buildabear.com](http://www.buildabear.com)) are among the most successful toy retailers due to their offering customized products. Build-A-Bear lets shoppers choose an animal “skin.” Watch as it is filled and then dressed, and lets the shopper sign its birth certificate. “Shopping will be more fun if there are more interactive places like Build-A-Bear Workshop,” says the firm’s “chief executive bear.”
- Offer products that discounters do not stock. Many retailers have developed partnerships with leading designers. For example, H & M ([www.hm.com](http://www.hm.com)), a Swedish clothing chain, sells a line of clothing designed by Karl Lagerfeld. Bath & Body Works ([www.bbww.com](http://www bbw.com)) sells a \$25 Henri Bendel scented candle. Whole foods ([www.wholefoods.com](http://www.wholefoods.com)) is very successful selling organic products and ready-to-heat specialty items that traditional groceries do not stock.



- Develop and implement a multi-channel strategy. According to a consultant with Kurt Salmon Associates, retailers with store, catalog, and Web operations have significant advantages over single channel-based retailers. To properly implement a multi-channel-based retailers. To properly implement a multi-channel strategy, some retailers are hiring fulfillment specialists to overcome picking and shipping concerns. Others are using software to reduce downloading time and to facilitate the overall online buying experience.

**Questions :**

- 1) Discuss the competitive advantages of smaller retail chains as contrasted with large retail chains.
- 2) What factors could explain the increased popularity of speciality stores in many sectors of retailing ?
- 3) Describe the pros and cons of a smaller retailer's pursuit of a niche strategy.