Registration No. : | | | | | | | | | | |

Total number of printed pages – 2

MBA

MBA 404 A (New)

Fourth Semester (Back) Examination – 2013

RETAIL MANAGEMENT

QUESTION CODE : B578

Full Marks – 70

Time : 3 Hours

Answer Question No. ***1*** *and* ***2*** *which are compulsory and any* ***four*** *from the rest.*

The figures in the right-hand margin indicate marks.

1. Answer the following questions : 2×10

   (a) Store layout.

   (b) What is database marketing ?

   (c) Specialty store

   (d) Wheel of retailing.

   (e) Merchandise inventory.

   (f) Leader pricing.

   (g) Cross docking distribution system.

   (h) Retail equity.

   (i) Brick-and-Mortar retailing.

   (j) What does "traffic flow" stand for in retailing ?

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2. **CASE STUDY** : 10

The top management of Maruti Suzuki was worried with the latest developments in the market. They are the largest selling car in Indian market. When they launched the first brand of car, which was a small car in Indian market, they were the most preferred brand in Indian market. Over the years due to liberalization, more and more car manufacturers have entered into Indian market. Initially the response to these brands was not that good because people were looking for cars, which would fit to their packet. Car buying was always with rich people. Middle class was happy with a scooter or a motorcycle. People would like to save any excess money than go for buying a car to show their class. This was true in the case of Indian middle class but things are changing. Middle class has more affluence and that has led to movement of customers from a price value point to expensive

and new generation cars. Maruti Suzuki is perceived as an age-old car and new generation does not find it very appealing over the years. While it still remains as the largest selling car but most of the sales are coming from the lower bottom of the market. While customers are moving upward in the value ladder, Maruti Suzuki has not been able to up-sale and cross-sale its products. They need to do something urgently to reverse this trend in the market.

The Indian car market is one of Asias's largest and fastest growing markets. Over 1,21,5480 numbers of cars (Source: SIAM) were sold in the year 2009-2010. The market grew at an average of 18% over the previous year. With models in every segment, Maruti is well positioned to see how demand is shifting. Customers have moved to B segment of the market (which is above the entry level segment and Maruti is the largest brand in the entry level segment) due to economic liberalization and drop in interest rates and prices. Compact car segment is growing faster than other car segments. The segment of the market which made Maruti as 'people's car' in the 1980s is moving ahead in the value chain.

As there is a common perception among people that Maruti is an old generation car, company has recently introduced new generation cars like Maruti Zen, wagon R, Grand Vitara, Versa and Baleno models. The strategy is to feed the market with brands at all variant and pricing point.

Question :

You are required to suggest suitable changes so that Maruti can be perceived as a new generation customer friendly company and sustain its market leadership.

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3. Design a promotional mix for a washing machine of a renowned brand, which is to cost Rs. 15,000/- per piece and is to be sold through exclusive retail outlet. 10

4. What do you mean by visual merchandising ? What is its purpose ? Has it got any role to play in store layout ? 10

5. Define retailing and differentiate it from re-tailor and value-adding- partners (VAP). Explain the importance of retailing in modern business. 10

6. What are the factors that affect the consumer behavior in retail purchase decision ? Explain them in detail. 10

7. What is retail atmospherics ? What is its role in retail business ? Give example to justify your answer. 10

8. Write short notes on : 5×2

   (a) Technology in retailing

   (b) Consumerism.