

The Open University of Sri Lanka  
Faculty of Engineering Technology  
Department of Textile and Apparel Technology



Study Programme	: Bachelor of Industrial Studies Honours
Name of the Examination	: Final Examination
Course Code and Title	: <b>TAM4445 Apparel Merchandising</b>
Academic Year	: 2020/2021
Date	: 22 <sup>nd</sup> February 2022
Time	: 0930-1230hrs
Duration	: 03 hours

#### General Instructions

1. Read all instructions carefully before answering the questions.
2. This question paper consists of **Eight (08)** questions in four (04) pages.
3. Write down your Index Number in all the pages of answer scripts.
4. Answer the question one (Q1), which is compulsory and five (05) more questions from Q2 to Q8. Question one (Q1) carries 25 marks and questions two (Q2) to eight (Q8) carry fifteen (15) marks each.
5. Answers to each question should commence on a new page. If a question has many parts, all the parts should be answered in the chronological order under the same question.
6. Write down the answered question numbers in the answer book.
7. Answers should be in clear hand writing.
8. Do not use red colour pens to write the answers.

Compulsory Question

(Q1)

- a. Distinguish between the terms "Speciality store" and "Department store".  
(02 marks)
- b. Define the term "Procurement" in relation to apparel merchandising. (02 marks)
- c. State any three (03) external factors, that can influence the pricing decision of a product.  
(03 marks)
- d. Distinguish the concepts "High involvement purchases" and "Low involvement purchases" with regard to consumer decision on buying. (02 marks)
- e. State the main difference between "Direct costing" and "Absorption costing".  
(02 marks)
- f. What do the following abbreviations in relation to freight charges stand for?  
(04 marks)
  - i. DDP cost
  - ii. CIF cost
  - iii. CMP cost
  - iv. CMT cost
- g. Name any three (03) factors, that would consider when selecting fabrics for a new design. (03 marks)
- h. What are the three (03) traditional methods, which can be used for budgeting promotion expenses? (03 marks)
- i. State four (04) objectives of purchasing with reference to garment merchandising.  
(04 marks)

Answer any five (05) questions from the following seven (07) questions

(Q2)

- a. Briefly discuss any five (05) skills required to become a successful merchandiser.  
(05 marks)
- b. "Fashion merchandising though has many similarities with merchandising of other products, it has number of factors that are unique to itself". With suitable examples, explain uniqueness of fashion merchandising. (10 marks)

(Q3)

- a. Giving examples, briefly discuss the below given advertising methods. (06 marks)
- i. Pioneering advertising
  - ii. Competitive advertising
  - iii. Reminder advertising
- b. Discuss the specific promotional strategies, which can be used to promote seasonal fashion wear merchandise. (09 marks)

(Q4)

- a. Briefly discuss the importance of having "Trade laws and quota systems" in apparel business. (04 marks)
- b. Briefly discuss any three (03) trade laws in relation to the Sri Lankan apparel industry. (06 marks)
- c. Giving five (05) examples, discuss the challenges of present Sri Lankan Apparel industry. (05 marks)

(Q5)

- a. As a t-shirt manufacturer, you are going to introduce a new fashionable t-shirt product to the market. Briefly explain why penetrative pricing is important when launching your product. (05 marks)
- b. The "Psychological pricing strategy" is one of the most widely accepted methods used in retailing operations. Giving examples, discuss any five (05) types of psychological pricing. (10 marks)

(Q6)

- a. Differentiate the terms "Diffusion" and "Adaption" in relation to product development. (02 marks)
- b. Briefly discuss any six (06) factors, which influence the diffusion rate. (06 marks)
- c. "Opinion leaders play a very significant and decisive role in making consumer purchase decisions". Justify the given statement with suitable examples. (07 marks)

(Q7)

Write a comprehensive note on "External and internal factors which influence the consumer demand for fashion garments in Sri Lanka". (15 marks)

(Q8)

Write short notes on following in relation to apparel merchandising.

- a. Central buying (03 marks)
- b. Tactical promotion (03 marks)
- c. Entrepreneurial buying (03 marks)
- d. Pre-costing (03 marks)
- e. Sponsorship marketing (03 marks)