UNIVERSITY
OF
JOHANNESBURG

FACULTY/COLLEGE	College of Business and Economics
SCHOOL	School of Consumer Intelligence and Information Systems
DEPARTMENT	Marketing
CAMPUS(ES)	APB
MODULE NAME	Retailing 3B
MODULE CODE	BRM33B3	RTL03B3
SEMESTER	TWO
ASSESSMENT OPPORTUNITY, MONTH AND YEAR	FINAL EXAM NOVEMBER 2019

ASSESSMENT DATE	09 NOVEMBER 2019	SESSION	08:30 – 10:30
ASSESSOR(S)	Ms R Matubatuba		
MODERATOR(S)	Ms Cynthia Bedwei-Majdoub		
DURATION	2 hours (120 min)	TOTAL MARKS	80

NUMBER OF PAGES OF QUESTION PAPER (Including cover page)	6

QUESTION PAPER
INFORMATION/INSTRUCTIONS:
_____
- This is a closed-book assessment.
- There are 6 questions. Read the questions carefully and answer only what is required.
- Number your answers clearly and correctly as per the question paper.
- Use headings and subheading - no marks allocated headings or subheading.
- Write neatly and legibly on both sides of the paper in the answer book, starting on the first page.
- Question paper must be handed in at the end of the assessment.
- Provide your details on all answer sheets **(question paper and answer book).**
_____

MODULE CODE: BRM33B3 | RTL03B3

ANSWER ALL THE FOLLOWING QUESTIONS

QUESTION 1   **[20 MARKS]**

1.1 As a retailer you are required to allocate space to products in your store. **In order of sequence, describe** the stages that you will have to go through in the space management process when allocating space to products.   [4]

1.2 Retailers are dependent on sales volumes to conduct space planning. The table below presents the sales for a pharmacy of 5000 square meters of selling space. You need to allocate the listed products space in square meters using the following guidelines.   [16]

i) 15% of space needs to be allocated to Medication products

ii) 10% of space needs to be allocated to toiletries

iii) The selling area includes 20m^2 for the till area

Category	Sales (Weekly)
Medication	R12 000
Toiletries	R9 700
Baby Care	R5 000
Appliances	R16 500
Organic Food	R9 800
Snacks	R4 800

                                                                 [20]

QUESTION 2   **[10 MARKS]**

2.1 Thabo orders 100 units of fabric softener per month for his store. He buys 50 X 375ml units at R15 each and sells them for R18 and 50 X 500ml units for R20 each and sells them for R24.

Calculate the monthly gross profit for each product item.   [6]

2.2 **Calculate** the markup percentage (%) for each product item.   [4]

                                                                  [10]

Name:_____   **Student Nr :**_____

QUESTION 3   **[20 MARKS]**

3.1 Markdowns may be used to clear seasonal stock and make room for the new season's stock. Foschini needs you to conduct an analysis to identify products that could be problematic.

Using the information below, **calculate** the total markdown values and percentage for the following styles of Jeans: Bootleg, Jeggings and High waist. The values provided indicate the markdown taken on each style of jeans in Rands, which is broken down into size and colour.   [9]

Style: Bootleg

	Size 8	Size 10	Size 12	Size 14	Size 16
Pink				10	10
Green	40	30	10	10	10
Red	40	40	20	20	10
Cream	20	15			10
Black	30	35	10		

Style: Jeggings

	Size 8	Size 10	Size 12	Size 14	Size 16
Pink	20	30	50	40	40
Green	80	30	60	80	40
Red	60	30	40	20	60
Cream	90	50	39	30	30
Black	30	60	30	50	30

Name:_____   **Student Nr :**_____

Style: High waist

	Size 8	Size 10	Size 12	Size 14	Size 16
Pink	80	90	80	90	80
Green	40	55	20	10	40
Red	40	40	10	20	10
Cream	40	30	10	80	90
Black	30	25	10		

3.2. Which style is the best seller?   [1]

3.3 Qualitative performance measures are used to evaluate a customer's perspective of the retailer's performance. Using Woolworths Food as an example, **evaluate and discuss** the retailer's performance using qualitative measures. **Provide an explanation for each measure**.   [10]

[20]

QUESTION 4   **[10 Marks]**

4.1 You are opening a new retail store and must make decisions regarding the types of materials to use. **Discuss** what this decision depends on in terms of:

4.1.1 Store traffic
4.1.2 Fashion
4.1.3 Environmental and safety concerns
4.1.4 Signage   [4]

4.2 **Describe six (6)** types of objectives that a retailer would be trying to achieve through product-specific promotional communication.   [6]

[10]

QUESTION 5 **[10 MARKS]**

5.1 The way products are displayed in the store will determine the choice of fixtures.
Describe the **five (5)** types of fixtures that you would find at a Pick n Pay Hypermarket
(which also sells clothing). [5]

5.2 Read the extract below and answer the questions that follow.

INTERACTIVE WINDOWS

*When the hustle of the busy shopping day has died down, retailers can provide more than passive
window shopping when the doors are closed and when the doors are open. Interactive windows can
be the start of a great shopping experience for customers.*
*In 2002, Levi's turned a shop window into a film scene showing footage of a male model dressed in
the latest Levi's collection, who beckons shoppers to come closer and then shouts "Hey look at me",
followed by an invitation to call a phone number that lists options to determine what he does next,
which includes an option for a female model to join him wearing the female collection.*
*Lunn Poly, John Lewis, and Marks & Spencer have used 'whispering windows' to grab shopper
attention. Lunn Poly, the travel agents, used music, spoken messages, 'sunshine' and aromas projected
at shoppers as they passed on the street to encourage holiday bookings in a promotional campaign.
Department store group John Lewis used a device to project sound from DVD players and high-end
plasma screens in its store window. The window is able to monitor the level of external street noise
and to set its sound output just above the ambient level. In 2012, John Lewis embedded QR codes into
their post-Christmas sale windows so that any customers walking by the closed store could be taken
directly to the online shop.*

Source: Retail Interiors (December 2019); Retail Bulletin (February 2002)

5.2.1 What **four (4)** roles does the Levi's window display play for the retail outlet? [4]

5.3 There are centralized and decentralized (local) approaches that can be considered in
visual merchandising. **Explain** why a retailer would use the decentralized/local approach.
[1]

[10]

QUESTION 6 **[10 MARKS]**

6.1 **Discuss** the key differences between the Efficient Consumer Response (ECR) system,
Quick Response (QR) system and Collaborative planning forecasting and replenishment
(CPFR). [6]

6.2 **Discuss** any **two (2)** advantages and **two (2)** disadvantages of vendor-managed inventory (VMI). [4]

[10]
TOTAL: [80]

END OF EXAM