

26/3/12

T.Y.BMS

Prelims Exam (VI Semester)

Sub: Retail Management

Time: 2 Hours

Marks: 60

Note: 1) Section I is compulsory

2) Attempt any 3 questions from Section II

3) Figures to the right indicate full marks

**Section I**

Q1 . Explain briefly:

(15)

- a) Multichannel retailing
- b) Store design
- c) Category
- d) Responsibilities of a store manager
- e) Grid layout

Q 2. Case study

(15)

The potatoes are from Punjab, the processing is done by specialist that works for McDonald's and Goli Vada Pav turns them into the Mumbai snack that was hot long before burgers came to India. All this at 50,000 vada pavs a day, standardized to the last gram. At the heart is the kitchen, where the potatoes are turned into par-fried patties and then frozen before being fed through cold chain to 65 outlets in the state.

"We are perhaps the only Indian fast food chain that operates in a totally handsfree set-up", says S. Venkatesh, Co-founder and CEO Goli vada pav

But isn't Indian fast food all about being 'made by the hand'? Yucks, grimaces Shivdas Menon, the Malayali Co-founder who is the Chief Financial Officer." Over 65% of vada pav consumers today are under 40 and they are extremely hygiene conscious. Also, imagine the problem of having 65 kitchens across the state! says Menon.

Its not they did not try: Goli Vada Pav began as a single store in 2004 after Venkatesh , a Tamil Brahmin , and Menon quit their regular jobs and teamed up.they were churning out a few hundred pavs the traditional way. But they faced huge wastage, pilferage and quality issues. Then they tied up with Vista, Mc Donald's global partners, for getting standardized raw materials.

" Today , all our vada pav varieties have a shelf life of 9 months in a packaged state and can be shipped anywhere in the world," he says. At the Goli outlet, the vada pav is deep fried for the customer.

" We have an annual turnover of roughly Rs. 10 crore now and we hope to double this in three years," says Venkatesh. Their range is priced between Rs. 8 and-Rs. 20 . Scaling up is not an issue since the machine that IIT engineers designed for them makes 1,00,000 pavs in less than 4 hours.

" As of now we see no need for outside funding, though we have offers from both venture capitalists (VCs) as well as some very large corporate houses", says Menon.

**Answer the following questions:**

- A) State the competitive advantage of Goli vada pav with the local vada pav sellers.
- B) What are the challenges faced by franchisees in India?
- C) Do you think Mumbaikars are accepting the concept of branded vada pav?

#### Section II

Q 3.Describe the role of franchisor and franchisee. What are the reasons for success of franchising in India? (10)

Q 4. Define retailing. What are the drivers of growth of retail in the country. (10)

Q5. What makes location decisions in retailing, strategic in nature? Discuss with suitable examples the factors necessary to consider before selecting final site for any store. (10)

Q 6)Elaborate the importance of merchandise planning in merchandise management (10)