



MURANGA UNIVERSITY COLLEGE

(A constituent College of Jomo Kenyatta University of Agriculture & Technology)

MAIN CAMPUS

ORDINARY UNIVERSITY EXAMINATIONS

2014/2015 ACADEMIC YEAR

SECOND YEAR SECOND SEMESTER EXAMINATIONS

**FOR THE DEGREE
OF
BACHELOR OF PURCHASING SUPPLY MANAGEMENT**

COURSE CODE: HPS 2208

COURSE TITLE: RETAIL MERCHANDISE MANAGEMENT

DATE: Thursday, 23rd April 2015

TIME: 2:00p.m - 4:00p.m

INSTRUCTIONS TO CANDIDATES

Question ONE (1) is compulsory

Answer THREE (3) questions

MRUC observes ZERO tolerance to examination irregularities

This Paper Consists of 2 Printed Pages. Please Turn Over. ►

QUESTION ONE

- a) List any five factors considered when determining customer services to offer (5marks)
- b) List down three advantages and three disadvantages of a franchising (6marks)
- c) The success of any retail corporation depends largely on how well the retail manager understands the world of retailing. Explain any three core factors in the world of retailing. (9marks)
- d) Discuss any five factors used in assessing service characteristics. (10marks)

QUESTION TWO

- a) Stores design relates to the architectural characteristics or decorative styles of a retail outlet.
- i) Explain any five elements of exterior design. (5marks)
- ii) Highlight the issues to consider in setting out the internal design. (5marks)
- b) Retailers perform business activities that increase the value of product and services they sell to consumers. Discuss any four such activities (10marks)

QUESTION THREE

- a) Discuss the following opportunities used by retailers to develop sustainable competitive advantages
- i) Customers loyalty. (4marks)
- ii) Vendor Relations. (2 marks)
- b) a) Briefly describes each of the steps that a retailer goes through in the development of a strategic retail plan. (14marks)

QUESTION FOUR

- a) Explain the following growth strategies that retailers may pursue.
- i) Market penetration (5 marks)
- ii) Diversification. (6 marks)
- b) Discuss three types of purchasing decisions (9marks)