

**THE OPEN UNIVERSITY OF SRI LANKA**

**BACHELOR OF INDUSTRIAL STUDIES.**

**FINAL EXAMINATION - 2012/2013**

**TTM 5240 – APPAREL MERCHANDISING**

**DURATION – THREE HOURS**



**DATE: 30.07.2013**

**TIME: 13.30 – 16.30**

Please write your Registration number on the dotted line given below:

Reg. No.: .....

Answer Question one (01) which is compulsory and additional four (04) questions; Question 1, carries forty (40) marks and question 2 to 7 carry fifteen (15) marks each. Total Number of pages = 5

**PART I**

- Q.1. (i)** Briefly explain what do you understand by the term 'Merchandising' in relation to garment merchandise? **(04 Marks)**

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- (ii)** State the three important levels of sale that fashion merchandising can take place?

**(03 Marks)**

- (a).....
- (b).....
- (c).....

(iii) Fashion merchandising is unique when compared with merchandising of other products? List those unique features of fashion merchandise? (05 Marks)

- (a) .....
- (b) .....
- (c) .....
- (a) .....
- (b) .....

(iv) List the various types of promotional tools that are used by manufacturers and merchandisers to promote their products? (04 Marks)

- (a) .....
- (b) .....
- (c) .....
- (d) .....

(v) Write down the stages involved in the process of Product Development? (05 Marks)

- (a) .....
- (b) .....
- (c) .....
- (d) .....
- (e) .....

(vi) What are the external factors influencing consumer demand? (05 Marks)

- (a) .....
- (b) .....
- (c) .....
- (d) .....
- (e) .....

(v) What do you understand by the term 'Visual Merchandising'? (06 Marks)

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(vi) Briefly explain the attributes and skills required for a merchandiser? (06 Marks)

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(vii) What are the two main categories of advertising? (02 Marks)

- (a) \_\_\_\_\_
- (b) \_\_\_\_\_

## PART II

**Answer only Four (04) questions from part II**

**Each question carries fifteen (15) marks.**

2. (i) What do you understand by the term 'consumer behavior?  
 (ii) List the psychological factors affecting the consumer behavior?  
 (iii) Using a flow chart explain briefly the various stages of consumer decision making process? (15 marks)
  
3. (i) Briefly explain the external and internal factors that influence Pricing decisions?  
 (ii) Explain the Pricing strategies a manufacturer can use in the marketing of merchandise?  
 (iii) Briefly explain the steps used in establishing the price of a garment? (15 marks)
  
4. (i) What is the aim of advertising?  
 (ii) Discuss the advantages and disadvantages of buying accessories from the local market?  
 (iii) Explain the difference between publicity and personal selling? (15 marks)
  
5. (i) Briefly explain the factors influencing product development?  
 (ii) "Fabric is an important ingredient of fashion" prove the statement giving evidence?  
 (iii) Name the special considerations that must be kept in mind while purchase orders of accessories are raised? (15 marks)

6. A ladies jeans manufacturer sells jeans for Rs. 1000 each. The Company has variable costs of Rs. 300 per jean for manufacturing and variable expenses of Rs. 100 per jean for other activities. The fixed cost of the company is Rs. 100,000 and capacity per period is 1000 jeans.
- How many the manufacturer should sell to reach the Break Even point?
  - Calculate the Break even point in Sales (Rupees) if variable cost per jean increases by 30%?
  - Draw a graph showing the fixed cost, total revenue and total cost and denote the break even point on the graph. **(15 marks)**

7 Write short notes on the following?

- Store planning and design
- Fashion shows
- Maslow's Need theory **(15 Marks)**