

One Year Diploma, Retail Examination 2014  
Model Answer

Subject:- Principles of Retail and  
Business Communication  
Sets (I) / (II)

Paper Code:- 408101

Q.1

Q.No.	Answer.
(i)	a
(ii)	c
(iii)	a
(iv)	d
(v)	b
(vi)	c
(vii)	b
(viii)	d
(ix)	a
(x)	c

One Year Diploma, Retail Examination 2014  
Model Answer

Subject:-

Paper Code:- 408101

Sets (I) / (II)

Q. 2. (i) Concept of Retailing :

Retailing is a set of business activities that adds value to the products and services sold to consumers. Consumers mainly buy goods and services for their personal use and family use. The word retail means to cut a ~~large~~ piece in smaller units. Since consumers buy goods in smaller units so the term is used for consumer purchases.

Retailing involves a direct interaction with consumers and seller or retailers get a feedback on the performance of their products. Consumers also reveal their expectations about the goods and services offered at the retail outlet.

Name of Setter: -

Designation:-

Address:-

Signature of Setter

One Year Diploma, Retail Examination 2014  
Model Answer

Subject:-

Paper Code:- 408101

Sets (I) / (II)

2 (ii) Functions of retailing:-

The following functions are performed by a retailing unit. The following are the broad categories:-

- (i). Transactional: This involves buying, selling and risk taking.
- (ii). Logistical: This means assorting, storing and sorting of consignments.
- (iii). Facilitating: This involves grading, displaying and providing information.

The specific functions performed by a retailer are:-

- (1) Breaking the bulk: Goods are manufactured in bulk quantities & packed in bulk. Consumers ~~are~~ generally purchase in smaller units.
- (2) Holding stock and risk taking: A retail store has to keep adequate inventory of merchandise so that it is available to customers whenever it is demanded.
- (3) Creating place and time utility: Place utility means <sup>bridging</sup> the distance between manufacturing to the place of consumption. ~~is bridged~~. Similarly the time utility.

Name of Setter: -

Designation:-

Address:-

Signature of Setter

One Year Diploma, Retail Examination 2014  
Model Answer

Subject:-

Paper Code:- 408101

Sets (I) / (II)

Q. 3 (2) Communication:- communication is defined as a process of exchanging information among concerned people or group of people. so, it involves transmission and reception of messages. Under communication information, ideas, thoughts feelings and emotions are communicated through speech, signals, writings and behaviour. In this process a sender encodes a message and using a medium sends it to the receiver who decodes the message and after processing information the message can be sent to appropriate ~~people~~ persons. There are two types of communication verbal and non verbal.

Name of Setter: -

Designation:-

Address:-

Signature of Setter

(4) Assortment of product and services :- Buyers needs variety of goods. ~~At~~ Most of these goods should be available in one place to reduce the cost of movements & energy and money spent on transportation. A Retail stores function is to store most of the goods that a consumer requires.

(5) Related services :- The function of a retail is to provide related services in terms of information wrapping of the products, after sale services, parking facilities etc.

Subject:-

Paper Code:- 408101

Sets (I) / (II)

2. (iii) Opportunities available in modern retail business:

Most of the economies in the world are experiencing fast-growth in retail ~~industry~~ <sup>sector</sup>. The growth of retail ~~under~~ sector is making retailers a powerful intermediary in the marketing channel. It is bridging the gap between manufacturing and consuming.

(a) In retail business there are many opportunities for business houses. For example in India big business houses such as Reliance, Tatas, Birlas are entering into this business of retail.

(b) Similarly retail offers great career opportunities for young people. Retail offers a variety of career path such as store management, sales promotion, personnel management, distribution management, finance etc.

points (a) & (b) can be further elaborated.

Name of Setter: -

Designation:-

Address:-

Signature of Setter

One Year Diploma, Retail Examination 2014  
Model Answer

Subject:-

Paper Code:- 408101

Sets (I) / (II)

3. (ii) The fundamentals of communication are : These are known as seven C's of communication.

(a) communication should be correct .

(b) " " Courteous

(c) " " clear .

(d) " " Concise

(e) " " concrete

(f) " " complete

(g) " " considerate .

By following these fundamentals of communication communication between senders and receivers becomes effective and result oriented .

Name of Setter: -

Designation:-

Address:-

Signature of Setter

One Year Diploma, Retail Examination: 2014  
Model Answer

Paper Code:- 408101

Sets (I) / (II)

3 (ii) barriers to effective business communication:  
There are various factors that affect communication and acts as barriers to effective business communication.

(a) Environmental factors: Environmental factors include noise and physical obstacles like distance and lack of proper instruments of communication.

(b) Attitudinal factors: Attitudinal factors such as fear of upsetting others, fear of rejection, fear of being ridiculed etc acts as barrier to effective business communication.

(c) Time factor: Some business informations are time sensitive and shouldn't be delayed. Time pressure affect the ability to communicate and acts as a barrier.

~~(d) Too much information overlo~~

(d) Too-much information: Too much of informations acts as a barrier to effective communication as it results in confusion and misinterpretation.

Name of Setter: -

Designation:-

Address:-

Signature of Setter



One Year Diploma, Retail Examination 2014  
Model Answer

Subject:-

Paper Code:- 40810)

Sets (I) / (II)

Group. B.

Q. 4 . Scenario of retail industry in a growing economy :-

Retail industry is the largest private industry in the world. This industry contributes approximately ~~80%~~ 10% of the GDP (Gross Domestic Products) in developing countries. Retail industry has a large ~~potentiality~~ possibility of employment. For example provides a large opportunity of employment. For example India has 12 million (1.2 crore) people engaged in retail. However ~~to~~ most of them are small neighbourhood retailers. They fall under the category of unorganised retail business. The organised retail business is also growing very fast in developing countries like India, Malaysia, Indonesia, Thailand, Taiwan, South Korea, China etc. These developing countries are witnessing a growing organised retail business. Malls, supermarkets, discount stores, departmental stores, hypermarkets etc. are coming being set up in almost all cities of developing countries particularly in metro cities. There is a

Name of Setter: -

Designation:-

Address:-

Signature of Setter

One Year Diploma Retail Examination 2014  
Model Answer

Subject:-

Paper Code:- 408101

Sets (I) / (II)

Q. 5

Communication process and essential characteristics of good communication:

The communication process comprises the following parts:

- (a) the senders
- (b) the encoding
- (c) the message
- (d) the channel
- (e) ~~decoding~~ the receiver
- (f) the decoding
- (g) the feedback

All the above points are to be elaborated.

Essential characteristics of a good communication:

- (a) communication goal
- (b) Appropriate language
- (c) emphatic communication
- (d) credibility
- (e) use of simple pictures and signals.

Name of Setter: -

Designation:-

Address:-

Signature of Setter

strong trend in favour of organised retail format where people can buy food as well as non-food goods in a one-stop-shop. Customers are ~~looking~~ ~~and~~ preferring for ambience and convenience in shopping. Peoples income are rising and their demands for quick, efficient and self-serve system of shopping are increasing. Similarly, the

~~the~~ The improvement in technology and expanding computer technology etc are helping the retail business to expand.

There are many big global players in organised retail industry such as Wal-mart, Carrefour, etc. They are establishing their retail units in developing countries.