

00666

M.A. IN FASHION RETAIL MANAGEMENT

Term-End Examination

December, 2011

MFM-039 : MERCHANDISING FOR RETAILERS

Time : 3 hours

Maximum Marks : 100

Note : All questions are compulsory.

SECTION - A

1. Define and explain *any four* of the following terms related to fashion buying. 4x5=20
Give the mathematical formulae for calculation of these terms wherever applicable.
 - (a) GMROI
 - (b) Inventory turnover
 - (c) OTB
 - (d) Model Stock
 - (e) Maintained Markup.

2. Define assortment plan. What are the factors that influence the assortment plan ? If you had to build the assortment plan for any of the below retailers on what basis will you build the assortment plan ? 20
 - (a) Johnson Watch Co.
 - (b) Tommy Jeans

3. Describe the tasks and responsibilities of a buyer. 20
Discuss in depth the process of developing sales forecasts for a season.

SECTION - B

Read the statements below and answer.

4. *True or false* : 1x6=6
- (a) The PLC of a fad is longer than that of a classic.
 - (b) Fab India and Anokhi are brands operated by the same organization.
 - (c) The markup percentage on retail is always greater than the markup percentage on cost given the same markup.
 - (d) Croma is a retail entity of TATA Ltd.
 - (e) Reach refers to the number of mediums you shall use in your promotional messages.
 - (f) Markup percent is less significant for a buyer than mark - up value.
5. Fill in the blanks. 1x4=4
- (a) The stock turnover rate is calculated by dividing _____ by _____.
 - (b) The parent company of the brand Satya Paul is _____.
 - (c) _____ is the selling price minus the cost of goods sold.
 - (d) Miscellaneous sources that can be considered in deciding purchases for next season can be _____.

6. As a buyer of the accessories department you have received the following information : 15
- Planned sales for balance of month 1.62 lakh
 - Planned markdowns for balance of month 4,000
 - Planned EOM stock 2 lakhs
 - Merchandise on order this month 64,000
 - Stock figure this date 2.14 lakhs
- (all figures are in INR)
- Determine the balance of the month OTB

7. With the information given calculate and compare the GMROI for the categories of your department store. 15
- (a) Find out which is a better performing category.
- (b) What is more important - a higher GMROI or a high stock turn ?

Category	Gross	Sales	Average Inventory (at cost)
Tops	Rs.2 lakhs	Rs. 15 lakhs	Rs.1.5 lakhs
Bottom	Rs.15 lakhs	Rs. 30 lakhs	Rs. 7.5 lakhs
Accessories	Rs. 50,000	Rs. 5 lakhs	Rs.20,000