Practice With Category Management Association Category-Manager Mock Test

Shared by Kim on 17-06-2026

For More Free Questions and Preparation Resources

Check the Links on Last Page

Question 1

Question Type: MultipleChoice

What does store clustering in category management primarily involve?

Options:

A- Focusing solely on increasing sales volume across all stores.

B- Grouping retail stores based on specific characteristics or attributes to manage them more efficiently.

C- Assigning identical product assortments to all stores regardless of location.

D- Organizing retail stores alphabetically to simplify inventory management.

Answer:

B

Explanation:

The correct answer is B.

Store clustering means grouping stores into manageable sets based on shared characteristics, such as shopper demographics, sales history, lifestyle data, competition, store size, store productivity, category demand, and local-market opportunity. CMKG explains that retailers can cluster stores using consumer sales history, demographic and lifestyle data, product attitudes, competition, store size, and store productivity. CMKG also states that clustering creates groups that are differentiated from each other while being homogeneous within the cluster.

Option B is therefore the complete definition. The purpose is to manage stores more efficiently and make better decisions for assortment, merchandising, pricing, promotion, shelving, and shopper marketing.

Option A is wrong because clustering is not only about increasing sales volume; it is about matching decisions to store-level demand and shopper differences. Option C is the opposite of store clustering because clustering exists to avoid treating all stores identically. Option D is administrative sorting, not category management analytics.

Question 2

Question Type: MultipleChoice

What is the primary risk of poor shelf placement?

Options:

A- Overstated Promo ROI
B- Decreased Shopper Conversion
C- Increased Inventory Turns
D- Improved Sell-Through Rates

Answer:

B

Explanation:

The correct answer is B.

Poor shelf placement primarily creates a shopper conversion problem. If shoppers cannot easily find, see, compare, or understand the products in the category, fewer shoppers who enter the category or aisle will convert into buyers. CMKG's space management guidance explains that retailer shelf strategies directly affect shelf layout and planogram objectives, including target shopper, shopper decision trees, category role, store clusters, and shelving standards. That means shelf placement is not cosmetic; it directly affects shopper navigation and category execution.

Option A is wrong because overstated promo ROI is a promotional measurement issue, not the primary consequence of poor shelf placement. Option C is wrong because increased inventory turns would be a positive result, not a risk. Option D is also positive; improved sell-through is what good shelf placement should support. The risk from poor placement is lower visibility, weaker findability, shopper frustration, and ultimately decreased shopper conversion.

Question 3

Question Type: MultipleChoice

Which of the following KPIs is most critical for resolving on-shelf availability issues in the retail supply chain?

Options:

A- Inventory Turnover
B- Fill Rate
C- Gross Margin
D- Order Cycle Time

Answer:

B

Explanation:

The correct answer is B.

On-shelf availability problems are supply-chain execution problems: the product must be available when the shopper wants to buy it. CMKG explains that supply chain affects inventory, forecasting, availability, cash flow, service levels, and shopper experience. Fill Rate is the most direct KPI among the options because it measures the ability to fulfill demand from available stock without lost sales or backorders. A weak fill rate leads directly to out-of-stocks and poor shelf availability.

Option A, Inventory Turnover, measures how quickly inventory sells through, but high turnover does not guarantee shelf availability. Option C, Gross Margin, is a financial metric, not an availability KPI. Option D, Order Cycle Time, measures replenishment speed, but it does not directly show whether customer or store demand is being fulfilled. Fill Rate is the best answer.

Question 4

Question Type: MultipleChoice

The Shelf Space section of the health assessment reveals that a growing segment has a 65 Index in Dollars per Linear Feet versus the category average. What is the right insight?

Options:

A- Not enough information to gather an insight
B- Consider increasing the linear footage in this segment by analyzing the category's shelf space to find areas for additional space
C- Increase linear shelf space for this segment
D- Reduce linear shelf space for this segment

Answer:

D

Explanation:

The correct answer is D.

A 65 Index in Dollars per Linear Foot means the segment is producing only 65% of the category average sales productivity per unit of shelf space. That is below the category benchmark of 100. In shelf-space analysis, dollars per linear foot is a productivity measure: it tells whether the space allocated to a segment is producing enough sales relative to the amount of shelf it occupies.

The CPCM course warns that category managers should not look at numbers in isolation; they must use benchmarks and thresholds to interpret whether business drivers are actually driving sales. The CPCM material states that category health work includes tactical analysis and that thresholds can be used to understand whether business drivers are actually driving sales across tactics.

Because the segment is below average on shelf productivity, the cleanest available insight is to reduce linear shelf space or at minimum challenge the current space allocation. Option B and C are wrong because increasing space for a segment already under-indexing on dollars per linear foot would usually worsen space productivity unless there is additional evidence such as severe out-of-stocks, strategic role, high profit, or future innovation. Option A is weaker because the metric already provides a clear directional shelf-space signal.

Question 5

Question Type: MultipleChoice

How many units do we need to sell at $16 to Break-Even on Gross Profit?

Item A Price	Item A Gross Profit	Item A Units Sold
$20	$6	100
$16	$2	X

Options:

A- 300
B- 100
C- 125
D- 600

Answer:

A

Explanation:

The correct answer is A.

The original gross profit dollars are calculated from the current gross profit per unit multiplied by units sold:

$6 gross profit 100 units = $600 total gross profit

At the lower $16 price, the gross profit per unit drops to $2. To break even on total gross profit, the item must still generate $600 in gross profit dollars.

Calculation:

$600 $2 gross profit per unit = 300 units

So the item must sell 300 units at the $16 price to break even on gross profit.

This aligns with CPCM pricing analytics because CMKG identifies breakeven analysis as a pricing measure and explains that break-even is where total costs and total sales meet. CMKG also states that pricing analytics must be understood for both calculation and strategic implication.

Option B is wrong because selling 100 units at $2 gross profit only generates $200, which is far below the original $600. Option C gives $250 gross profit, still too low. Option D would generate $1,200 gross profit, which exceeds break-even.

Question 6

Question Type: MultipleChoice

What does household penetration measure?

Options:

A- The percentage of households purchasing a product within a specified period.
B- The number of new products introduced into a market within a year.
C- The average frequency of purchases made by households in a market.
D- The total revenue generated by a product in a market.

Answer:

A

Explanation:

The correct answer is A.

Household penetration measures how many households purchased a product, brand, category, or retailer within a defined time period. CMKG explains that sales can be analyzed through Total Number of Buying Households, also called Penetration, multiplied by spend per household. CMKG further clarifies that penetration relates to the number of households purchasing the product.

Option A is therefore the exact definition. It measures the percentage of households that bought during the specified period.

Option B is wrong because new product introductions measure innovation or assortment activity, not household penetration. Option C describes purchase frequency, which measures how often buyers purchase. Option D describes revenue or dollar sales, not penetration. Household penetration is a buyer-base measure, not a sales-value measure.

P2P exams