

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

085



Study Programme : Bachelor of Industrial Studies Honours
Name of the Examination : Final Examination
Course Code and Title : TAM4445 Apparel Merchandising
Academic Year : 2022/2023
Date : 09th February 2024
Time : 1400-1700hrs
Duration : Three (03) hours

1. Read all instructions carefully before answering the questions.
2. This question paper consists of **Eight (8)** questions in **Four (4)** 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) Differentiate "Specialty store" and "Department store" in relation to merchandising. (04 marks)
- (b) Differentiate "Entrepreneurial buying" and "Resident buying" in relation to fashion marketing. (06 marks)
- (c) State any five (05) elements that are used for visual merchandising. (05 marks)
- (d) State any five (05) reasons, why the break-even point is important in the decision-making process of any business. (05 marks)
- (e) State five (05) advantages of using "Window displays" in apparel marketing. (05 marks)

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

- (Q2) (a) With four (04) suitable examples, briefly explain the importance of the role of merchandisers in the garment manufacturing industry. (08 mark)
- (b) "Stocking correct merchandise is very important to achieve positive selling in fashion garment industry". Provide reasons, justify the given statement. (07 marks)
- (Q3) (a) "Social classes can influence the clothing purchasing behavior of consumers". Briefly discuss, to what extent this statement applies to apparel buying behavior in Sri Lankan context. (07 marks)
- (b) Briefly discuss how green fashion concept influence the product development process in apparel manufacturing. Formulate your answer with four (04) suitable examples. (08 marks)

- (Q4) (a) Briefly discuss why "Testing of fabrics and ingredient" is so important for children's wear. (07 marks)
- (b) With suitable examples, briefly discuss any four (04) objectives of purchasing with reference to garments. (08 marks)
- (Q5) (a) State any two (02) examples for each of fixed and variable costs, relevant to a manufacturing industry. (04 marks)
- (b) A garment factory wishes to produce a ladies T-shirt to be priced at Rs. 450.00. The average variable cost per garment is Rs. 225.00 while the total fixed costs to be recovered are Rs. 400,000.00 per year. Calculate the breakeven volume per year. (05 marks)
- (c) ABC apparel manufacturing organization has rental and other fixed costs amounting to Rs. 840,000 per annum. The retailer purchases 10,000 items of stock for resale at Rs. 260.00 per item. The retailer pays Rs. 380,000 per annum as fixed salaries. Calculate the minimum price that must be charged by the retailer to cover costs assuming that all the garments can be sold. (06 marks)
- (Q6) (a) Briefly discuss what do you understand by "Cost Benefit Analysis (CBA)" in relation to fashion promotion. (06 marks)
- (b) Briefly explain the three (03) traditional methods by which the promoting expenses are budgeted. (09 marks)
- (Q7) (a) Briefly discuss four (04) external factors that can influence the consumer demand. (08 marks)
- (b) Discuss the role played by "Silhouette" in fashion garment industry. (07 marks)

(Q8) Write short notes on following in relation to apparel merchandising.

(a) Different methods of psychological pricing in retailing operations. (05 marks)

(b) Obsolescence factor in fashion merchandising. (05 marks)

(c) General Agreement on Tariffs and Trade (GATT). (05 marks)