higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

WHOLESALE AND RETAIL
NQF LEVEL 3

(11030023)

21 November 2024 (X-paper)
09:00–12:00

Nonprogrammable calculators may be used.

This question paper consists of 10 pages and 2 addenda.

405Q1N2421

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)
WHOLESALE AND RETAIL
NQF LEVEL 3
TIME: 3 HOURS
MARKS: 150

INSTRUCTIONS AND INFORMATION

1. Answer all the questions.
2. Read all the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. Start each question on a new page.
5. Use only a black or blue pen.
6. Write neatly and legibly.

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SECTION A

QUESTION 1

Various options are given as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question number (1.1–1.5) in the ANSWER BOOK.

1.1 The process of a cashier cashing up without knowing what the expected taking is, is known as …

A cash over.
B a cash float.
C a cash deposit.
D a blind cash-up.

1.2 The top line in retail is also known as …

A sales.
B gross profit.
C operating income.
D gross income.

1.3 … is NOT a reward for exceeding customer expectations.

A Repeat sales
B Increased productivity
C Increased sales
D Increased referrals

1.4 … is an element used to evaluate visual merchandise displays.

A Point of sale
B Hard sales
C Effective signage
D Soft sales sale

1.5 Perpetual inventory is always knowing the …

A stock level.
B stock count.
C stock on hand.
D swell allowance.

(5 × 1) **[5]**

QUESTION 2

Indicate whether the following statements are TRUE or FALSE by writing only 'True' or 'False' next to the question number (2.1–2.10) in the ANSWER BOOK.

2.1 The design factors are the background features such as music that can create emotional responses.

2.2 A reserve slot is usually the highest racking in a DC.

2.3 A shelf filler is the person ringing up the sales at the point of sale.

2.4 Housekeeping refers to the architecture and space in a stockroom.

2.5 Shrink wrap is an example of packaging used to transport stock.

2.6 After-sales service is a service to customers after they have bought a product.

2.7 Pallets are used to deliver large quantities of stock.

2.8 A coupon is an acceptable method of payment.

2.9 A budget is an effective business plan.

2.10 Water and electricity are examples of a fixed expense.

(10 × 1) **[10]**

QUESTION 3

Choose the correct term from those in brackets and write it next to the question number (3.1–3.5) in the ANSWER BOOK.

3.1 (Replenishing/Buying) is ordering stock to replace stock sold.

3.2 (Stop-and-shop/Visual merchandising) is displaying products in an eye-catching manner.

3.3 Shrinkage (increases/decreases) the gross profit.

3.4 DC in wholesale and retail is short for (disciplinary committee/distribution centre).

3.5 A customer's (interview/perception) is how a product or service is viewed and experienced.

(5 × 1) **[5]**

QUESTION 4

Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A–L) next to the question number (4.1–4.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
4.1	When there is a discrepancy between the stock received and the stock charged, the store will complete this form	A	shrink-wrap
		B	part-service
4.2	Loss of stock and cash due to theft	C	product mix
4.3	Merchandisers try to display sets of three	D	shrinkage
4.4	Insurance is an example	E	expected takings
4.5	Refers to small valuable items that are easily stolen	F	till short
		G	breaking bulk
4.6	Packaging used to protect items from damage	H	noncontrollable expense
4.7	Selling or displaying a mix of high- and low-profit products	I	disputes
		J	HVI
4.8	Cashier has less money than the expected taking	K	claim for credit
4.9	Breaking large quantity of stock in smaller units	L	rule of three
4.10	Queries or disagreements between the retailer and supplier		

(10 × 1) **[10]**

TOTAL SECTION A: 30

SECTION B

QUESTION 5

5.1 Study the picture and then answer the questions.



[Source: *www.google/images.co.za*]

5.1.1 What kind of visual display does Edgars use? (1)

5.1.2 In the clothes category, what kind of service concept can the customer expect? (1)

5.1.3 Give FOUR sources of information that clients can use to shape their perception of the store. (4 × 1) (4)

5.1.4 State the store's FIVE additional options for visual displays to boost sales. (5 × 1) (5)

5.1.5 This establishment uses a computerised perpetual stock system.

Give FOUR benefits of using this stock method. (4 × 2) (8)

5.1.6 Give a brief justification for using the perpetual stock system. (2)

5.2 When stock is received electronically, what are the receiving clerk's responsibilities? (9 × 1) (9)

[30]

QUESTION 6

Read the scenario below and answer the questions in QUESTION 6, 7 and 8.



Welcome to Edgars! Be the first to know about our latest promotions, product mixes, ranges and fashion ideas.

At Edgars, we believe that you can have the lifestyle you want, and we're constantly doing our best to show you how. Backed by the fashion retail group Edcon, we can consistently offer you savings on all your much-needed fashion items.

The DC in Centurion receives bulk stock and breaks the stock in smaller quantities to dispatch to all the stores as per the orders received. High-value items are stored in locked cages and the rest of the stock is packed by using the different packaging materials, for example plastic bags, cartons and hangers.

