

PGDM (RM), Batch 2014-16
Buying & Merchandising
RM-503

Trimester – V, End-Term Examination: December 2015

Time allowed: 2Hrs.30 Mins

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.

Section-A

Marks 3X5

Answer any three questions. Each question carries equal marks

1. Explain the following:
 - (a) Shallow Assortment
 - (b) Micro Merchandising
2. What are the basis of negotiation with vendors of a leading departmental store?
3. What are the different measures of merchandising productivity? Explain any 2 in brief?
4. Write a short note on ABC analysis w.r.t. Merchandise Management?
5. Explain the following:
 - (a) Cumulative Markup
 - (b) Maintained Markup

Section-B

Marks 2X10

Answer any three questions. Each question carries equal marks

6. What are the four different inventory valuation process? Describe any 2.
7. Explain the following terms and their relevance in the Merchandising process.
 - (a) GMROI
 - (b) Operating profit
 - (c) Net sales
8. What is Model Stock Plan? Plan a MSP for the Men's section of a department store.

Merchandising Case Study

XYZ is one of India's oldest department stores, and has established as an iconic Indian Store since 1982. Financially, the store has had a bumpy ride over the past few years. The store sells a combination of Private labels & other domestic & international brands. The store works on different agreements with different brands, you work as a merchandiser with the women's formal wear department. Your LY sales contribution has been as below:

Brand Category	% Contribution
Private Labels	40%
Domestic Brands	35%
International Brands	25%

You need to send the order sheet for the next season for your domestic brands, you do an analysis for the same.

Brand	% Contribution in Sales
A	18%
B	26%
C	20%
D	22%
E	14%

Brand B is the best performing Brand, but profitability wise Brand E has shown the best results, Brand B & D reflect good top line sales, but for your store the other brands prove to be more profitable.

Make a space allocation plan for SS16 and mention the stock % required for each brands.

The store deals in decentralized merchandising and you are also required to prepare an OTB plan for the coming season. The stock turn for the company is 4. Make an OTB plan for the season as per the given data.

		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
A	Forecast Sales	2000	3000	2500	1500	1000	2000
B	Months Forward Cover						
C	Stock Required						
D	Opening Stock	2000					
E	Intake Requirement		0	0	0	0	0
F	On Order (given)	2000	1000	2000	0	500	500
G	OTB						
H	Closing Stock						