

**MERU UNIVERSITY OF SCIENCE AND TECHNOLOGY**

**P.O. Box 972-60200 – Meru-Kenya.**

**Tel: 020-2069349, 061-2309217. 064-30320 Cell phone: +254 712524293, +254 789151411**

**Fax: 064-30321**

**Website:** [**www.must.ac.ke**](http://www.must.ac.ke) **Email:** [**info@must.ac.ke**](mailto:info@must.ac.ke)

**University Examinations 2016/2017**

FIRST YEAR, SECOND SEMESTER EXAMINATION FOR DIPLOMA IN PURCHASING AND SUPPLIES MANAGEMENT

**BBD 2150 : RETAIL AND MERCHANDISE MANAGEMENT**

**DATE: DECEMBER, 2016 TIME: 1½ HOURS**



**INSTRUCTIONS:** *Answer question* ***one*** *and any other* ***two*** *questions.*

**QUESTION ONE (30 MARKS)**

1. Explain the role/benefits of retailing to the following;. (8 Marks)
2. Consumers
3. Wholesalers
4. Manufacturer’s
5. The economy
6. Discuss any five micro factors to retail environment. (10 Marks)
7. What factors should a retailer consider when deciding on the location of his business?

(10 Marks)

1. Distinguish between variety and assortment as used in retail. (2 Marks)

**QUESTION TWO (20 MARKS)**

Mr. Munene a young University graduate has received some financial support from the youth Enterprise Development Fund and he wants to start a retail business. You are required to give him a professional advice on the key factors that he should consider in his business choice and location. (20 Marks)

**QUESTION THREE (20 MARKS)**

1. What are the advantages and disadvantages of using secondary data in research.(10 Marks)
2. What are the general characteristics of a retail business? (10 Marks)

**QUESTION FOUR (20 MARKS)**

1. Outline the importance of market segmentation. (10 Marks)
2. Discuss the factors you would have to consider before you start exporting your products to foreign countries. (10 Marks)

**QUESTION FIVE (20 MARKS)**

1. Highlight some of the key instructions to follow in budgeting merchandise.(10 Marks)
2. Discuss the stages involved in the buying decision process. (10 Marks)