The layout of the DC is done according to the principles governed by wholesale and retail. The stores place their orders according to demand. The stock is packed in pick slots. The higher reserve slots are used to store stock that is not ordered by stores. Cross-docking is applied when stores have a big demand for certain products and stock with a low demand gets stored. It is important for the DC to manage their stock levels.

[*www.edgars/images.com*]

6.1 Name THREE different kinds of packing materials that are used in DCs to keep clothing. (3 × 1) (3)

6.2 In the wholesale and retail industry's supply chain, why does the DC have such a significant role? (2)

6.3 Differentiate between *cross-docking* and *storage* that occurs at the DC. (2 × 2) (4)

6.4 Why is breaking bulk important for the DC? (2)

6.5 State FIVE positive buying signs that indicate that a customer is ready to make a purchase or complete a deal. (5 × 1) (5)

6.6 Name the FIVE payment options that Edgars accepts at the time of sale. (5 × 1) (5)

6.7 The factors that affect the environment are crucial.

List THREE environmental factors to improve customer satisfaction at Edgars. (3 × 1) (3)

6.8 Name ONE nonbankable payment method. (1)

6.9 By implementing controls and security, the manager at Edgars hopes to lower shrinkage.

Give management FIVE ideas to implement to lower store shrinkage. (5 × 1) (5)

[30]

QUESTION 7

7.1 Customer happiness is a key concern for the retail establishment.

State FOUR elements that they must consider to create a satisfying customer experience. (4 × 1) (4)

7.2 It is almost time for the cashier to finish her shift. Recorded readings included the following:

EDGARS DAILY CASH TAKINGS		
Office clerk: S Spring		**Date:** 18/10/2023
Cashier	**B Bond**	
Employee number	**J007**	
Operator number	**001**	
Closing reading	85 000	
Opening reading	55 000	
EXPECTED TAKINGS	**7.2.1**	
Total takings	29 950	

7.2.1 Calculate the expected takings for the day. (3)

7.2.2 Determine whether the cashier has a till over or short, then state which one it is. (2 + 1) (3)

7.2.3 Explain your response in QUESTION 7.2.2. (1)

7.3 Inform the cashier which THREE steps to follow to cash up. (3 × 1) (3)

7.4 The November 2023 budget has been provided so that actual and budgeted data can be compared. After comparing the figures, respond to the following questions.

BUDGET OF EDGARS FOR NOVEMBER 2023		
	ACTUAL	**BUDGETED**
Sales	2 500 250	2 500 550
Cost of sales	1 250 000	1 300 275
Shrinkage	90 000	70 000
GROSS PROFIT	**1 160 250**	**1 130 275**
EXPENSES	**448 000**	**418 000**
Salaries	150 000	140 000
Wages	75 000	85 000
Insurance	35 000	35 000
Packing material	45 000	30 000
Stationery	20 000	18 000
Water and electricity	80 000	72 000
Telephone	43 000	38 000
Net profit	**712 250**	**712 275**

7.4.1 Calculate the difference between the shrinkage amount that was budgeted and that which really occurred. (2)

7.4.2 Suggest to the manager FOUR possible causes of shrinkage. (4 × 1) (4)

7.5 List FIVE controllable expenses indicated in the budget. (5 × 1) (5)

7.6 Edgars wants to increase sales.

Name FIVE external factors that negatively affect the store's ability to increase sales. (5 × 1) (5)

[30]

QUESTION 8

8.1 Edgars has placed an order for the stock listed below. Fill out the picking list to indicate which stocks need to be selected in the DC on ADDENDUM A (attached):

Slot number: A10
Product code: 7654321
Description: Pink ladies' T-shirts
Quantity: 10
Packs: 7

Slot number: A11
Product code: 347893
Description: White boys' shorts
Quantity: 12
Packs: 5 (10)

8.2 Draw a diagram to demonstrate the sales process in the store. (6 × 1) (6)

8.3 Edgars is conducting a Christmas promotion, and the cashier, B Bond, with operator number 001, is running low on change. Fill out ADDENDUM B (attached) – change request form. (14)
[30]

TOTAL SECTION B: 120
GRAND TOTAL: 150

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EXAMINATION NUMBER: | | | | | | | | | | | | | |

CENTRE NUMBER: | | | | | | | | | | | |

ADDENDUM A

8.1 **PICKING LIST FOR STORE 115**

EDGARS PRETORIA

SLOT	PRODUCT CODE	DESCRIPTION	QUANTITY	PACK	PICKED
					S STUDENT
					S STUDENT

(10)

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EXAMINATION NUMBER: | | | | | | | | | | | | |

CENTRE NUMBER: | | | | | | | | | | | |

ADDENDUM B

8.3

EDGARS **CHANGE REQUEST FORM**			
Operator number:			
Date: 18 November 2023			
Serial number: 12345			
Quantity	**Denomination required**	**R**	**c**
	Notes		
3	R100		
7	R50		
15	R20		
10	R10		
	Coins		
75	R5		
140	R2		
150	R1		
200	50c		
50	20c		
100	10c		
	TOTAL		
SIGNATURE	*B BOND*		

(14)

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