Learning Outcome Goal:
Students will demonstrate a broad knowledge of contemporary issues, theories and their applications in the retailing and consumer sciences in the context of academic work.

RCSC214 Test Questions

1) One of the most dramatic changes created by e-tailing is a shift in power between retailers and consumers. This shift in power is derived from:
   a. the lack of competition in e-tailing.
   b. the loss of control of pricing information by retailers due to the information dissemination capabilities of the Internet.
   c. the inability of Internet retailers to compete with more traditional bricks-and-mortar retailers.
   d. the ability of consumers to purchase from retailers in other countries as a result of the Internet.
   e. the decreased power of consumers when transacting and negotiating with retailers.

2) A convenience store that sells low-margin gasoline but makes its money selling higher-margin bread, milk, beer, cigarettes, magazines, lottery tickets, and fast food is an example of:
   a. cross-merchandising.
   b. product diversification.
   c. automatic merchandising.
   d. scrambled merchandising.
   e. piggybacking.

3) Site analysis begins by evaluating the:
   a. demand density, supply density, and average sales per square feet.
   b. type of neighbor, traffic flow, and demand density within a trading area.
   c. demand density, site availability, and type of neighbors within a trading area.
   d. traffic flow, land cost per square foot, and type of neighbor within the chosen market.
   e. density of demand and supply of various areas within the chosen market.

4) The consumer shopping/purchasing model presented in the text:
   a. usually begins with a buy trigger event.
   b. always begins with passive information gathering.
   c. suggests that consumer behavior is a process, with a series of stages occurring against a backdrop of factors.
   d. always begins with active information gathering.
   e. ends with the buying decision.

5) The ____ theory suggests that all firms seek superior financial performance in an ever-changing environment, and as a result, firms are forced to change the elements of their retail mix to match changing consumer preferences.
   a. resource-advantage
   b. wheel of retailing
   c. retail accordion
   d. retail life cycle
   e. monopolistic competitive

6) The wheel of retailing theory:
   a. describes the evolution of a retailer’s price and service strategies over time.
   b. explains why all retail formats must be updated at least once a decade.
   c. is another name for the retail life cycle.
   d. describes how retailers tailor their product offering to various economic segments.
   e. only relates to the evolution of automobile dealers.
7) According to Reilly, the _____ is the breaking point at which customers would be indifferent to shopping at either of two cities.
   a. point of inflection
   b. point of gravitational pull
   c. outshopping point
   d. point of indifference
   e. point of equal case

8) The three main sources of conflict between retailers and their suppliers are:
   a. goal incompatibility, perceptual incongruity, and domain disagreement.
   b. power, control, and interdependency.
   c. power, control, and domain disagreement.
   d. power, interdependency, and perceptual incongruity.
   e. perceptual incongruity, goal incompatibility, and interdependency.

9) The _____ is the geographic area where the retailer can serve customers, in terms of convenience and accessibility, better than the competition.
   a. primary trading area
   b. promotional area
   c. advertising range
   d. secondary trading area
   e. merchandise range