

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA – SEMESTER III – EXAMINATION – WINTER 2019

Subject Code: 4539291**Date: 30/11/2019****Subject Name: Retailing & Franchising****Time: 10:30am To 01:30pm****Total Marks: 70****Instructions:**

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

- Q.1 Define:** **14**
1. Airport Retailing
 2. Scrambled Merchandising
 3. Freestanding Location
 4. Planogram
 5. Store Marquee
 6. Category Captain
 7. UFOC
- Q.2 (A) Explain the classification of Store based Retail Formats.** **07**
- (B) What are the various types of franchising that exist? Explain with example.** **07**
- OR**
- (B) What is Trade area? Discuss various methods of evaluating a trading area.** **07**
- Q.3 (A) What are the factors that retailer needs to take into account while choosing a location for a retail store?** **07**
- (B) Visual merchandising enhances the store image. Explain this statement with the help of tools of store image.** **07**
- OR**
- (A) What is Assortment planning and how does it differ from Range planning?** **07**
- (B) How does the GAP model assist a retailer in improving customer service?** **07**
- Q.4 (A) Explain the retailer's strategic planning process.** **07**
- (B) Two retailers selling similar merchandise may have different definitions and thus different categories of the same product range. Explain the statement in context of process of category management.** **07**
- OR**
- (A) Write note on Franchisee disclosure agreement.** **07**
- (B) Which are the elements of store design? Explain with specific emphasis on store Layout.** **07**

The Strong Comeback of Small Retailers

Even though some small retailers and many mid-sized chains have been forced out of business by successful big-box chains (such as wal-mart) and Web retailers (such as Amazon), many small retailers have survived and even thrived. According to an analyst at one consulting firm, “we see wal-mart around for generations to come. But we’re seeing on a daily basis shift in consciousness that there are other choices that it’s not always about the lowest price.” In a recent survey of shopper, 45% of respondents said they would pay more for products if they could shop in a nicer environment.

Adds the president of other consulting firm, “Wal-mart’s influence over shoppers has peaked. Maybe consumers need to go to big-box retailers to buy toilet paper, cat food and such everyday items. But shopping is about more than necessities. More consumers today look for products and experiences that are more unique, more stylish, and more sensory than what wal-mart has.”

Let’s look at the strategies used by successful small and mid- sized chains. They:

- Use a niche strategy that wal-mart cannot copy. Jim Baum, author of *Challenges future: the Rebirth of the small Independent Retailer in America*, found that his hometown’s best retailers included a fabric store that sells crafts and quilting and gift shops with specialty items. And although 30% of all toy dollars go to wal-mart, smaller toy stores with unique goods and merchandising strategies can still successfully attract shoppers.
- Offer Personalization n& customization opportunities. American girl and Build-A-Bear workshop are among the most successful toy retailers due to their offering customized products. Build-A-Bear lets shoppers choose an animal “skin”, watch as it is filled and then dressed, and let the shopper sign its birth certificate.
- Offer products that discounters do not stock. Many retailers have developed partnership with leading designers. For example, H&M, a Swedish clothing chain, sells a line of clothing designed by Karl Lagerfeld.
- Develop & implement a multi-channel strategy. According to a consultant with Kurt Salmon Associates, retailers with store, catalog, and web operations have significant advantage over single channel based retailers. To implement a multi-channel strategy, some retailers are hiring fulfillment specialist to overcome picking and shipping concerns. Others are using software to reduce downloading time and to facilitate the overall online buying experience.

(A) Discuss the competitive advantage of smaller retail chains as contrasted with large retail chain. **07**

(B) What factors could explained the growing popularity of specialty stores in many sectors of retailing? **07**

OR

(A) Describe the Pros & Cons of a smaller retailer’s pursuit of a niche strategy. **07**

(B) What are the advantages & disadvantages of a retailer’s switching from bricks-only to a bricks-and-clicks (multi-channel) strategy? **07**
