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Internal Assessment Test - II

Sub:	Sales and Retail Management						Code:		22MBAMM304
Date:	**17/04/2025**	Duration:	**90**	Max Marks:	**50**	Sem:	**III**	Branch:	**MBA**

SET- I

		Marks	OBE	
			CO	RBT
	Part A - Answer Any Two Full Questions (2* 20 = 40 marks)			
1 (a)	Explain the concept of multichannel retailing with examples. **Answer:** Multichannel retailing refers to the practice of using multiple channels to sell products to customers, including physical stores, e-commerce websites, mobile apps, social media platforms, and third-party marketplaces. **Examples:** Reliance Trends sells through physical stores, its website, and JioMart. Tata Cliq integrates mobile, online, and in-store pickup options.	[03]	CO6	L2
(b)	Analyze how FDI in retail affects small retailers in India. **Positive impacts:** • Brings investment and infrastructure development. • Creates job opportunities. • Introduces advanced supply chain technologies. **Negative impacts:** • Threat to small kirana stores due to price competition. • Market dominance by MNCs may disrupt local supply chains. • Shift in consumer preferences toward organized retail chains. **Analysis:** While FDI can modernize the retail landscape, it must be regulated to protect traditional Indian retail formats through policies like minimum sourcing from MSMEs and restrictions in multi-brand retail.	[07]	CO5	L4
(c)	Analyze the ethical issues faced by Indian retail chains. **Answer:** Common ethical issues: 1. **False advertising** – misleading discounts, fake pricing. 2. **Exploitation of labor** – poor working conditions, contractual exploitation. 3. **Sourcing from unethical suppliers** – child labor, unsustainable practices. 4. **Violation of consumer privacy** – misuse of customer data. 5. **Greenwashing** – pretending to be eco-friendly for brand image. **Example:** Some apparel retailers have been criticized for outsourcing to factories with poor labor practices. **Conclusion:** Indian retailers must adopt ethical sourcing, fair labor practices, and truthful marketing to maintain trust.	[10]	CO5	L4

2 (a)	Define store layout and mention any two types.	[03]	CO7	L2
	Answer: **Store layout** is the physical arrangement of fixtures, merchandise, aisles, and equipment in a retail store to maximize sales and enhance customer experience. **Two types:** 1. **Grid Layout** – used in supermarkets (e.g., Reliance smart). 2. **Free-flow Layout** – used in lifestyle/fashion stores (e.g., Lifestyle, Pantaloons).			
(b)	Apply the concept of location strategy for a new supermarket.	[07]	CO2	L3
	Answer: **Location Strategy Steps:** 1. **Market Analysis** – demographics, income level, footfall. 2. **Accessibility** – proximity to transport and residential areas. 3. **Competition** – avoid over-saturated zones. 4. **Cost of Rent/Lease** – balance affordability and visibility. 5. **Infrastructure** – parking, utilities, safety. **Application Example:** For a supermarket targeting middle-class families, locating near residential complexes or metro stations with high footfall in Tier 2 cities could be ideal.			
(c)	Analyze space allocation challenges in urban retail.	[10]	CO7	L4
	Answer: **Challenges:** • **Limited space** due to high real estate costs. • **Product overcrowding** reduces shopping comfort. • **Display constraints** hinder visual merchandising. • **Storage limitations** affect inventory availability. **Impact:** • Inefficient use of space can reduce customer retention and sales. • Higher rents require better space optimization techniques. **Solutions:** • Smart shelving, vertical displays, and digital kiosks. • Use of data analytics to identify high-performing zones.			
3 (a)	What are customer audits in retail? Mention any two uses.	[03]	CO6	L2
	Answer: Customer audit is a systematic process of collecting customer feedback on products, services, and store experience. Uses: 1. Identifies service gaps. 2. Helps in tailoring marketing strategies based on preferences.			
(b)	Apply relationship marketing to a loyalty program.	[07]	CO1	L3
	Answer: **Relationship Marketing:** Focuses on long-term customer engagement rather than one-time sales. **Application in Loyalty Program:** • Personalized offers via mobile apps. • Tiered rewards (e.g., Silver, Gold, Platinum). • Exclusive access to previews or member-only events. • Example: Shoppers Stop's First Citizen Club.			

(c)	Analyze motives behind internationalization of retailing. **Answer:** **Motives:** • **Market expansion** due to saturation in domestic markets. • **Brand diversification** and visibility. • **Economies of scale** in sourcing and production. • **Learning global best practices.** **Examples:** • IKEA entering India to tap into the urban middle-class market. • Zara's expansion in Asia for fast-fashion growth. **Conclusion:** Global retail expansion helps in long-term brand growth and revenue diversification but requires cultural and market adaptation.	[10]	CO6	L4
4	**Case Study: Tech Integration at AgroMart Logistics** AgroMart is a regional agri-supply chain company that connects farmers with wholesalers and retail markets. The company faced significant delays in delivery, wastage due to poor inventory tracking, and inconsistent communication between warehouse and transport teams. To address these issues, AgroMart introduced an IT-based logistics system that included: 1. IoT-enabled sensors to monitor temperature and humidity in storage 2. Inventory Management Software for real-time stock updates 3. Mobile App for Drivers to track delivery schedules and update status 4. Cloud-based Dashboard for centralized visibility and decision-making **After implementation:** 1. Perishable goods wastage reduced by 35% 2. On-time deliveries improved by 40% 3. Farmer-to-market lead time reduced from 5 days to 2 days **Questions:** a. Discuss how AgroMart used IT to overcome its supply chain challenges. **Answer:** AgroMart's IT-based interventions: 1. **IoT Sensors** – minimized wastage via monitoring of storage conditions. 2. **Inventory Software** – ensured real-time stock visibility. 3. **Driver App** – improved delivery adherence. 4. **Cloud Dashboard** – improved decision-making and communication. These innovations streamlined their supply chain, reducing delays and enhancing farmer-market efficiency. b. Evaluate the effectiveness of technology in AgroMart's logistics operations and suggest any two more IT tools that could enhance their supply chain further. **ffectiveness:** • **35% drop in wastage** signifies better quality control. • **40% improvement in on-time delivery** reflects operational efficiency. • **Lead time reduction** shows enhanced logistics coordination. **Suggestions for further improvement:**	[05] [05]	CO7 CO3	L3 L5

	1. **AI-based Demand Forecasting** – reduce overstock/understock issues. 2. **Blockchain for Traceability** – build trust with transparent tracking of produce.		