

VPM's
DR VN BRIMS, Thane
Programme: MMS (2015-17)
Second Semester (Marketing) Examination April 2016

Subject	Retail Marketing		
Roll No.		Marks	60 Marks
Total No. of Questions	7	Duration	3 Hours
Total No. of printed pages		Date	25-04-2016

Note: Q1 is compulsory and solve any FOUR from the remaining SIX questions.

Q1) 20 Marks (Compulsory)

Zara went on to become the flagship brand of the holding company, Inditex, which was founded in 1979.

According to a survey conducted by Interbrand, Zara was the only Spanish brand to be featured in the list of 'The 100 Top Global Brands' in 2005. It was featured at the 77th position in the list that featured Coca-Cola, Microsoft, and IBM in the first three positions.

One of the secrets behind Zara's success was its ability to spot emerging trends and react quickly. Zara had a dedicated design team in Arteixo, A Coruña, in northern Spain. Ideas for new designs or for modifications to be made in existing designs mainly came from Zara's stores.

If a certain style or design suddenly become the rage, Zara reacts quickly, designs new styles, and gets them into stores while the trend is still peaking.

Store managers communicate customer feedback on what shoppers like, what they dislike, and what they're looking for. That data is instantly funneled back to Zara's designers who begin sketching on the spot.

This then translates to frequent shipments and higher numbers of customer visits to the stores, creating an environment of shortage and opportunity.

Each Zara outlet sends in two orders per week on specific days and timing. Trucks leave at specific times and shipments arrive in stores at specific times. Garments are already labeled and priced upon destination.

As a result of this clearly defined rhythm, every staff involved (from design to procurement, production, distribution, and retail) knows the timeline and how their activities pan out with respect to other functions. That certainly also extends to Zara customers, who know when to visit stores for fresh new garments.

Zara's strong distribution network enables the company to deliver goods to its European stores within 24 hours, and to its American and Asian outlets in less than 40 hours.

The unique supply chain management practices of Spanish garments retailer Zara, which enabled it to gain competitive advantage over other fashion retailers in the world. Zara's vertically integrated supply chain system enabled the company to place the latest designs in any store across the world within a period of two to three weeks. The company

produced garments as per the latest trends in a limited quantity. Zara introduced 12,000 designs every year, with new designs appearing in the stores globally, twice a week.

Questions:

Discuss importance of design, production and distribution processes in retail industry.
Evaluate how Zara was able to maintain exclusivity of its products through efficient supply chain management

Attempt Any FOUR from the Remaining SIX Questions

Q2) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Discuss different store layout patterns
- b) Write a note on Visual merchandising.
- c) Write a note on Omni channel retailing.

Q3) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Discuss emerging technological trends in retailing.
- b) Discuss advantages of Private labels to the retailers.
- c) What precautions retailers have to take for selecting store site.

Q4) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Write a note on ESOP's
- b) What are 7, R's of merchandising?
- c) Write importance of POS in retail communication.

Q5) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Write a note on Planograms.
- b) Discuss different players in Indian E-commerce industry.
- c) Write a note on different popular retailing formats all over the world.

Q6) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) How store atmospherics influence shopper behavior.
- b) Write a note on evolution of Indian Retail sector.
- c) Write a note on High end retail strategy.

Q7) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Discuss advantages of franchising.
- b) Write a note on Herfindahl- Herschman Index (HHI)
- c) Discuss significance of category management.