



**MURANG'A UNIVERSITY COLLEGE**  
(A Constituent College of Jomo Kenyatta University of Agriculture and Technology)

---

**SCHOOL OF BUSINESS AND ECONOMICS**

**DEPARTMENT OF COMMERCE**

**MAIN CAMPUS**

**SUPPLEMENTARY UNIVERSITY EXAMINATIONS**

**2015/2016 ACADEMIC YEAR**

**YEAR TWO SEMESTER TWO EXAMINATIONS**

**COURSE CODE: HPS 2208**

**COURSE TITLE: RETAIL AND MERCHANDISE MANAGEMENT**

**DATE:**

**TIME:**

---

**INSTRUCTIONS TO THE CANDIDATES**

THIS PAPER CONSIST OF FOUR QUESTIONS

Question one (1) is Compulsory

Answer Any Other Two (2) Questions

MRUC observes ZERO tolerance to examination irregularities

This paper consists of 2 printed pages. Please turn over. ⇒

### **QUESTION 1**

- a) Explain four characteristics of services in retail business. (8 marks)
- b) Environmental forces are an important aspect in retailers strategic plan. Using example explain how retail business are affected by different External forces in Kenya today. (12 marks)
- c) Explain the criteria used to evaluate or select target retail market segment. (10 marks)

### **QUESTION 2**

- (a) Explain four factors that influence/affect the buying decision of customers.(8 marks)
- (b) Describe the five advantages of strategic planning to retail business. (8 marks)
- (c) Explain 2 disadvantages of piece-rate payment systems in retail business. (4 marks)

### **QUESTION 3**

- (a) Explain five pricing strategies/techniques that can make a retailer increase sales. (10 marks)
- (b) Explain five methods of communication that a retailer can use to communicate with the customers. (10 marks)

### **QUESTION 4**

- (a) Explain five customers service characteristics that customers use to evaluate service quality of a retail outlet. (10 marks)
- (b) Explain any five advantages of online retailing (5 marks)
- (c) (i) Explain what you understand by corporate social responsibility (CSR). 2 marks)
- (ii) Highlight three disadvantages that accrue to retailer due to corporate social responsibility. (3 marks)