



KING FAHD UNIVERSITY OF PETROLEUM & MINERALS
College of Industrial Management
Department of Management & Marketing



Second Semester 2007-2008 (072)
MKT 340-01&02: Retail Management

Major Examination 1

March, 2008

Time Allowed: 1 Hour

Name of Student:

Student's ID No.....

GENERAL INSTRUCTIONS: *The paper is divided into three sections (A, B and C). Participants are asked to attempt all questions in SECTIONS A and B for 10 Marks and select ONE question out of 2 for 10 Marks in SECTION C.*

SECTION A: *This section consists of multiple-choice questions. Attempt all questions for 5 marks*

1. Which of the following retail outlets in Saudi Arabia can be classified under departmental stores?

- a) Monsoon
- b) Debenhams
- c) Carrefour
- d) Axiom Telecom

2. _____ arises when a retailer performs some distribution and manufacturing activities such as operating warehouses or designing private label merchandise.

- a) Backward Integration
- b) Forward integration
- c) Vertical integration
- d) Horizontal integration

3. Azizia Panda Hypermarkets offer products in smaller quantities tailored to individual consumers' and households' consumption patterns. The act of doing this is called _____

- a) Discount
- b) Promotion
- c) Breaking Bulk
- d) Inventory Management

4. Which one of the following programs can Carrefour undertake to help achieve inventory reductions?

- a) Differentiate offerings
- b) Better Assortment Planning
- c) Targeting health conscious consumers
- d) Emphasizing fresh perishables

5. Which of the following term is used to describe a situation where a manufacturer sells directly to consumers, by passing retailers?

- a) Franchising
- b) Catalog Retailing
- c) Distribution
- d) Disintermediation

6. When Saudi consumers go shopping for pleasure, they are seeking to satisfy their _____ needs.
- a) Purchasing
 - b) Hedonic
 - c) Utilitarian
 - d) Conflicting
7. Each different item of merchandise in a Geant store is called a(n):
- a) consumer offering
 - b) store counted item (SCI)
 - c) stored and keyed unit (SKU)
 - d) stock keeping unit (SKU)
8. _____ is a set of firms that facilitate the movement of products from the point of production to the point of sale to the ultimate consumer.
- a) Store Channel
 - b) Distribution Channel
 - c) Internet Channel
 - d) Catalog Channel
9. One of the functions retailers undertake to increase the customer's perception of value is providing services. Which of the following would be an example of that activity?
- a) Clean restrooms
 - b) Having trained salespeople available to answer questions
 - c) Well-lit parking
 - d) All of the above
10. Which of the following stores concentrate on a limited number of complementary merchandise categories and provide a high level of service?
- a) Specialty store
 - b) Full-Line Discount Store
 - c) Drugstore
 - d) Convenience store.

SECTION B: This section consists of **True or False questions**. Attempt all questions for 5 marks

1. Departmental stores often resembles a collection of specialty stores
- a) True
 - b) False
2. Retailers are not responsible for developing innovative products and services
- a) True
 - b) False
3. Stocking a deep and broad assortment is appealing to customers but costly for retailers
- a) True
 - b) False
4. Limited assortment supermarkets are also called extreme value food retailers
- a) True
 - b) False

5. There are limited opportunities for retailers to grow their businesses by integrating the electronic channel into their operations and becoming multichannel retailers
- a) True
 - b) False
6. Multichannel retailers need not to project the same image to their customers across all channels.
- a) True
 - b) False
7. Pricing represents another difficult decision for a multichannel retailer.
- a) True
 - b) False
8. The buying process ends when a customer purchases a product
- a) True
 - b) False
9. Providing a multichannel offering builds "share of wallet"
- a) True
 - b) False
10. In direct selling, a pyramid scheme is where people serve as distributors, recruiting other people to become distributors in their network
- a) True
 - b) False

SECTION C: Essay Questions

Answer **ONE** (1) out of two (2) questions for 10 marks. Note that credit will be given for clarity of expression and orderly and logical presentation of relevant material.

1. The Mall of Dhahran branch of Geant Supermarkets Ltd has been losing sales for the past three months. Acting as a retail consultant, advise the store manager on five possible ways that he can use to stimulate customer need recognition.
2. Discuss any 5 possible benefits that the Internet channel can provide to both potential consumers and Saudi retailers with the intention to go online.



