

Seat No.: _____

Enrolment No. _____

GUJARAT TECHNOLOGICAL UNIVERSITY

MBA – SEMESTER 3– EXAMINATION – WINTER 2015

Subject Code: 2830014
Date: 02/12/2015
Subject Name: Retail Operations
Time: 10.30 AM TO 01.30 PM
Total Marks: 70
Instructions:

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

Q. No.	Question Text and Option				
Q.1 (a)	Objective Questions				6
1.	Which one of the following is not a right method for dividing retailers?				
	A.	Variety & Assortment	B.	Services offered	
	C.	Type of merchandise	D.	Supply chain management	
2.	The _____ is the geographic area encompassing most of the customers who would patronize a specific retail site ?				
	A.	Trade Area	B.	Store site	
	C.	Outlet center	D.	Store Layout	
3.	When consumer buy products and/or brands they had not planned on buying before entering a store , are known as _____ purchases by the consumer ?				
	A.	Frequent	B.	Continuous	
	C.	Impulse	D.	Routine	
4.	Which one of the following is not a store design objective?				
	A.	Implement the retailer's strategy	B.	Provide flexibility	
	C.	Meet Legal requirements	D.	Employee Convenience	
5.	SKUs in retailing stands for				
	A.	Sold Keeping Units	B.	Stock Keeping Units	
	C.	Stock Known Undertakings	D.	None of the above	
6.	When people are segmented on the basis of how they live , how they spend their time and money , what activity they pursue and their attitudes and opinions about the world in which they live is known as _____				
	A.	Geographic segmentation	B.	Life style segmentation	

	C.	Geo-demographic segmentation	D.	Demographic segmentation	
Q.1	(b)	Short / Definition Questions			04
		1. Planograms 2. Vending Machine Retailing 3. Third Party Logistics 4. Customer Value			
Q.1	(c)	Explain the functions performed by the Retailers?			04
Q.2	(a)	Explain the Non-store retailing with the help of right examples			07
	(b)	Suppose you have been appointed as Retail Expansion Manager by a corporate retail group. What growth strategies you would follow to expand the business of the corporate?			07
		OR			
	(b)	What strategies / course of action should be followed by a Retail Manager to Evaluating a site for setting-up a retail store?			07
Q.3	(a)	Explain the consumer buying process at a retail store?			07
	(b)	What are the other options available to a retail manager for setting-up a store, apart from the high cost locations and sites .			07
		OR			
Q.3	(a)	What is Trade area ? What are the factors affecting the size of trade area ?			07
	(b)	Suppose you have been appointed as a consultant for fixing the prices. What factors you will focus on setting the retail prices?			07
Q.4	(a)	What is pricing strategy? What are the basic retail pricing strategies ? Explain the advantage and disadvantage of each pricing strategy?			07
	(b)	Explain the GAPS Model of improving service quality? How an effective customer service strategy could cut a retailer's costs.			07
		OR			
Q.4	(a)	Explain the Store design objectives, with the help of suitable examples?			07
	(b)	As a manager of o large department store, how would you Store Atmospherics?			07

Fresh Ideas in Grocery Store Layout

Research conducted by faculty at the Wharton School at the University of Pennsylvania tracked and studied consumer's behavior as they were food shopping. The study was conducted at a west coast supermarket where the bottoms of grocery carts were equipped with radio frequency identification(RFID) devices that allowed the travel pattern of individual shoppers to be recorded. the RFID tags helped to track how long customers spent shopping , where they went in the store , and how many items they purchased.

The result of the study showed that shoppers move through the store in a different way than retailers had expected. people do not weave sequentially up and down through every aisle but instead move in a clockwise direction , stick to the perimeter of the store and skip entire sections. therefore , many customers never see merchandise in the center of the aisle , and end-of-aisle displays are specially important promotion tools.

More time should be spent store layout in the grocery store industry to meet shopper's needs and purchasing patterns. customers are making more quick trips to the food store. they are deciding what to serve for dinner on the way home from work and only purchasing what they for the next day or two. The once-per-week stock-up trip , which takes 55 minutes or more , accounts for only 10 percent of all grocery store visits.

Based on the Food Marketing Institute's annual "U.S. Grocery Shoppers Trends" report , Americans go to food stores on average 2.2 times a week. Nearly two-thirds of shoppers visit the grocery store three or four times per week. on average , each U.S. household spends \$92.50 per week at the food store. more than half of those surveyed shop multiple channels , including discounters and warehouse club for groceries. The report also found that 54 percent of shoppers make a list. Lastly , younger shoppers felt that self-checkout is an important feature when selecting a food store.

Grocery retailers have seen the following key trends affecting the Industry , which call for related improvements in the store

- Time-strapped customers – grouping items together , offering meal solutions , and improving checkout for speed and convenience.
- Competition for customer loyalty – offering bonus programs and private-label brands
- Increased pressures from discounters – differentiating the store on benefits other than price
- Growing Interest in nutrition – Providing health information, fresh produce and meat, and organic options.
- Internet shopping – Giving technologically savvy shoppers the opportunity to place orders and shop online.

Questions :

1. How is the supermarket that you shop at most frequently laid out? Describe the store's entry, departments around the perimeter, dry goods, frozen foods, special displays, and checkout?

2. Based on the information in the case and your own shopping behavior, what store layout and design features would improve the supermarket and make the experience more enjoyable and convenient for shoppers and more profitable for retailers?

		<p style="text-align: center;"> www.FirstRanker.com </p> <p> <u>Borders Bookstore : A Merchandise Display Problem</u> </p> <p> Michae Chaim , General Manager of the Borders Bookstore in Madison , Wisconsin , was proud of his store. located in a city that has one of the highest levels of book purchases per capita , chaim felt Border's selection, services, and location near the 40,000- student university served the community well. Even with competitive pressure from the newly opened Barnes & Noble on the west side of the town , his bookstore/cafe was often a busy place. </p> <p> Chaim was taken aback when an article in a widely read alternative newspaper criticized the bookstore's merchandise arrangement as being prejudiced. The store carries a large selection of literature and poetry, but it separates some specialty categories, such as African American literature, gay and lesbian literature, and feminist literature, from the general literature and poetry sections. In part, this arrangement reflects Borders' college town roots in Ann Arbor, Michigan, where specialty collections were established to match course offerings. The article described this arrangement as "ghettoizing" authors who were not white males, though some female authors were in the general literature and poetry sections. The article and some follow-up letters to the newspaper's editor derided Borders for the few "nontraditional" authors who made it into the general literature collection. </p> <p> They felt that these African American, homosexual , Native American , and other nontraditional writers probably would not have been separated from the general collection had the management known the literature better. While Madison is known as a very liberal community, chaim thought the accusation was unfair. He strongly believed that he was doing his customers a service in highlighting authors and literary genres that might be overlooked in a large, no differentiated collection. More immediately, he knew that he should respond to the article's accusations. </p> <p> Questions </p> <ol style="list-style-type: none"> 1. Although Chaim has several options, one is to duplicate the titles that could be shelved in either the general literature section or in a specialty collection. What are the advantages and disadvantages of this tactic? 2. The borders store described in this case is in a college town. How should the merchandise be arranged in a different location, such as suburban residential location or a more urban setting? 	<p style="text-align: center;"> www.FirstRanker.com </p>
--	--	--	---

.....