



## BRAINWARE UNIVERSITY

**Term End Examination 2021 - 22**  
**Programme – Bachelor of Business Administration**  
**Course Name – Retail Management**  
**Course Code - BBA404**  
**( Semester IV )**

**Time allotted : 1 Hrs.25 Min.**

**Full Marks : 70**

[The figure in the margin indicates full marks.]

**Group-A**

(Multiple Choice Type Question)

1 x 70=70

*Choose the correct alternative from the following :*

- (1) Which of the following is not part of situation analysis?
 

a) Defining an organizational mission	b) Developing sales-based objectives
c) Evaluating ownership and management alternatives	d) Determining the goods/service category to be sold
- (2) A retailer's commitment to a type of business and to a distinctive role in the marketplace is its:
 

a) Objectives	b) Organizational mission
c) Retailing concept	d) Image
- (3) Which form of organization is subject to double taxation?
 

a) Sole proprietorship	b) Partnership
c) Corporation	d) Franchise
- (4) Planning authority ability is limited to top management or ownership in a(n):
 

a) Owner-manager system	b) Professional manager system
c) Centralized structure	d) Decentralized structure
- (5) Which statement concerning the impact of time demands on a retailer is not correct?
 

a) The ability or inability to delegate duties affects the number of hours worked.	b) The ability or inability to automate operations affects the number of hours worked.
c) Independent stores often have more intensive participation by the owner than chain operations.	d) Most retailers work only when the store is open.
- (6) After situation analysis, a firm:
 

a) Defines its organizational mission	b) Sets its objectives
c) Selects a target market	d) Develops an overall strategy
- (7) Which of the following is not a sales objective?

- a) Growth  
c) Market share
- b) Stability  
d) Return on investment
- (8) Operating efficiency is expressed as:  
a)  $1 - (\text{operating expenses}/\text{company sales})$   
c)  $(\text{operating expenses}/\text{company sales}) - 1$
- b)  $1 - (\text{company sales}/\text{operating expenses})$   
d)  $d) (\text{company sales}/\text{operating expenses}) - 1$
- (9) When retailers identify customer segments and develop unique strategies to meet the desires of these segments, they are using:  
a) Mass merchandising  
c) Bifurcated retailing
- b) Niche retailing  
d) Middle market retailing
- (10) A department store attempting to sell its goods and services to a broad spectrum of consumers is employing a strategy of:  
a) Multiple segmentation  
c) Mass marketing
- b) Market segmentation  
d) Target marketing
- (11) Those aspects of business that a retailer can directly affect, such as store hours and merchandise lines carried, are referred to as:  
a) Controllable variables  
c) Lifestyle measures
- b) Demographic statistics  
d) Uncontrollable variables
- (12) Which of these is not an uncontrollable variable?  
a) Consumers  
c) Technology
- b) Store location  
d) Competition
- (13) A systematic procedure for analyzing the performance of a retailer is called:  
a) Control  
c) Strategic planning
- b) Feedback  
d) A retail audit
- (14) During each stage in the development of a retail strategy, retail managers should:  
a) Consider only controllable variables  
c) Look for both positive and negative feedback
- b) Refrain from "fine tuning" the strategy  
d) Consider no problems with the government to be a form of negative feedback
- (15) \_\_\_\_\_ and \_\_\_\_\_ differ from merchant wholesalers in two ways: They do not take title to goods, and they perform only a few functions.  
a) Brokers; agents  
c) Independent wholesalers; off-price retailers
- b) Power centers; independent wholesalers  
d) Power centers; independent wholesalers
- (16) \_\_\_\_\_ are the largest group of wholesalers. The group can be divided into the two broad types of full-service and limited-service.  
a) Manufacturer sales  
c) Brokers
- b) Agents  
d) Merchant wholesalers
- (17) \_\_\_\_\_ carry narrow product lines with deep assortments within those lines.  
a) Off-price stores  
c) Specialty stores
- b) Discount stores  
d) Chain stores
- (18) \_\_\_\_\_ is the basis of all discount operations and is typically used by sellers of convenience goods. Retailers offering this level of service require customers to perform their own "locate-compare-select" process in order to save money.  
a) Self-service  
c) Limited-service
- b) Specialty-service  
d) Full-service
- (19) \_\_\_\_\_ may include in-store demonstrations, displays, contests, and visiting celebrities.  
a) Franchises  
c) Agent promotions
- b) Broker promotions  
d) Sales promotions

