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UNIVERSITY OF PETROLEUM AND ENERGY STUDIES

End Semester Examination, April 2018

Program:	BBA RM	Semester –	VI
Subject (Course):	Location Strategies	Max. Marks	: 100
Course Code :	BBCR 183	Duration	: 3 Hrs
No. of page/s:	3		

Section A

Q1. Multiple Choice Questions (10x2=20 Marks)

(i). Your desire to run your own automobile company takes you to Detroit because it is advantageous to have....

- a. proximity to competitors.
- b. proximity to suppliers.
- c. proximity to markets.
- d. proximity to intangible costs.

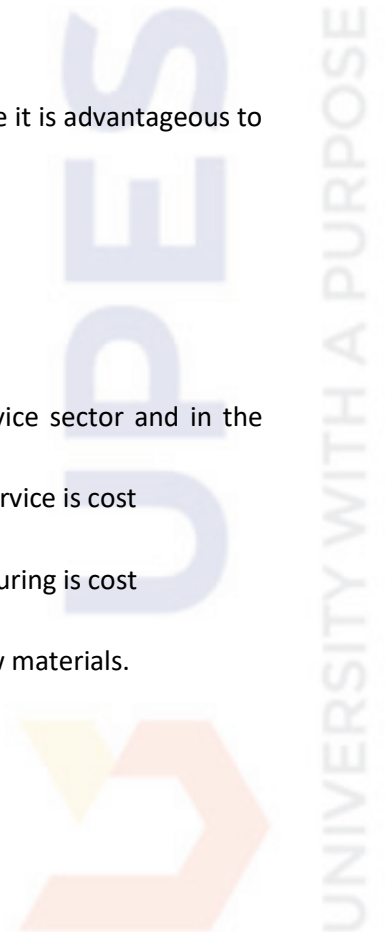
(ii). What is the major difference in focus between location decision in the service sector and in the manufacturing center?

- a. The focus in manufacturing is revenue maximization, while the focus in service is cost minimization.
- b. The focus in service is revenue maximization, while the focus in manufacturing is cost minimization.
- c. The focus in manufacturing is on labor, while the focus in service is on raw materials.
- d. There is no difference in focus.

(iii). Service/retail/professional location analysis typically has a

- a. cost focus
- b. revenue focus
- c. labor focus
- d. environmental focus

(iv). Industrial location analysis typically has a



- a. cost focus.
- b. revenue focus.
- c. environmental focus.
- d. labor focus.

(v). Which of the following is NOT a factor in the country location decision?

- a. location of markets
- b. labor availability
- c. zoning restrictions
- d. government rules

(vi). Which of the following is NOT a factor in the final site selection decision?

- a. site size
- b. cultural issues
- c. transportation systems
- d. environmental impact issues

(vii). Which of the following methods is a mathematical technique used for finding the best location for a single distribution point that services several stores or areas?

- a. center-of-gravity
- b. factor-rating
- c. transportation model
- d. locational break-even

(viii). The transportation method

- a. determines the best pattern of shipments from several points of supply to several points of demand.
- b. finds the location of a distribution center that minimizes distribution costs.
- c. performs a cost-volume analysis.
- d. uses both qualitative and quantitative factors.

(ix). A goods-producing location decision would stress the importance of

- a. utility and labor costs.
- b. appearance and image.
- c. parking and access.
- d. security and lighting.

(x). Which of the following methods best considers intangible costs related to a location decision?

- a. factor-rating method

- b. locational break-even analysis
- c. assignment method
- d. transportation method

Section B

Attempt any 4 Questions (out of 5) [4x5 = 20 Marks]

- Q2. What lines of retail trade do you believe will be most affected by the growth of retailing on the Internet? (5 Marks)
- Q3. What is Index of Retail Saturation? (5 Marks)
- Q4. What are various demographic factors for targeting the right location? (5 Marks)
- Q5. Write short note on Industrial Park. (5 Marks)
- Q6. How GIS is useful in identification of suitable location? (5 Marks)

Section C

Attempt any 2 Questions [out of 3] [2x15 = 30 Marks]

- Q7. Someone once said that if “you build a better mousetrap, they will come.” If this is true, why is it important for a retailer to select the correct site within a trading area? Explain your answer. (15 Marks)
- Q8. Explain the practical application of Regression Analysis by giving a suitable example. When should a company use this model for identifying a suitable location? (15 Marks)
- Q9. How are the location decisions for service operations and manufacturing operations similar, and how are they different? (15 Marks)

Section D

(Analytical Question)

Given below is the data for restaurants:

Market	A	B	C
Annual retail expenditures per household	\$789	\$875	\$943
Square feet of retail space	600,000	488,000	808,000
Number of households	121,000	102,000	157,000

- Q10. Based on this data compute the index of retail saturation for the all the three markets. Which market is most attractive? (20 Marks)
- Q11. What additional data would you find helpful in determining the attractiveness of the three markets? (10 Marks)