

**CHUKA**



**UNIVERSITY**

**UNIVERSITY EXAMINATIONS**

**EXAMINATION FOR THE AWARD OF  
DIPLOMA IN PROCUREMENT AND LOGISTICS MANAGEMENT**

**DPLM 0112: RETAIL AND MERCHANDISE MANAGEMENT**

**STREAMS: BED (ARTS)**

**TIME: 2 HOURS**

**DAY/DATE: MONDAY 10/12/2018**

**2.30 PM – 4.30 PM**

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**INSTRUCTIONS: Answer Question One (Compulsory) and any other Two Questions**

**Question One**

- (a) Enumerate the contribution of retail sector to the Kenyan economy. [5 marks]
- (b) State and explain the main factors affecting evaluation and selection of a distribution channel for retail businesses. [10 marks]
- (c) Examine the main types of retail organizations commonly found in Kenya today. [10 marks]
- (d) Highlight the main types of market research necessary for establishment and growth of retail business. [5 marks]

**Question Two**

- (a) Discuss the main stages involved in making a buying decision. [12 marks]
- (b) State and explain four elements of marketing mix commonly applied in retail business management today. [8 marks]

**Question Three**

- (a) Retailers provide a range of services to the consumers to facilitate smooth buying experience. Discuss them [10 marks]
- (b) Economic order quantity (EOQ) is one of the techniques used to manage inventory in retail business. Explain its assumption which may lead to inaccurate stock levels. [10 marks]

**Question Four**

- (a) Enumerate the main steps involved in merchandise management planning. [12 marks]
  - (b) Highlight the challenges experienced by retailers in Kenya today and suggest how they can be addressed. [8 marks]
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