THE OPEN UNIVERSITY OF SRI LANKA
FACULTY OF MANAGEMENT STUDIES

BMSHONS IN MARKETING MANAGEMENT

MMU4402 – MARKETING OPERATIONS
CONTINUOUS ASSESSMENT TEST – 2024 / 2025
DURATION – TWO (02) HOURS

The Open University of Sri Lanka
30 AUG 2025
Ampara Study Centre

073

DATE:30th August 2025 *TIME: 9.30 A.M. – 11.30 A. M.*

INSTRUCTIONS:

- **Answer Question 01 and Any Other Two (02) questions.**
- **All questions carry equal marks.**
- **Start each question on a new page.**
- **Can use nonprogrammable calculator**

01. Read the Case Scenario given below and answer the questions.

Shoi is a small-scale home-based bakery that began its operations in 2020 during the COVID-19 pandemic. It gained popularity for its freshly baked cakes, pastries, and snacks. Customers initially placed orders via phone, Facebook and Instagram, and WhatsApp. Shoi expanded its business by opening outlets in Colombo, making it more accessible to customers. By 2023 it opened its fifth outlet. However, the shift from a digital home-based model to physical outlets has brought new challenges to Shoi. Operating costs of the business have increased due to rent payments, hiring staff for each outlet, and expenses for equipment, utilities, and packaging. At the same time, managing consistency in product quality and competing with established other bakery chains has become difficult.

a) Explain the Shoi's competitive strategy by extracting the examples from the given case scenario. (10 Marks)

b) Do you agree with Shoi bakery's decision to open physical outlets? Justify your answer. (10 Marks)

c) The following table shows the demand for Carrot Cake, one of the signature products of Shoi, at their Colombo outlet.

Month	1	2	3	4	5	6	7	8	9	10
Orders	270	210	240	270	210	300	300	150	300	300

i) Calculate the 3-month simple moving average (SMA-3) forecasts for Months 4–10. Provide the Month 11 forecast. (10 Marks)

ii) Calculate a weighted moving average (WMA) with weights 0.5, 0.3, 0.2 (most recent has weight 0.5). Provide the Month 11 forecast. (10 Marks)

iii) Recommend which method Shoi should use for Cake production planning in 11th month. Explain the Reasons. (10 Marks)

(Total 50 Marks)

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2. a) Explain the concepts "economies of scale and diseconomies of scale" with suitable examples. (10 Marks)

b) "Failure to manage the capacity to cater to the actual and potential demand of the company will lead to missed opportunities to make profits and future growth". Explain this statement with a suitable example. (15 Marks)

(25 Marks)

3. a) Explain two supplier relationship processes. (10 Marks)

b) Explain, with a suitable example, how effective supplier relations management can reduce costs and increase customer service for a manufacturing company. (15 Marks)

(25 Marks)

4. Explain, by selecting a suitable organization, how the triple bottom line (TBL) framework can be used to develop a sustainable supply chain. **(25 Marks)**

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