BERJAYA BUSINESS SCHOOL

FINAL EXAMINATION

Student ID (in Figures)   :

Student ID (in Words)   :

Course Code & Name   :   **RTL2113 Retail Location Analysis**
Trimester & Year   :   January – April 2019
Lecturer/Examiner   :   Elizabeth Tan Ai Gaik
Duration   :   3 Hours

INSTRUCTIONS TO CANDIDATES

1.   **This question paper consists of 2 parts:**
     PART A (20 marks)   :   TWENTY (20) Multiple Choice Questions, Answers are to be written in the Multiple Choice Answer Sheet provided.
     PART B (80 marks)   :   FOUR (4) structured questions. Answers are to be written in the Answer Booklets provided.
2.   **Candidates are not allowed to bring any unauthorised materials except writing equipment into the Examination Hall. Calculators are allowed but electronic dictionaries are strictly prohibited.**
3.   **This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.**
4.   **Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.**

WARNING: The University Examination Board (UEB) of BERJAYA University College regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from BERJAYA University College.

Total Number of pages = 6 (Including the cover page)

PART A : **MULTIPLE CHOICE QUESTIONS (20 MARKS)**

INSTRUCTION(S) **:** There are **TWENTY (20)** multiple choice questions. Answer **ALL** questions in the Multiple Choice Answer Sheet provided.

END OF PART A

PART B : **SHORT ANSWER QUESTIONS (80 MARKS)**

INSTRUCTION(S) : There are **FOUR (4)** structured questions. Answer ALL questions in the Answer Booklet provided.

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1. a) Briefly discuss the following retail locations:
    i. Business Districts / Central Shopping Districts (CBD)
    ii. Shopping Centres / Malls
    iii. Free Standing Locations

    (12 marks)

    b) When retailers improve their space utilization it can lead to significant growth in operating performance of their business. Identify the **FOUR (4)** types of floor space available for retailers.

    (4 marks)

    c) Give an example of a good store layout and explain why.

    (4 marks)

    (Total 20 marks)

2. Retail Location Theory : Saturation Theory

    A group of investors is planning to open a card and gift store in either City A or City B.
    The size of the store is projected to be 1,450 square feet.
    · This group of investors has the following information on the targeted areas: amount spent Annually per household spend at card and gift stores: City A = RM$110   City B = RM$100
    · Total number of households: City A = 35,000   City B = 42,000
    · Existing square footage of retail space for cards/gifts:

    City A = 15,000 sq feet City B = 22,200 sq feet
    · combining the projected new store with existing square footages:

    City A = 16,450   City B = 23,650
    Using the Index of Retail Saturation (IRS) determine which city they should open the new store.
    Use this formula: IRS = (H × RE) ÷ RF

    (10 marks)

3. a) A trading area is an area from which a retailer gets customers for the merchandise he is selling. Accurate trade area analysis, help identify the key issues that impact a store's performance. Discuss **FOUR (4)** factors to consider in evaluating retail trading areas

    (20 marks)

    b) Each trading area may be studied under **THREE (3)** zones. Briefly explain how an understanding of these zones can help target marketing reaching out to customers and prospects.

    (10 marks)

    (Total 30 marks)

4. a) When selecting a store site, retailers may consider owning the property. Discuss **THREE (3)** advantages and disadvantages of owning the store property.

(12 marks)

b) When property ownership is not feasible, leasing may be a suitable option. What is the advantage of leasing a property?

(2 marks)

c) Briefly explain **THREE (3)** types of shop leases that retailers can opt for.

(6 marks)

(Total 20 marks)

END OF EXAM PAPER