

R and M GIFT SHOP

ENTERPRISE DEVELOPMENT PROJECT

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R & M Gift Shop

**An Enterprise Development Project
Submitted to the Faculty of
Cavite State University
Indang, Cavite**

**In partial fulfillment
of the requirements for the degree of
Bachelor of Science in Business Management
(Major in Marketing)**



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ABSTRACT

AMPARO, MELINDA D. AND FEDERICO, ROSIELLE C. "R & M Gift Shop" : An Enterprise Development Project, Bachelor of Science in Business Management, Major in Marketing, Cavite State University, Indang, Cavite, April 1999. Adviser, Mrs. Nelia E. Feranil .

A four-month operation of a gift shop located at Pangil, Amadeo, Cavite was conducted from November 1998 to February 1999. The project aimed to : enable the students to apply their knowledge in business management; develop their business handling capabilities and develop different marketing strategies. .

The project involved retail selling of gift items through in-store retailing and personal selling. The price of merchandise was based on the two methods of pricing; cost-oriented method and the demand oriented method. The project employed different promotional strategies such as giving discounts or price reduction and raffle promo. The target market was the residents of Pangil, Amadeo, Cavite and other neighboring communities.

The enterprise was considered profitable which obtained a 65 percent return on investment and a profit margin of 35 percent.

The occasional buying of customers was one of the problems encountered during the conduct of the study. To solve the problem, personal selling was practiced by the enterprise. Another problem met was the sudden increase in the merchandise prices. This was considered a problem because the products' market was price sensitive. The partners planned to continue the project which will serve as an additional source of

income in the future In the continuation of the project, the partners were planning to add other product lines like fast moving grocery items to expand their market.

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R & M GIFT SHOP

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INTRODUCTION

Retailing, which serves as the link between the wholesaler and the final consumer, plays an important role in the marketing process. It is the set of business activities involved in product selling and provision of services to the ultimate consumers. The retailing concept suggests that the main task of the retailer is to determine the needs and wants of its target market. The retailer also directs the firm towards satisfying the consumers effectively more than other competitors do (Bell and Salmon, 1992).

General merchandise retailers play a big market share in the retailing industry. Such merchandise includes those who run specialty stores, department stores, full-line discount stores, retail catalog showrooms, off-price chains, factory outlets, buying clubs and free markets.