THE OPEN UNIVERSITY OF SRI LANKA
FACULTY OF MANAGEMENT STUDIES

BMSHONS IN MARKETING MANAGEMENT

MMU5303 MODERN TRADE
FINAL EXAMINATION – 2024 / 2025
DURATION – THREE (03) HOURS

DATE: 23rd November 2025 ***TIME: 01.30 pm – 4.30 pm***

INSTRUCTIONS:

- **Answer Question One (01) and any other Two (02) questions.**
- **Question 01 carries 50 marks and all other questions carry equal marks.**

01.Read the case given below and answer the questions.

Enhancing the customer shopping experience via omnichannel presence.

Eliyona is one of the most sought-after kitchen appliances retail companies in Sri Lanka. Recently, it underwent a major shift in its business model via strong omnichannel presence by integrating its website, mobile app, e-commerce platforms, social media pages, and physical outlets. This integration enabled a more convenient and flexible shopping experience for customers by ensuring smarter and more consistent product displays across all channels, offering a wide range of satisfying product choices and providing faster home delivery. For example, through its in-store digital assistant, which can be opened on a mobile phone, a customer is offered personalized recommendations based on browsing the history of purchase patterns, product preferences, and engagement activities. This data driven approach enables Eliyona to tailor offers to different customer segments, ensuring that each interaction feels personalized and relevant. Further, the digital assistant of the company designed with features such as shopping list and offer discovery, digital wallet, with the expectation of upbringing both online and store shopping experience of customers to the next level. Moreover, the self-checkouts in the physical store enable customers to save time while visual voice search for online customers also enhances their shopping experience.

Further, its omnichannel model strategically leverages digital marketing to expand its market share through a value-added pricing approach. Instead of offering frequent discounts to the customers, Eliyona sticks to enhancing customer value by offering free installation, extended warranties, post-purchase support, product exchange options, and customized service packages that strengthen customer loyalty and satisfaction. Further, it adopts promotions like "Buy Today, Pay Within 3 Days" and "Black Friday Deals" and "Give Old Get New One". It communicates its value-added approach and short-term discounts through all the channels that strengthen customer loyalty and long-term relationships with Eliyona.

a) Describe how Eliyona's omnichannel strategy contributed to improving and enriching the overall customer experience. (20 Marks)

b) Explain how does omnichannel model of Eliyona retail strategically leverage digital marketing to expand its market share through a value-added pricing approach. (10 Marks)

c) "Retail is a lifestyle industry". Explain this statement using relevant examples from Eliyona's case. (20 Marks)

(Total 50 Marks)

2. a) Explain Three (03) key pillars of modern trade with appropriate examples. (15 Marks)

b) Using suitable examples, differentiate "shopper needs" and "shopping needs".

(10 Marks)

(25 Marks)

3. a) Using the examples from supermarkets in Sri Lanka, discuss the concept of loyalty ladder.

(15 Marks)

b) "Loyal customers possess a strong affinity towards a brand, willingly pay more for its products or services, and become brand advocates". Explain. (10 Marks)

(25 Marks)

4. The Marketing Director of YoT Company stated in a newspaper interview that demand for the company's private-label clothing brand "YES" is currently increasing among the young consumers under 30 who are just beginning their careers.

a) Discuss the benefits that a retail company can gain by introducing a private- label brand.

(15 Marks)

b) Using your knowledge of private labeling strategy, explain three (03) reasons for the increase in demand for private label brands among the young consumers (10 Marks)

(25 Marks)

5. Explain three (03) key trends in modern trade by providing suitable examples to illustrate each trend. **(25 Marks)**

(Total 100 Marks)

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