- (20) \_\_\_\_\_ sell standard merchandise at lower prices by accepting lower margins and selling higher volume.
- a) Factory outlets  
b) Limited-service retailers  
c) Discount stores  
d) Full-service retailers
- (21) \_\_\_\_\_, or manufacturers' representatives, represent a buyer or seller on a more permanent basis.
- a) Agents  
b) Intermediaries  
c) Retailers  
d) Franchises
- (22) A \_\_\_\_\_ is a group of retail businesses planned, developed, owned, and managed as a unit.
- a) Hypermarket  
b) Merchant wholesaler  
c) Shopping center  
d) Franchise
- (23) A store that uses \_\_\_\_\_ creates realistic environments in which customers can try products before they buy them.
- a) Store differentiation and positioning  
b) An enhanced services mix  
c) High-low pricing  
d) Experiential retailing
- (24) In the battle for "share of stomachs," some supermarkets are cutting costs and attempting to compete more effectively with food discounters, while others are moving upscale, providing improved store environments and higher-quality food offerings. These two different strategies represent changes in \_\_\_\_\_.
- a) Positioning  
b) Retail technology  
c) Place decisions  
d) Wholesaling
- (25) In which wholesaler's channel function might wholesalers provide quicker delivery to buyers because they are closer than the producers?
- a) Risk bearing  
b) Financing  
c) Buying and assortment building  
d) Transportation
- (26) Mail-order, television, phone, and online shopping are all examples of \_\_\_\_\_.
- a) Wholesaling  
b) Non store retailing  
c) The wheel-of-retailing concept  
d) Off-price retailing
- (27) Manufacturers send last year's merchandise and seconds to \_\_\_\_\_, while they send new merchandise to department stores.
- a) Retailers  
b) Power centers  
c) Factory outlets  
d) Convenience stores
- (28) McDonald's, Subway, and Pizza Hut are all examples of a \_\_\_\_\_.
- a) Franchise  
b) Power center  
c) Voluntary chain  
d) Retailer cooperative
- (29) Retail assortments are looking more and more alike because \_\_\_\_\_.
- a) Market segmentation has proven ineffective  
b) National-brand manufacturers have placed their products almost everywhere  
c) Stores are clustered together to increase their customer pulling power  
d) Customers today are more focused on service differentiation
- (30) The merging of consumers, products, prices, and retailers is called \_\_\_\_\_.
- a) Retail clustering  
b) Retail convergence  
c) Consumer convergence  
d) Price merging
- (31) Which of the following is not one of a wholesaler's channel functions?
- a) Risk bearing  
b) Providing market information

- c) Off-price retailing
- d) Financing
- (32) Which of the following is not one of the main types of off-price retailers?
- a) Independents
- b) Category killers
- c) Membership warehouses
- d) Warehouse clubs
- (33) Which of the following types of wholesalers sell primarily to manufacturers rather than to retailers?
- a) Industrial distributors
- b) Rack jobbers
- c) Drop shippers
- d) Cash-and-carry wholesalers
- (34) Which type of retail store is most similar to a hypermarket?
- a) Superstores
- b) Department store
- c) Convenience store
- d) Off-price retailers
- (35) You own an independent store in your neighborhood. You still like to offer fresh seafood in your meat display case. Which type of wholesaler might best serve you?
- a) Rack jobber
- b) Agents and brokers
- c) Cash-and-carry wholesaler
- d) Mail-order wholesaler
- (36) Product assortment breadth focuses on
- a) Number of categories per product lines
- b) Items and variants in each category per product line
- c) Both Number of categories per product lines and Items and variants in each category per product line
- d) None of these
- (37) Direct profit profitability is related to
- a) Measuring a product's handling costs.
- b) Measuring a product's sales cost.
- c) Measuring a product's manufacturing costs.
- d) None of these.
- (38) Prices must be decided in relation to
- a) The product
- b) The service assortment mix
- c) The target market and competition.
- d) All of these.
- (39) Discount stores and mass merchandisers falls into
- a) High-mark up, lower volume group
- b) Low-mark up, higher volume group.
- c) High-mark up, higher volume group
- d) None of these.
- (40) A private-label brand is also known as
- a) A re seller brand
- b) A store brand
- c) A distributor brand
- d) All of these.
- (41) A private-label brand is developed by
- a) Wholesalers
- b) Retailers
- c) Both Wholesalers and Retailers
- d) None of these
- (42) Generics are
- a) Unbranded versions of common products
- b) Plainly packaged versions of common products
- c) Less expensive versions of common products.
- d) All of these are true.
- (43) Multiple shops are also known as
- a) Self-service stores
- b) Shopping by post
- c) Chain stores
- d) Departmental stores
- (44) E-retailing refers to
- a) Sales of electronic items
- b) Catalog shopping

c) Computerized store

d) Retailing and shopping through internet

(45) If a retail store has a practice of keeping wide variety of products, it is likely to have

a) lower average stock and higher turnover

b) higher average stock and lower turnover

c) higher average stock and higher turnover

d) lower average stock and lower turnover

(46) Which of the following budgets is more significant for a store primarily relying on Christmas sales?

