

URUMU DHANALAKSHMI COLLEGE

PG & RESEARCH DEPARTMENT OF COMMERCE

RETAIL MANAGEMENT - III B.COM-SEMESTER-V

PART A - 2 MARK QUESTIONS

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1. Define Retail.

Retail is the sale of goods to the public in relatively small quantities for use or consumption rather than for resale. Retail goods can be sold through stores, kiosks, or even by mail or the Internet.. Retail businesses can include grocery, drug, department and convenient stores. Service related businesses such as beauty salons and rental places are also considered retail businesses.

2. Who is a Retailer?

A retailer is a company that buys products from a manufacturer or wholesaler and sells them to end users or customers. In a sense, a retailer is an intermediary or middleman that customers use to get products from.

3. What is Retail Marketing?

Retail marketing is the process by which retailers promote awareness and interest of their goods and services in an effort to generate sales from their consumers. There are many different approaches and strategies retailers can use to market their goods and services.

4. What are different types of Retailers?

Types of Retail Outlets

- Department Stores. A department store is a set-up which offers wide range of products to the end-users under one roof.
- Discount Stores.
- Supermarket. .
- Warehouse Stores. .
- Speciality Stores.
- Malls.
- E Retailers.

5. List out the business processes of Retail business?

The main business processes of a retail shop:

- Assortment management.
- Warehousing.
- Provision of the process of choosing and merchandise payment in a salesroom.
- Financial management.
- Human resource management.
- Safety and security arrangements.
- Extra services provision.

6. What are the retail formats in India?

Types of Retail Formats in India

- Mom-and-pop Stores. These are small family-owned businesses, which sell a small collection of goods to the customers.
- Department stores. Department stores are general merchandisers.
- Category Killers. Specialty stores are called category killers.
- Malls.
- Discount Stores.
- Supermarkets.
- Street vendors.
- Hypermarkets.

7. Mention some major characteristics of Retailing?

Some of the major characteristics of retailing are:

- Direct interaction with the customers.
- Buying and selling of goods.
- Effective customer service for maximum satisfaction.
- Visibility with the help of effective online retail solutions.
- Place, time and possession utility for different products.

8. What are the functions of a Retailer?

- Buying: A retailer buys a wide variety of goods from different wholesalers after estimating customer demand.
- Storage: A retailer maintains a ready stock of goods and displays them in his shop.
- Selling
- Grading and Packing
- Risk-bearing
- Transportation
- Financing
- Sales promotion

9. What is Retail format classification?

Retail Formats can be classified into the following categories:

Store Based: Store based are retail organizations fixed at a particular place. Store based formats can be further classified into two formats based on the basis of Ownership or Merchandise offered.

Non Store Based Classification: Non Store retail organizations focus on establishing direct contact with the consumer.

10. What is the difference between wholesaler and retailer?

“Wholesale” means “selling in large quantities” and “retail” means “selling in small quantities.” In wholesale, the goods are mainly sold to the retailer who sells it to the customers. A wholesaler might also sell the products directly to the customers.

11. Why retail business is important?

Importance of Retail Industry:

Retail involves the selling of goods to customers. Consumers benefit from retailing as retailers perform marketing functions that makes it possible for customers to have access to a broad variety of products and services. Retailing also helps to create place, time and possession utilities.

12. What is Retail Management?

Retail management is a sub-discipline of the general field of management that deals with overseeing the distribution and selling of products directly to consumers, in specific vending points such as shops, chain stores, markets and malls.

13. What are the “Retailing Principles”?

- a) Clear definition of objectives and policies
- b) Duties and Responsibilities
- c) Unity of Command
- d) Supervision and Control
- e) Interest in Employees
- f) Monitoring of Human Resource
- g) Rule of Simplicity
- h) Responsibility and Authority
- i) Division of Labour

14. List out some reasons for retail growth in India.

Some of the factors responsible for the growth of organised retailing are as under:

- Growth of middle class consumers
- Increase in the number of working women
- Value for money
- Emerging rural market
- Entry of corporate sector
- Entry of foreign retailer
- Technological impact
- Rise in income.

15. What is meant by “Store location”?

A space lease for the selling of goods to consumers. When it comes to business, retailers have one overall goal: to sell merchandise. It is based on sales floor space, adequate parking for customers, and an overall image that draws in customers.

16. What is meant by “Store Layout”

Store layout is the design of a store's floor space and the placement of items within that store. Store layout helps influence a customer's behaviour, which means when done right; it's a key strategy to a store's prosperity.

17. What is Retail Store Design?

Retail store design is a branch of marketing and considered part of the overall brand of the store. Retail store design factors into window displays, furnishings, lighting, flooring, music and store layout to create a brand or specific appeal.

18. What is “Visual Merchandising” in a retail store?

Visual merchandising is the practice in the retail industry of developing floor plans and three-dimensional displays in order to maximize sales. The purpose of such visual merchandising is to attract, engage, and motivate the customer towards making a purchase.

19. What is inventory management in retailing?

Inventory management is the system of keeping tab on the goods available and sold, along with managing stock so that the retailer is never out of it. Inventory management is a complex and time consuming process and is usually the top priority for retail decision makers.

20. What is meant by “Material Handling”?

A material handling is the system developed and accepted for controlling the investments in inventory. The investment in material handling is normally soaring in most of the retail stores. Material handling is a broad concept which includes merchandise buying, retail positioning, selling and distribution.

21. List the principles of Material Handling.

- a) Planning Principle
- b) Operating Principle
- c) Equipment Principle
- d) Costing Principle

22. What is “Planning Principle of Material Handling”?

Efficient material handling is the result of efficient planning. Planning not only involves the strategic objectives of the organization but also the existing methods and problems, physical and economic constraints, and future requirements and goals. Therefore, retailers should plan a detailed layout which includes retail’s basic requirements, various alternates, and the emergency plans for all possible activities related to material handling and storage.

23. Difference between store and non-store retailing?

One major difference between store and non-store retailing is location. To do store retailing, it has to have a physical location, or a "brick and mortar" presence that a customer can physically go to. In non store retailing, there is no physical location for customers to pick up their good, and instead, they get them through automatic vending machines, television, video, Internet, direct selling, and direct marketing.