

Retail Management module 3

Short answers:

1. Demographics are the characteristics of a population, such as age, gender, income, education, occupation, and family status. These factors are important to retailers because they help to identify the target market for a particular product or service. For example, retailers might target young, single, urban professionals with disposable income for high-end fashion products.
2. Lifestyles refer to the way people live their lives, including their values, interests, hobbies, and activities. Retailers need to understand the lifestyles of their target market to create a brand image that resonates with their customers. For instance, a retailer selling outdoor gear might appeal to customers who are passionate about hiking, camping, and other outdoor activities.
3. Needs and desires are the motivations behind a consumer's purchase decision. Needs are basic requirements for survival, such as food, shelter, and clothing, while desires are things that consumers want, but do not necessarily need. Retailers must identify the needs and desires of their target market to offer products and services that fulfill those requirements.
4. Shopping attitudes and behavior refer to how consumers feel about shopping and how they behave while shopping. These factors can include factors such as impulse buying, bargain hunting, brand loyalty, and time constraints. Retailers need to understand the shopping attitudes and behavior of their target market to create a shopping experience that meets their needs.
5. Retailer actions refer to the strategies and tactics that retailers use to attract and retain customers. These actions can include product assortment, pricing, promotion, store design, and customer service. Retailers need to develop effective retailer actions that resonate with their target market.
6. Environmental factors refer to external factors that influence consumer behavior, such as economic conditions, technological advancements, social and cultural factors, and legal and regulatory factors. Retailers need to be aware of these factors and adapt their strategies and tactics accordingly to remain competitive.
7. The consumer decision process is a series of steps that consumers go through when making a purchase decision. It includes five stages: problem recognition, information search, evaluation of alternatives, purchase decision, and post-purchase evaluation. Retailers must understand the consumer decision process to develop effective marketing strategies that target consumers at each stage.
8. Avoiding retail strategies based on inadequate information is important because it can lead to wasted resources and missed opportunities. By gathering and analyzing accurate and comprehensive information, retailers can make informed decisions that maximize profitability and minimize risk.
9. Two decisions that retailers must make when building a retail system are store location and merchandise assortment. Store location involves choosing the right physical location for the store based on factors such as customer demographics, traffic patterns, and local competition. Merchandise assortment involves selecting the right mix of products and services to offer in the store based on customer needs and preferences.
10. The UPC and EDI are tools that companies use to gather information about product sales and inventory levels. The UPC (universal product code) is a barcode system that tracks individual products from the manufacturer to the retail store. EDI (electronic data interchange) is a computer-to-computer

exchange of business documents, such as purchase orders and invoices, between companies. These tools can provide companies with information on product sales, inventory levels, and consumer preferences.

11. Primary data is original data that is collected specifically for a research project, such as surveys or focus groups. Secondary data is data that has already been collected for other purposes, such as government reports or industry publications. Primary data is more expensive and time-consuming to collect, but it is more accurate and relevant to the specific research project. Secondary data is less expensive and more readily available, but it may be less accurate or relevant to the research question.

Long answers:

1. When evaluating the target marketing concepts of Aldi, Kroger, and Whole Foods, we can see similarities and differences among their strategies. Aldi targets budget-conscious consumers who are looking for value and offers a limited selection of private-label products to keep costs low. Kroger, on the other hand, uses a customer segmentation approach to target different consumer groups with personalized offers and promotions. Whole Foods targets health-conscious consumers who are willing to pay a premium for high-quality, organic products and emphasizes its commitment to sustainability and ethical sourcing. Despite these differences, all three retailers use data-driven approaches to segment their target markets and tailor their offerings to specific consumer needs. They also use a variety of marketing channels, such as social media and email campaigns, to engage with their target audiences and build brand loyalty.
2. Marketing analytics involves the use of data and statistical methods to analyze consumer behavior and evaluate the effectiveness of marketing campaigns. By tracking and analyzing consumer interactions with a company's website, social media pages, and other digital channels, retailers can gain insights into consumer preferences, behaviors, and buying patterns. Retailers can use marketing analytics to optimize their marketing campaigns by identifying the most effective channels and messaging strategies. They can also use this data to personalize their marketing efforts, offering targeted promotions and recommendations based on individual consumer preferences. In addition, marketing analytics can help retailers make informed decisions about inventory management and product assortment, by identifying which products are most popular with specific consumer segments. Overall, marketing analytics is an essential tool for retailers looking to stay competitive in today's data-driven marketplace.