RJSMS Lecture Notes on Retail Management (IVth SEM)

1. Which of the following is a characteristic of debtor-creditor relationships:
   A. Designed to monitor accounts  
   C. Intended to increase competition 
   B. Controlled by industry standards  
   D. Regulated by various laws 
2. Which of the following is a benefit of the business-format franchise arrangement:
   A. Strict operating hours 
   C. Limited number of vendors  
   B. Reduced risk of failure 
   D. Uniform store appearance 
3. The total number of members in a channel is called
   A. channel length. 
   C. distribution pattern. 
   B. distribution intensity. 
   D. channel width 
4. For which of the following markets would producers use a short channel of distribution:
   A. Baby boomers  
   C. Local consumers  
   B. Generation X 
   D. Senior citizens 
5. Channel members' sharing inventory and order-processing information through databases and computer systems is an example of the use of technology in
   A. pricing. 
   C. distribution. 
   B. planning. 
   D. promotion. 
6. It is important for the JBH Company to advise all of its channel members about a sales promotion that it plans to hold next month so the
   A. risk of inventory stock-outs is eliminated. 
   C. company can avoid inventory shrinkage. 
   B. transporters can hire more order takers. 
   D. products are available to meet the demand. 
7. One reason a channel of distribution that has strong leadership is often able to avoid conflict within the channel is because the leader has the
   A. ability to provide training. 
   C. authority to demand cooperation. 
   B. personality to develop friendships. 
   D. capacity to regulate change. 
8. In a weekly staff meeting, Morgan presents a set of new procedures that she believes will improve the department's productivity levels. Jacob disagrees with Morgan's approach and provides an alternative for improvement. Although Morgan agrees with a couple of Jacob's points, she still thinks her plan will be better for the company in the long run. How can Morgan effectively defend her idea for improvement?
   A. Tell Jacob that most of his ideas are weak and restate her suggestions 
   B. Present supporting research for her suggestions in an unbiased way. 
   C. Request that the group meet again, so she has time to come up with new ideas. 
   D. Ask the other members of the group for their input and ideas 
9. Employees should answer the telephone in a businesslike manner in order to
   A. be a candidate for a promotion. 
   C. handle a lot of calls at one time. 
   B. reflect the importance of the job. 
   D. project the image of the business. 
10. Before organizing an oral presentation, the presenter should
    A. gather information from a variety of sources. 
    B. determine the size of the audience. 
    C. determine the purpose or nature of the message. 
    D. prepare appropriate visual aids.
11. Which of the following is a reason why it is important for businesses to have effective staff communication:
   A. To promote social interaction  
   C. To develop business contacts  
   B. To encourage personal relationships  
   D. To help employees do a good job

12. When customers complain, what is the general rule that business personnel follow in order to assure that customers receive fair and consistent treatment?
   A. Customer complaint plan  
   C. Customer service plan  
   B. Store procedure  
   D. Store policy

13. What does a chain of auto-parts stores need to develop to eliminate the possibility of individual stores running out of products?
   A. Effective order fulfillment system  
   C. Regional warehousing network  
   B. Private delivery service  
   D. Automated packaging procedure

14. The routine stock-handling process after merchandise has arrived at the shipping dock involves
   A. checking it against the shipping bill, marking it with a selling price, and transferring it to the sales area.  
   B. moving it to the sales area where it is checked to ensure that the UPC code is on each item.  
   C. pricing it according to the instructions on the bill of lading and securing it until it is purchased.  
   D. storing it in the receiving area and moving it to the sales floor as it is needed by sales personnel.

15. Stock of items that need to be available to salespeople quickly would most often be kept in
   A. forward stock.  
   C. a warehouse.  
   B. reserve stock.  
   D. a distribution center.

16. What is one reason why many businesses use warehouses?
   A. To conserve resources  
   C. To coordinate shipments  
   B. To order products  
   D. To follow regulations

17. Having the ability to monitor the sales performance of each department is one reason why large home improvement stores monitor the
   A. employee training process.  
   C. proposed merchandise plan.  
   B. merchandise classification system.  
   D. domestic buying procedure.

