

PGDM(RM), 21-23
Category Management & Private Labels
RM-402
Trimester – IV, End-Term Examination: September 2022

Roll No: _____

Time allowed: 2 Hrs
Max Marks: 40

Instruction: Students are required to write Roll No on the cover page of the Answer Sheet. All other instructions on the question paper / Admit card should be followed meticulously.

Sections	No. of Questions to attempt	Marks	Total Marks
A	Minimum 4 questions with internal choices and all COs (Course Outcomes) covered in the Question Paper	4* 5	20
B	Compulsory Case Study	2*10	20
			40

SECTION A – (5 marks * 4 questions) = 20 Marks

Q1.(a). Take a mall which is more than 20 years old(Ansal Plaza, Greater Noida) and a mall which has been constructed 5 years back(MOI, Noida). Compare the category brands for both the mall in context of : (i) Hypermarket (b) Apparel (c) QSR (d) Fine dining (e) Multiplex . Briefly explain each point. (CO-2, 5x1 Marks)

Or

Q1.(b) With the increase of disposable income of people over a period of time there has been a shift of people's buying preferences towards various categories. Compare the shift in context of the category shift of a middle class family. (CO- 2, 5 marks)

Q2.(a) (i) Stock holding = 100 units, Sales = 40 units, Calculate the stock cover ?
(ii) Net sales units= 100, Stock quantity at the end = 30, Opening stock = 50
Calculate Sales through or Rate of sales(ROS) (CO-1, 5 marks)

Or

Q2.(b) Below are given the material style code for apparel brands Park Avenue and Zodiac men's shirt . Pl. detail out what each of the alphabet refers to.

(i) PA-A8MFFCHNCL(material style code):
(ii) ZO-S8MHCPLBDM(material style code) (CO-1, 2x2.5 marks)

Q3.(a) In the project done by you compare the price points and the % difference between various categories of national brands and the private labels. Take at least 5 different categories for comparison. (CO3, 5 marks)

Or

Q3.(b) In the data given in the table below for private label of FBB/BB comment on the following (i) Higher sales contribution of Buffalo over DJ&C in men's category(ii) Higher share of Shristi over DJ&C in ladies category (iii) Higher sales contribution of PNB over DJ&C in kids category . (CO-3, 2+1.5+1.5 marks)

Category	PL Brand Name	Products Caters	% Sale Contribution
Mens	Buffalo	Casual Wear-Medium Range	25%
	DJ&C	Casual Wear-Low Range	20%
	Spunk	Tees & Sports Wear	32%
	Shatranj	Ethnic	5%
Ladies	DJ&C	Western Wear	25%
	Shristi	Ethnic	31%
	Shyla	Nightwear,Innerwear	29%
	Spunk	Tees & Sports Wear	15%
Kids	PNB	Boys,Girl & Infant-0 to 8 Years	48%
	DJ&C	Boys,Girl- 9 to 16 Years	38%
	Buffalo	Boys- Medium Range	4%
	Shatranj	Boys Ethnic	2%
	Shristi	Girls Ethnic	3%

Q4.(a) Lack of review of category performance regularly leads to serious concerns for the store operations. State them. (CO-3, 5 marks)

Or

Q4.(b) Category pattern change view of National Brands at times is in contradiction to the retailer view . Give an example to illustrate the same. (CO-3, 5 marks)

SECTION B – CASE STUDY (20 Marks, min. 2 questions) (additional COs if any should be covered in the Case Study)

Shoppers are cutting back on clothing, forcing U.S. retailers to slash price ..

Urban Outfitters and Victoria's Secret said they are seeing brands tailored to younger audiences decline in sales. Victoria's Secret's PINK line, which targets teens and young

women, saw strained clothing sales in the second quarter compared to the company's Victoria brand of intimates and sleepwear.

Reuters, August 27, 2022, 15:50 IST

Inflation-weary shoppers are cutting back sharply on clothing purchases, prompting U.S. retailers to slash prices in order to clear inventory off the racks.



Earlier this month, executives at U.S. giants Walmart and Target were forced to offer deep discounts and rollbacks on clothing to clear shelves.

This week, Victoria's Secret, Urban Outfitters and Kohl's said in conference calls with analysts that shoppers are only buying certain types of garments. While the companies did not give specific product examples, this is the trend they are seeing: Shoppers are willing to open their wallets for a two-for-\$52 deal on bras at Victoria's Secret, but a \$52.95 pair of joggers at PINK may be just too much. All eyes are on Gap Inc, which reports quarterly results after the market closes on Thursday.

Urban Outfitters and Victoria's Secret said they are seeing brands tailored to younger audiences decline in sales. Victoria's Secret's PINK line, which targets teens and young women, saw strained clothing sales in the second quarter compared to the company's Victoria brand of intimates and sleepwear. "We will be very prudent on our purchases" of apparel "for the back half of the year," Victoria's Secret Chief Executive Martin Waters said during the company's earnings call Thursday.

Urban Outfitters's young, less affluent shoppers held off from purchasing full-priced items and waited "for promotions before buying," Urban's CEO Richard Hayne said on Tuesday. Kohl's said that junior's apparel saw a decline in sales in the second quarter because the designs were "too much fashion, not enough of the basics," although women's apparel outperformed other categories.

"Some of the fashion choices were a little too young, I would say. That's been course-corrected," Kohl's CEO Michelle Gass said on a Tuesday earnings call. "I'd say one of the things that has hurt us is with all (the) supply chain disruption that's happened, we were not able to get in and out of some of those items."

Walmart and Target dealt with similar problems. Both retailers struggled with offloading apparel merchandise that arrived a few seasons late, which they are trying to pare-down by

aggressively cutting prices. One bright spot, however, was trendy women's clothing, Target said last week, where it saw "meaningful growth."

Jessica Ramirez, senior research analyst at Jane Hali and Associates, said she has noticed heavy discounts on Gap and Old Navy labels, while the higher-end Banana Republic brand, which sells dressy, office-wear, has managed to sell more garments at regular prices.

Demand for dressy-looks and work-ready clothing was solid at Macy's and Kohl's, the companies said. Walmart and Target dealt with similar problems. Both retailers struggled with offloading apparel merchandise that arrived a few seasons late, which they are trying to pare-down by aggressively cutting prices. One bright spot, however, was trendy women's clothing, Target said last week, where it saw "meaningful growth."

At Kohl's, women's and men's "elevated casual" styles including dresses and clothes for the office outperformed as more people returned to work, it said. Kohl's has been investing in dressy styles from brands including Simply Vera, Lauren Conrad and Nine West, for customers who are working in office settings more often, though it also is planning clearance events to help move unwanted items off shelves.

Macy's CEO Jeffrey Gennette said on the company's earnings call on Tuesday that occasion-based clothing in men's and women's are "very healthy categories" with men's and "missy career" work clothing average selling price increasing 29% and 20%, respectively, compared to categories with heavy promotions due to excess inventory.

Q1. Urban Outfitters and Victoris's secret saw brand sales to young customers reduce significantly during the Covid times. Interpret why ? (CO-4, 10 marks)

Q2. In the case there has been a shift to basics clothing from trendy for certain companies while some companies defied trends. The supply chain disruption added to the woes. Critically coorelate and contrast. (CO-4, 2 x 5 marks)
