

PGDM (RM), 2017-19
Retail Concepts & Environment
Subject Code RM - 101

Trimester -I, End Term Examination: September 2017.

Time allowed: 2 Hrs 30 Min

Max Marks: 50

Roll No: _____

Instruction: Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as Unfair Means. In case of rough work please use Answer sheet.

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 Marks each	3*5 = 15
B	2 out of 3 (Long Questions)	10 Marks each	2*10 = 20
C	Compulsory Case Study	15 Marks	15
		Total Marks	50

Section A:

1. Based on behavior, what are the different ways in which shoppers can be segmented?
2. What are the basis of deciding on using a brick and/or click combination?
3. Why are retailers in the limited assortment supermarket and extreme value discount store sectors growing so rapidly?
4. What are different types of design that can be used in a store layout? Why are some stores more suited for a particular type of layout than others?
5. Do you think non store retailing will continue to grow faster than store-based retailing?
Explain your answer.

Section B:

1. Many experts believe that customer service is one of the retailing's most important issues. How can retailers that emphasize price (such as discount stores, category specialist, and off-price retailers) improve customer service without increasing costs, thus, prices?
2. A drug store is considering opening a new location at shopping center A, with hopes of capturing sales from a new neighborhood under construction. Two nearby shopping centers, B and C, will provide competition. Using the following information, define the probability that residents of new neighborhood will shop at shopping Centre A

Shopping Centre	Size (000'sq.feet)	Distance from new neighborhood(miles)
A	3,500	4
B	1,500	5
C	300	3

3. One of the fastest growing sectors of population is the over – 60 age group. But these consumers may have limitations in their vision, hearing and movement. How can retailers develop store designs with the older populations' needs in mind?

Section C:

Providing a Retail Experience: Build-A-Bear Workshop

Today's consumer wants good value, low prices, and convenience, but they also are attracted to a great shopping experience. Build- A – Bear Workshop, a chain with over 170 stores generating \$300 million in annual sales, is a teddy-bear-themed entertainment retailer whose stores are playgrounds for children.

The stores are exactly what the name says: Customers, or builders, choose an unstuffed animal and, working with the retailer's staff, move through eight "creation stations" to build their own bear. At the first station, the Stuffiteria, children can pick fluff from bins marked "Love," "Hugs and Kisses," "Friendship," and "Kindness." The stuffing is sent through a long, clear tube and into a stuffing machine. A sales associate holds the bear to a small tube while the builder pumps a foot peddle. In seconds, the bear takes its form. Before the stitching, builders must insert a heart. The builders follow the sales associates' instructions and rub the heart between their hands to make it warm. They then close their eyes, make a wish, and kiss the heart before putting it

inside the bear. After selecting a name and having it stitched on the bear, builders take their bears to the Fluff Me station, where they brush their bears on a “bathtub” that features spigots blowing air. Finally, they move to a computer station to create a birth certificate for their bear.

Bears are sent home in Club Condo boxes, which act as mini-houses complete with windows and doors. Besides adding value as playhouses, the boxes advertise Build-A-Bear to the child’s friends. “[You] could buy a bear any where” says Maxine Clark, founder and Chief Executive Bear. “It’s the experience that customers are looking for.” The experience is depicted on the retailer’s Web site, www.buildabear.com.

Customers pay about \$25 for the basic bear, but they can also buy sound, clothing, and accessories for their bear. To keep the experience fresh, Build-A-Bear regularly introduces new and limited-edition animals. Clothes and accessories are also updated to reflect current trends. There are also in-store birthday parties and an official CD. To make sure that customers have a great experience every time they visit, all sales associates attend a three-week training program at “Bear University,” and the firm offers incentive programs and bonuses. The inventory in the stores changes frequently, with different bear styles arriving weekly. Build-A-Bear stores also feature seasonal merchandise such as a King of the Grill bear for Father’s Day and a Sweet-heart bear for Valentine’s Day.

1. Is the Build-A-Bear concept a fad, or does it have staying power? (7)
2. What can Build-A-Bear do to generate repeat visits to the store? (8)