18. For the long-term success of the business, Stacey's Steamers has decided to add a self-serve laundromat. Which of the following describes the business activity Stacey's Steamers is likely involved in:
   A. Organizing itself for meeting its objectives  
   B. Establishing a system for retrieving information  
   C. Promoting its new service to potential customers  
   D. Determining what will put it in reach of its goals

19. Laws that prohibit the sale of unsafe products are examples of factors that
   A. limit economic freedom.  
   C. increase production.  
   B. promote competition.  
   D. reduce inflation.

20. Purchasing insurance to cover business risks is an example of business risks' being handled through
   A. retention.  
   C. transfer.  
   B. avoidance.  
   D. prevention.

21. Increased consumer spending indicates that the economy is stable and growing because increased spending leads to an increase in
   A. unemployment levels.  
   C. demand for products.  
   B. interest rates.  
   D. scarcity of resources.

22. A worker who completes a transaction in which money changes hands but no receipts are kept and the income is not reported to the government is participating in
A. double counting. C. accuracy in counting. B. the underground economy. D. an uncounted production.

23. Which of the following would not change when expanding a domestic retail chain overseas:
   A. Store web site C. Company president B. Merchandise selection D. Marketing strategy

24. When a group reaches consensus, it means that all of the members agree but they usually
   A. do not have equal power. C. do not vote. B. follow the leader. D. accept majority rule.

25. Juan Rodriguez signed a promissory note for a loan. In this credit arrangement, Juan is the

26. When an item is purchased, money is exchanged for the right to
   A. file a claim. C. own the item. B. use credit. D. pay for the item.

27. When preparing a personal income tax form, parents report some of their childcare expenses to receive

28. Which of the following is a way that businesses can use financial information:
   A. To create an economic system C. To conduct focus groups B. To select selling strategies D. To identify trends

29. Jamie is an accountant at a furniture store. As soon as customers pay cash for their purchases, he records the sales in the accounting books but not if they charge their purchases. What type of accounting method is Jamie using?
   A. Systematic C. Accrual B. Cash D. Automatic

30. What is a business's gross profit if its profit-and-loss (income) statement lists $875,250 in revenue, $341,500 in cost of goods sold, $263,000 in operating expenses, and $46,500 in advertising?
   A. $612,250 C. $270,750 B. $487,250 D. $533,750

31. Marketers use data to determine pricing strategies such as
   A. what products to offer. C. how much of the product to create. B. how much to spend on advertising. D. when to offer a discount on the product.

32. Which of the following would be the marketing information most likely to be gathered and analyzed by a marketing-information management system:
   A. Historical data C. Consumer trends B. Unchanging events D. Employee absences

33. One way that technology has enhanced a business's ability to administer telephone surveys in a timeefficient manner is by making it possible to use

34. Holding a focus group is one way for a business to collect _________ marketing-research data.
   A. primary C. complementary B. secondary D. statistical

35. Which of the following questions would be answered through a situation analysis:
   A. Why is our business's market share dropping? B. How can we reach our target market more effectively? C. Which new product has more potential? D. What do we already know about this problem or opportunity?

36. What do businesses create to help answer the research problem?
   A. Objectives C. Procedures B. Strategies D. Activities
37. What type of rating scale involves asking respondents to select one of a limited number of options listed on a questionnaire?
   A. Paired comparison C. Percentage B. Constant-sum D. Itemized

38. Which of the following is demographic information that businesses might monitor when making marketing decisions:
   A. Traits C. Income B. Opinions D. Values

39. Orson, a researcher, is asking a customer a series of questions during a scheduled meeting. Orson is using the __________ method to collect marketing data.
   A. contact C. observation B. relational D. interview

40. When processing survey results, a marketing researcher may decide to discard the questionnaires that contain errors if the number of
   A. unsatisfactory responses is more than 25 percent. B. satisfactory responses is low. C. satisfactory responses is more than 40 percent. D. unsatisfactory responses is low.