a) Merchandise budget

b) Cash budget

c) Capital budget

d) Expense budget

(47) An e-retailer has off late witnessed loss of sales due to frequent out-of-stock status of some popular products. Which of the following is likely in terms of stock turnover?

a) Low stock turnover

b) Unexpected demand

c) High stock turnover

d) Supply chain issues

(48) Stock rotation is slowest for

a) fast-moving consumer goods

b) destination products

c) convenience products

d) high-value products

(49) A retailer is likely to seek price guarantee when

a) the store starts operating in a new location

b) substitutes of a product are easily available

c) suppliers or products are new

d) the stock turnover is high

(50) Which of the following refers to establishing prices of merchandise to drive competition away from the marketplace?

a) Predatory pricing

b) Horizontal price fixing

c) Vertical price fixing

d) Cartel pricing

(51) Which of the following is characterized with higher operating costs and lower inventory?

a) At-the-market orientation

b) Upscale orientation

c) Discount orientation

d) Penetration pricing

(52) Which of the following is crucial for success of price skimming strategy?

a) Inelastic demand curve

b) Elastic demand curve

c) High number of competitors

d) Highly competitive

(53) A retailer be able to use pre-emptive pricing

a) in a restricted market

b) where retailer enjoys market

c) when it is easier for new retailers to enter the market

d) where substitutes are not available

(54) Which of the following is a disadvantage of penetration pricing?

a) Low stock turnover

b) Discourages entry of new competitors

c) Higher prices

d) Creates long-term low price expectation

(55) Multiplex industry in India is broadly segmented in terms of

a) upper-middle or middle class and lifestyle categories

b) viewers of parallel and art cinema

c) viewers of blockbuster films

d) audience for film exhibitions, art, and documentaries

(56) Which of the following best describes the trend in retail formats?

a) Retailers operating in both limited-line and full-line stores

b) Shift from large formats to concept stores

c) Focus on concept stores

d) Shift from concept stores

(57) Identify the correct order of stages in market segmentation

- a) Segmentation → Targeting → Positioning      b) Targeting → Positioning → Segmentation  
 c) Targeting → Segmentation → Positioning      d) Segmentation → Positioning → Targeting
- (58) Which of the following helps retailers in gaining insights on competitor's, their plans and strategies, and strengths or weaknesses of their merchandising mix?  
 a) Data analytics      b) Buyer survey  
 c) Market research      d) Merchandise analytics
- (59) ABC Retail has been successfully using sales promotion techniques for the last five years. However, it is not receiving favourable response in the current year even though there is no change in the product quality or market situation. Which of the following is the likely cause?  
 a) Lack of novelty in promotion techniques      b) Availability of low-priced alternatives  
 c) Change in customer preferences      d) Lack of trained sales personnel
- (60) Which of the following is usually a major advantage of sales promotion?  
 a) Long-term impact      b) Attracting customer traffic and maintaining loyalty  
 c) Low advertising costs      d) No adverse reactions
- (61) Fortune Retail intends to promote its stores on a media vehicle that provides full control, high selectivity, and interactive opportunities. Which of the following option meets the chain's criteria?  
 a) Brochures      b) Magazines  
 c) Internet      d) Newsletters
- (62) Book fairs are organized every year in different cities wherein various publishers purchase the required stalls to promote their products. This is an example of  
 a) vertical cooperative advertising      b) corporate advertising  
 c) informative advertising      d) horizontal cooperative advertising
- (63) Which of the following is the most important criteria for selection of a vendor?  
 a) Price      b) Brand name  
 c) Product or service quality      d) Breadth of product line
- (64) Which of the following provides guidelines on size, colour, brand, and composition of the stock?  
 a) Inventory planning      b) Merchandise specialization  
 c) Merchandise analysis      d) Model stock planning
- (65) Which of the following best describes the stage of the cell phone market in India?  
 a) Decline      b) Introduction  
 c) Maturity      d) Growth
- (66) Which of the following refers to the number of retailers carrying a particular category?  
 a) Depth      b) Breadth  
 c) Market penetration      d) Distribution intensity
- (67) A Bazaar is famous for jewellery from morning to late evening and food street in the night. This is an example of  
 a) merchandise specialization      b) situation effect  
 c) merchandise customization      d) merchandise mix
- (68) Which of the following franchisee agreement allows the franchisee to use the trademarks and business processes of the franchisee?  
 a) Licensing      b) Territorial franchise  
 c) Service      d) Distributorship

(69) Which one is not a Promotion mix element?

a) Public Relations

b) Pricing

c) Personal Selling

d) Publicity

(70) E-marketing makes use of \_\_\_\_\_ of customers and prospects and creates constant flow of information between customers (fill in the blank)

a) websites

b) emails

c) database

d) user information