



**UNIVERSITY OF RUHUNA**  
**FACULTY OF MANAGEMENT AND FINANCE**

No of Pages : 03  
No of Questions : 06  
Total Marks : 70

**MKT 2251 – Sales and Retail Management**

BACHELOR OF BUSINESS ADMINISTRATION DEGREE LEVEL II

SECOND SEMESTER END EXAMINATION – MARCH/APRIL 2019

*Three Hours*

***Instructions***

- ➔ Answer all questions in part I and any one question in part II.

**Part I**

**Television Purchase Dilemma**

1) Mr. Thisara Perera, on his way to home after a busy day of his office work, walks into an electronics shop named 'Trendy Electronics Store' and looks for assistance to buy a television. He spots a couple of sales assistants by their uniforms, but they are deep in a conversation without paying any attention to him.

a) Briefly explain the possible actions that may be taken by Mr. Thisara in such type of situation.  
(04 Marks)

b) Assuming you faced this situation as a customer, explain your most probable action or actions with justification of your decision.  
(04 Marks)

c) Mr. Thisara becomes really disappointed and complains about his bad experience to the branch manager. Assume that you are the Branch Manager in this shop and what would be your approach to provide a solution to this problem?  
(06 Marks)

d) Categorize potential, expected and augmented level of retail services that could be provided by an electronics store.  
(06 Marks)

e) Explain how Branch Manager in the 'Trendy Electronics Store' can apply Retail Value Chain to please their customers.  
(06 Marks)

(Total Marks -26)

- 2) Select the suitable location type as indicated in the right column in the table for the following retail shops listed in the left column in the table.

You are required to justify the suitability of your selection in providing adequate facts and figures by evaluating the benefits of each location type and referring the retail business context in Sri Lanka.

Retail Shop	Location Type
Fuel Station	Central Business District
Fashionable Apparel Store	Secondary Business District
Supermarket	Shopping Centre
Mini Restaurant	String
Jewellery Store	Isolated

(4 x 5 = 20 Marks)

- 3) 'RASARNA' Bakers is a well-known brand in the Southern Province in Sri Lanka that produces Cake for parties, wedding and other ceremonies on the request of the customers. Mr. Rathnayake has started this business ten years ago with the support of his wife, Malkanthi. He is really proud of his business and states that he started this business with the experience where he had worked as a helper at a bakery. Both of his sons, Sisira and Isira who are twins sat for the Advanced Level examination in the commerce stream in 2018. They had gained good grades but were unable to be selected for the university education.

Then, Mr. Rathnayake addressed his sons and asked about their future plans, and he further insisted them that if they need to study further, he will invest for them to study in a private university. Since both of them preferred to engage in business rather than studying further, Mr. Rathnayake made a request to utilize their knowledge to expand the family business. Sisira proposed to expand the network by upgrading the business into the status of chain retailer and open branches of 'RASARNA' Bakers islandwide. However, Isira had a different idea and he did not want to join in the family business. He mentioned that he prefers to play as a franchisee of a well-reputed restaurant brand since there are plenty of franchising opportunities in USA.

a) Evaluate the proposal made by Sisira to upgrade the business into the status of Chain Retailer highlighting the advantages and disadvantages of Chain Retailers.

(06 Marks)

b) How do you appraise the idea of Isira to play as a Franchisee? Explain the competitive state of franchising with respect to pros and cons of the Franchisee.

(06 Marks)

c) What would be your choice, Chain Retailer or Franchise? Justify your decision.

(02 Marks)

(Total Marks 14)

## **Part II**

4) Critically evaluate the role of the retailer.

(10 Marks)

5) Explain the key elements of the retail strategy.

(10 Marks)

6) Discuss the emergence of non-store retailing.

(10 Marks)

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