Instructions:
Please read the following instructions carefully before attempting the assignment.

- Read the given scenario and then solve the assignment.
- This assignment consists of 15 questions carrying 2 marks each.
- **Due date** for assignment submission is **June 09, 2009**.
- Read the question statement carefully and select one most appropriate answer for each question.
- In the “Correct Option” column, write down only the option number (e.g. a, b, c, d) against each question number which you consider is the correct one.
- All instructions will be considered while marking. So, be careful while attempting the assignment.
- You must attempt the assignment in the following tabular format\shape in Excel file only:

<table>
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<th>Question no.</th>
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<td><strong>Total Marks</strong></td>
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- Make sure that you upload the solution in **EXCEL Format** only and according to above mentioned “Tabular Format”; otherwise the assignment will be marked as zero ‘0’.
- A link of the above answer sheet is also given on the announcement page of mg301, take it from there and solve your assignment by providing answer in the given column.
• Make sure that you upload your solution file on VULMS before the due date/time. No solution will be accepted through e-mail after the due date.
• If you have any problem with your VULMS or uploading, then you can send your assignment through e-mail within the time limit at mgt301@vu.edu.pk
• Assignment will only be accepted sent through your vu e-mail account but not from personal e-mail accounts (e.g. Yahoo, Hotmail, Gmail etc.)
• Cheating or copying of solution is strictly prohibited; no credit will be given to copied solution.
• Once you uploaded the assignment on VULMS, it will not be replaced in any case after due date.
Please read the following scenario carefully and answer the questions given at the end by selecting the most appropriate option. Each question carries 2 marks.

A few years back, Ayubia was only a small town with an amusement park, a shoe store, a small restaurant, and a grocery store. Now the small town has transformed into an international tourist attraction, attracting thousands of tourists who are inspired by the lifestyle of Ayubians.

Ali and Ahmad, having grown up within the Ayubians’ faith, decided to take advantage of their town’s popularity and their woodworking skills. Their shop “Stylish Wood” began with a small display of handmade hickory rocking chairs, Ali and Ahmad’s specialty. But within a few months, the display at Stylish Wood included picnic tables, flower boxes, and small handmade novelty items. No other shop offers the same.

Ali and Ahmad decorated the shop’s display room with authentic Ayubians décor and eventually hired three Ayubians friends to sew and embroider napkins and other textiles as per customer request. Ali and Ahmed are ready to assist in every phase of the locate-compare-select process. In addition, two women from the Ayubians community took permission from Ali and Ahmad to display home-cooked traditional food items on Saturday and Sunday, the town’s busiest tourist days, when Ayubia attracted group of visitors to its flea market on the south edge of town.

Ali and Ahmad stated, “Ayubia is full of specialty shops, people don’t come here to buy things made in China or Taiwan. They want real Ayubians-made goods.”

1. Stylish Wood is doing which type of business?
   a. Franchising
   b. Retailing
   c. Brokering
   d. Wholesaling

2. Which one of the following levels of service is being provided by the Stylish Wood?
   a. Self-service
   b. Full-service
   c. Limited-service
   d. Self-selection

3. Products like picnic tables, flower boxes and small handmade hickory rocking chairs offered by the Stylish Wood fall in which of the following consumer products?
   a. Convenience products
   b. Unsought products
   c. Shopping products
   d. Specialty products
4. Which of the following growth strategies is being adopted by the Stylish Wood?
   a. Market penetration
   b. Market development
   c. Diversification
   d. Product development

5. Which of the following can be viewed by Stylish Wood while assessing sales volume effectiveness?
   a. Percentage of visitors those entering and who buy
   b. Percentage of visitors who enter the shop
   c. Average amount spent per sale
   d. All of the given the options

6. All of the following can be the grounds on which Stylish Wood positioned itself, EXCEPT:
   a. By focusing Ayubia’s tourists
   b. By offering unique products not offered by other shop
   c. By hiring persons having creative skills
   d. By helping people to buy imported items

7. Do you think that location played a critical part in the Stylish Wood’s success?
   a. Strongly agree
   b. Partially agree
   c. Not agree
   d. None of the given option

8. Which one of the following decisions is considered as a crucial that must be decided in relation to its target market, its product assortment, and its competition?
   a. Segmentation decision
   b. Price decision
   c. Product decision
   d. Positioning decision

9. Stylish Wood can be categorized as which of the following stores?
   a. Department store
   b. Convenience store
   c. Specialty store
   d. Discount store

10. Stylish Wood is doing the business by which of the following ways?
    a. Wholesaling
    b. Personal selling
    c. Retailing through catalogs
    d. Retailing through store
11. Until Stylish Wood define and profile its ____________, it cannot make consistent decisions about product assortment, services, store décor, or any of the other decisions that must support its position.
   a. Target market
   b. Competitors
   c. Suppliers
   d. Employees

12. Stylish Wood is adopting which of the following strategies?
   a. Cost leadership
   b. Differentiation
   c. Penetration
   d. Cost leadership and focus

13. Ayubia’s largest population attracted the visitors towards its:
   a. Products
   b. Restaurants
   c. Lifestyle
   d. Grocery stores

14. Stylish Wood hired three Ayubians friends to sew and embroider napkins and other textiles as per customer request. This statement reflects which of the following concepts?
   a. Selling concept
   b. Product concept
   c. Production concept
   d. Marketing concept

15. If Stylish Wood expanded beyond Ayubia, which of the following critical function will be performed?
   a. Selling and promoting
   b. Transportation
   c. Marketing information
   d. All of the given options