



JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA
PGDM / PGDM (M) / PGDM (SM)
FIFTH TRIMESTER (Batch 2016-18)
MID TERM EXAMINATIONS, NOVEMBER 2017

Course Name	Retail Marketing	Course Code	MKT 508
Max. Time	1 hour	Max. Marks	20

Instructions: Answer the following questions.

Q1. High-Low pricing may not be the best strategy for Department stores. What are the pros and cons of High-low pricing? Discuss the factors effecting Retail pricing? 3+3=6 marks

Q2. What are the policies of Govt. of India for FDI in single and multi-brand retail? Is Foreign Direct Investment (FDI) in retail sector good for India? Support your reply with suitable examples? 3+3=6 marks

Q3. IKEA to open first India store in spring

Swedish home furnishing major IKEA is readying a staffing plan even as it goes about establishing an experiential centre ahead of opening its first store in the country at Hyderabad in the coming spring.

"It will be [in] spring next year," John Achillea, Managing Director of IKEA Telangana, said.

Patrik Antoni, deputy country manager, IKEA India, said that the firm was in India for the long haul, "a journey that will see the company, known for quality and design of its products, doubling the sourcing from the country, opening multiple stores and catering to customer tastes. "To gain better understanding of Indian customers' requirements, IKEA had deputed executives to visit about 1,000 households in multiple cities, including 200 in Hyderabad where a 4 lakh sq. ft. facility is taking shape.

The facility comprises a 100,000 sq. ft. warehouse to ensure immediate delivery of orders, a national contact centre and a 1,000-seater restaurant serving Swedish and Indian cuisines. Senior executives said the store would house hundreds of items unique to India.

Mr. Achillea said there were 66 employees now and by December, 400 more would come on board. Ikea plans to employ 800 at the store and 120 for the contact center. IKEA will also rope in for part-timers. The experiential center in Hyderabad, he added, will open in November.

To queries on other stores in the country, Mr. Antoni said in Bengaluru IKEA has got full access to the land for the project, while it expected the construction to begin on Mumbai store by December. Delhi NCR, Chennai, Pune, Ahmedabad, Surat and Kolkata are the other locations where setting up of stores are under consideration. On sourcing from India, he expressed confidence of the company meeting the 2022 target under which 30% of the volume sold ought to be made locally. It would also export more India, which at present is around Euro 325 million and comprises mainly textiles and metal products.

Source: Business India, August 29, 2017

What are the factors that Ikea should consider while choosing a location for their physical store? 8 marks