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**PRESIDENCY UNIVERSITY
BENGALURU**

SET B

**SCHOOL OF MANAGEMENT
END TERM EXAMINATION - JAN 2024**

Semester : Semester V - 2021
Course Code : BBA3023
Course Name : Retail Management
Program : BBA

Date : 08-JAN-2024
Time : 1:00 PM - 4:00 PM
Max Marks : 100
Weightage : 50%

Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and non-programmable calculator are permitted.
- (iv) Do not write any information on the question paper other than Roll Number.

PART A

ANSWER ALL THE QUESTIONS

5 X 2M = 10M

1. List out the differences between a convenience store and a supermarket. (CO1) [Knowledge]
2. Outline the differences between staple merchandise and seasonal merchandise. (CO3) [Knowledge]
3. Several years ago, Gillette became the leader in selling razor blades by following an ingenious strategy: selling their mechanical razor well below cost to draw new customers. By using this technique, Gillette generated much more revenue from the recurring sales of replacement blades than it did from the initial sale of a razor. Gaining a new razor customer also opened the door for Gillette to sell the new customer its other products, such as deodorant and aftershave, which carried high profit margins. Identify the pricing strategy used by Gillette. (CO5) [Knowledge]
4. List out the differences between second-degree price discrimination and third-degree price discrimination. (CO5) [Knowledge]
5. Walmart has been using a pricing strategy where it maintains consistently low prices for its products rather than offering frequent sales and discounts, since the company was founded in 1962. It has helped them build a reputation for being a low-cost leader in the retail industry. Recall the pricing strategy utilized by Walmart. (CO5) [Knowledge]

PART B

ANSWER ALL THE QUESTIONS

5 X 10M = 50M

6. Explain the types of retailers based on ownership.
(CO1) [Comprehension]
7. A leading corporate hospital chain established and managed by top medical professionals has a presence in all the metros and major cities of India. Though they are geographically scattered far and wide they share a common philosophy in rendering their services in terms of quality, timeliness, and approach towards patient care and wellbeing. In this context, the top management of the hospital has come up with an idea to establish and run round-the-clock pharmacy stores through the franchise model. To begin with, these outlets need to be first established in the metros, and in a phased manner they would expand to other major cities based on the performance and feedback. Select a suitable location for the pharmacy outlets and summarize the criteria that you considered in deciding the right locations for these pharmacy stores.
(CO2) [Comprehension]
8. Category managers today should build strategies based not on what sales and suppliers are pushing but on customers' needs and willingness to pay. Summarize the category management strategies.
(CO3) [Comprehension]
9. According to analytics by Mckinsey on grocery retailers, merchandising assortment plan helps them reduce the number of SKUs by 36% while increasing sales and gross margins by up to 2%. Each retailer will pursue different retail assortment strategies based on their targets. Describe the retail assortment strategies.
(CO3) [Comprehension]
10. Describe demand-oriented and competition-oriented pricing strategies.
(CO5) [Comprehension]

PART C

ANSWER ALL THE QUESTIONS

2 X 20M = 40M

11. "A poor location may be such a liability that even super retailers cannot overcome it." Prepare a list of factors that retailers need to consider before they select a site for the retail store.
(CO2) [Application]
12. Mr. Sharma, a middle-aged graduate businessman, owns and runs a 50-year-old textile emporium that he inherited from his late father about a decade ago. This emporium is the oldest shop located in one of the busiest and most highly commercial markets of South Delhi, which is surrounded by a series of modern and Gen Z retail shops, each of which offers a variety of specialized merchandise with premium brands of apparel and other services to the customers. The emporium is the oldest outlet yet strategically located in the marketplace, and stocks reasonably good merchandise. However, the outlet is very old and has a traditional look without any changes since its inception. Since the last couple of years, Mr. Sharma has keenly observed and realized that despite being the oldest shop offering a wide range of merchandise at value-for-money prices and with reasonably loyal clientele found that the business was slowing down consistently signalling the onset of poor demand and thereby affecting the sales and profits. Disheartened by the current state of the business Mr. Sharma was trying to identify and figure out the reasons for its poor performance and is all set to improve the footfalls shortly if he gets the right guidance and direction to turnaround.
Questions:
(a) Examine the role of visual merchandising in attracting the attention of potential customers for Mr. Sharma's textile emporium.
(b) Elaborate on the key store atmospheric components that Mr. Sharma should focus on.

(CO4) [Application]