



INDIAN INSTITUTE OF MATERIALS MANAGEMENT
Diploma in Retail Management
Paper 1
Introduction to Retail Management
& Principles of Management

June 2015

Date: 13. 06-2015
Time : 10.00 to 1.00 p.m.

Max. Marks 100
Duration 3 hours

Instructions

1. From Part A, answer all questions Qs 1,2 and 3 (compulsory) --Q1 (12 marks), Q2 (8 marks) and Q3 (12 marks) - Total 32 marks.
 2. From Part B , answer any 3 questions from Q No.4 to Q09. Each question carries 16marks (total 48 marks)
 3. Part C, Q No. 10 (Case Study) is compulsory.(20 marks)
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PART A

Q1. Answer as per instructions in (A) & (B). (answer any 12 – 1 mark each – total 12 marks).

(A) State True or False for the following:

- (i) Forecasting requires credible assumptions.
- (ii) Job enrichment is the same as job enlargement. .
- (iii) Business Game is one of the training methods
- (iv) Empowering employees also means delegating responsibilities down the line.
- (v) Performance Appraisals are necessary to distinguish between efficient and effective employees.
- (vi) The primary trade area of a regional shopping centre is 3 miles.

(B) Choose the right answer from the following:

- vii) Consumers decision in a city to buy from Retail is based on:
 - a. Time to shop and to travel to a particular location
 - b. The range of products available in that location.

- (viii) An additional discount offered as an incentive to retailers to order merchandize in advance of the normal buying season is called:
 - a. Seasonal discount
 - b. Trade or quantity discount.

- (ix) The bargaining power of supplier is greater in a retail industry
 - a. when there are a few dominant buyers
 - b. when there are a few suppliers

- (x) Franchising is:
 - a.. Business or industry
 - b. A method used by business for marketing & distribution of products or services.

- (xi) Mark-up is a difference between
 - a. cost price and selling price
 - b. selling price and the cost of product less reductions.
- (xii) While developing Strategic centric formats, one needs to incorporate
 - a. Typical cultural needs of the region
 - b. Tenant mix of the area
- (xiii) The final basic level in the identification of merchandize by the buyer in a supermarket is:
 - a. category
 - b. SKU
- (xiv) A private label is
 - a. A store's own brand
 - b. A label provided by a vendor
- (xv) The primary trade area of a regional shopping centre is:
 - a. 3 to 7 miles
 - b. 5-15 miles.

Q2. Attempt any 4 (from (a to g) - (2 m each – Total 8 marks)

Distinguish between:

- (a) Job Analysis & Job Evaluation
- (b) KPAs & KPIs
- (c) Promotion and Promotability
- (d) Freeform layout and Racetrack layout.
- (e) Job Enrichment & Job Enlargement
- (f) Who wrote:
 - (i) Art of getting things done..
 - (ii) Management is the process of decision making and control over human action.
- (g) Give the full form of the following:
 - (i) MBO (ii) PERT (iii) EDI (iv) SWOT

Q3. Attempt any 12 – (1 mark each –Total 12 marks)

Fill in the blanks with appropriate words:

- (i) The _____ background of the consumer largely determines his lifestyle which influences the kind of store that he may be comfortable shopping in.
- (ii) Strategy is a plan, a “_____” or a means of getting from ‘here to there’.
- (iii) In merchandizing, retailers often say “goods _____ are half sold”.
- (iv) Foreign company is always a _____ in India.
- (v) The final contact of a customer with a product is at the _____.
- (vi) Campaign graphics are graphics related to the _____ advertising campaign.
- (vii) Brian Harris is credited with coining the phrase _____.

- (viii) To an investor in the retail business _____ performance is the indicator of the health of the organization, especially to identify gaps in the targets.
- (ix) In retail, there are 3 areas which are important in the measurement of its performance. They are: Merchandize, Store & Retail Space, and _____.
- (x) Customer service is designed, performed and communicated with two goals in mind: Operational productivity, and _____ (Lovelock).
- (xi) AMA stands for _____ Management _____.
- (xii) Professional associations is one of the sources for _____.
- (xiii) Training is a systematic process of changing behavior, knowledge & _____ of present employee.
- (xiv) Appraisal help in distinguishing between efficient and _____ workers.
- (xv) The boss says "I", the leader says "_____".

PART B

(Attempt any 3 from Q 4 to Q 9. (16 Marks each - Total 48).

- Q4.** State the steps involved in developing retail strategy with examples.
- Q5.** What are the challenges to retail development in India? What developments are in Retail that has come about as a consequence of the changed Indian consumer?
- Q6.** How can a Retailer make effective use of a communication mix – Explain the same under at least 4 different circumstances, e.g. Store opening, Visit of a popular personality, etc?
- Q7. Explain briefly the terms (any 3 x 4 marks each=12 marks)**
- (a) Lead time gap
 - (b) Buyers market
 - (c) Assortment Planning
 - (d) Odd Pricing
 - (e) Personal Decision
- Q8. Write Short Notes on any 3 of the following (3 X 4 = 12 marks)**
- (a) Benefits of HR Policies
 - (b) Price Lining
 - (c) Collaborative Planning
 - (d) Forecasting for replenishment
 - (e) Cross Docking
- Q 9. .** What is training? How training. needs are identified in designing a training program for Retail Salesmen to improve their communication skills and performance?

PART C

Q10. Case Study (Compulsory)

- 20 marks

Let's assume *Zee Café* (a foreign company) is planning to enter the Indian Coffee market.

Answer the following questions:

- (a) Name the other Retailers in this market in India.
- (b) State who among the players in India are better placed to face the competition from this new entrant and maintain their growth; and
- (c) Do you think that intense competition in the Retail Coffee Business is likely to cause consolidation? Explain with reasons.
