

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA-SEMESTER-III-EXAMINATION-SUMMER-2025

Subject Code: 4539291

Date: 12/06/2025

Subject Name: Retailing and Franchising

Time: 02:30 PM TO 05:30 PM

Total Marks: 70

Instructions:

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.
4. Use of simple calculators and non-programmable scientific calculators are permitted.

| | Marks |
|---|--------------|
| Q1. Explain the below-mentioned concepts : | 14 |
| a. Electronic retailing | |
| b. Habitual decision making | |
| c. Impulse buying | |
| d. Specialty store | |
| e. Discount store | |
| f. Mom and Pop store | |
| g. Growth strategies for a retailer | |
| Q2 (a) What is the meaning of multichannel and omnichannel retailing? Why are they important when it comes to consumer durable goods? Support your answer with rational arguments. | 07 |
| Q2 (b) Outline the merchandise management process | 07 |
| OR | |
| Q2 (b) Elaborate on the different types of store location | 07 |
| Q3 (a) Analyse the role of RFID in retail industry. | 07 |
| Q3 (b) Choose the appropriate different Visual Merchandising and Atmospheric for an upscale restaurant and a fast-food chain? | 07 |
| Q3 (a) Analyse the concepts of store management. | 07 |
| Q3 (b) Choose an appropriate lay out for a boutique selling specialised garments. Explain your choice. | 07 |
| Q4 (a) Analyse the basic premise of category management? | 07 |
| Q4 (b) Explain the concept of private labels with respect to the Indian retail scenario. | 07 |

OR

- Q4 (a)** What are the obligations of franchisor and franchisee **07**
Q4 (b) What is franchising? Explain the main types of franchising with proper examples. **07**

Q5 Read the case and answer the questions given below.

Case Study

HIDESIGN:

Founded in 1978 as a two-person artisan workshop, Hidesign is now a global company. Hidesign's commitment to craftsmanship, technical innovation and rebellion against uniformity and mass production has made it the 'brand of choice' for a loyal following of customers throughout the world. Hidesign is driven by the passion of a multi-cultural design-oriented team. It first started selling in small alternative shops in London and San Francisco and quickly expanded into adventurous department stores in London, California and Australia. Today, Hidesign is available at department stores at over 50 Hidesign stores across the world.

Hidesign started as a small workshop in the late 1970s. Gradually the business expanded with the company winning a number of export contracts. Although initially, the firm experienced hiccups in developed markets like, the UK and the US. But its good quality, distinctive designs, and aggressive marketing strategy helped it succeed in carving out a niche for itself. It went in for marketing tie-ups with distributors and high fashion retail chains. Later, it entered into joint ventures and sold its products through franchised outlets in several overseas markets. In the 2000s, with business expanding, it started opening wholly-owned exclusive retail outlets in overseas markets. In 2000, Hidesign decided to exploit the growing Indian domestic market. It first opened wholly-owned exclusive retail outlets and then moved towards selling its products through organized retail chains to increase the volumes. Hidesign aimed to establish itself as a "luxury brand" across the world. The brand was

promoted worldwide in fashion magazines and trade journals. In 2006, Hidesign employed over 2,300 people in its tannery (place where leather is made), buckle factory, and leather goods manufacturing units. It sold a wide range of products including briefcases, work casuals, travel bags, handbags, computer bags, wheeled luggage, backpacks, and Accessories such as belts, jackets, and wallets, through 2,500 outlets in more than 18 countries. The name Hidesign was formed by merging the words "hide" and "design". And true

to its name, Hidesign went on to become a premier design house for leather goods, gaining acceptance even in the highly competitive western markets.

Hidesign products were priced high and were aimed at the mass luxury market. The target market consisted of people aged between 20 to 50 years, belonging to high income households, who travelled frequently, often internationally and insisted on high quality products. Hidesign brand products used only full grain leather. The leather was tanned using the vegetable tanning process. Sustaining excitement is the success of a luxury product and depends as much on its 'coolness factor' as on an appropriate distribution network.

Therefore, Hidesign put in a lot of effort into creating new products and a buzz around the brand. In November 2002, Hidesign launched Cathy — a range of high class trendy ladies' handbags, as part of its city range. These were designed for daily use and were priced at Rs. 895, making them quite affordable. With a wide range of color options like black, biscuit, tan, light blue, dark blue, red, etc. the range was targeted at young working women who might find it interesting to match the range of bags with their wardrobe.

Q5 (a) Recommend the possible layout of Hidesign stores **07**

Q5 (b) Analyse the existing merchandise mix at Hidesign stores. **07**

OR

Q5 (a) If you were the store manager of Hidesign, what other merchandise mix would you recommend to add in future? **07**

Q5 (b) Analyse the target market for Hidesign stores **07**
