



Name_____

Number_____

RETAILING EXAM

12/06/2012

Duration: 1h 00m

Write your answer in the space provided.

Good Luck!

SHORT ANSWER (4x1,5 = 6 points)

- 1) Private Labels have been increasing the tension between manufacturers and retailers. Describe two of the main factors responsible for that tension.

- 2) The buyer for mens shirts at *Fashion's here* retail chain has a price point of 20€ and requires a markup of 30 percent. What would be the highest price he should pay for a shirt to sell at this price point? (Show your calculation)

- 3) Anna, the store manager of an electronics retailer, has decided to stimulate the sales "printers & scanners" category since it is underperforming the market. Help her by advising about the sales promotions technique that would better fit her objective.

- 4) List two factors related to demographic changes that will impact the face of retailing during the next decade.



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BRIEF DISCUSSION (6x2 = 12 points)

Padaria Portuguesa – Exhibit 1 - is a recent neighborhood bakery chain. His founder was at Católica presenting what is already known as a case-study in the Portuguese retailing: innovative concept, break-even after 1,5 years and huge publicity and word-of-mouth. He claimed “we want to be the Starbucks of bread”. Currently the chain has 7 stores and a bread factory, with a total of 110 employees.

1) What do you think are the main techniques *Padaria Portuguesa* uses to improve its store image? Base your answer on Exhibit 1.

2) Which kind of marketing channel system does *Padaria Portuguesa* use in its supply chain? Point-out the most probable main reason for that choice.

3) Despite the quality of the products offered, *Padaria Portuguesa* has adopted a penetration pricing strategy. What do you think is the objective driving this strategy? Explain briefly.



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Hussel – Exhibit 2 - is a chain with 55 years of experience in confectionary, 250 stores in Europe and plenty of expertise and flair to develop trends by creating always new recipes and produce classic confectionary ideas. *Hussel* offers a wide variety of chocolates and sweets, in particular truffles, pralines, confectionery, biscuits, hard candies, chocolate bars and figures, chewy sweets and lollipops, among other things. 300 of those products are permanent and 200 are seasonal.

4) Identify the type of layout *Hussel* is using. Base your answer on Exhibit 2. Explain why that layout is appropriate to *Hussel* stores.

5) In Portugal, *Hussel* has 25 stores, mainly in shopping centers. Name the main advantage of this location type. What is the major disadvantage?

6) What are the pros and cons of *Hussel* carrying 500 products in its assortment?



ESSAY (2 points)

“To be successful companies need to pursue “omnichannel” retailing: an integration of digital and physical experiences.” Comment this sentence by very briefly explaining your vision about the topic, while considering the discussions had during the course.

Exhibit 1 – Padaria Portuguesa store



Storefront



Every store has an oven



Inside the store



Inside the store

Note: Sentences all over the store are Portuguese sayings related to bread. Meaning is not important for this question.

Exhibit 2 – Hussel store layout

