higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

WHOLESALE AND RETAIL
NQF LEVEL 4

(11030034)

17 November 2022 (X-paper)
09:00–12:00

Calculators may be used.

This question paper consists of 10 pages and 1 answer sheet.

529Q1N2217

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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 section on a new page.
5. Answer QUESTION 5.1 on the ANSWER SHEET (attached). Write your EXAMINATION NUMBER in the spaces provided, detach it from the question paper and hand it in with the ANSWER BOOK.
6. Use only a black or blue pen.
7. 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 An example of important information that needs to be provided to the team during a promotion is the ...

A type of media.
B implementation.
C customers.
D role players.

1.2 PLU stands for …

A people look up for prices.
B plan list union.
C price look-up.
D plant lemon units.

1.3 Gross profit can be increased by …

A increased prices.
B word of mouth.
C moment of truth.
D online shopping.

1.4 A sales consultant area of competence:

A Hand gestures
B Product knowledge
C Body language
D Voice speed

1.5 Career progression opportunities found at Head Office within Retail sector.

A Cleaning
B Stockroom supervisor
C Buying
D Cashier

(5 × 1) **[5]**

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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 Sales assistants and sales consultants can be motivated by giving recognition to their achievements through gifts and awards.

2.2 The purpose of evaluating sales staff performance is to help them improve, achieve and exceed sales targets.

2.3 Promotional activities are specific activities relating to a planned sales promotion and these have to be supervised.

2.4 When stock balances are incorrect on the store systems it can result in increased costs to the business.

2.5 Being overstocked usually results in having more money in the bank that will give higher investment returns.

2.6 Discount letters are offered as tender at the till and do not require authorisation.

2.7 A refund, for example an exchange, requires that the item should be brought back to be scanned into stock.

2.8 While it is normal that prices go up and down in the FMCG industry, it is slightly different in the clothing industry.

2.9 Good customer service by the sales assistants is paying attention to customers.

2.10 A cashier positon is an entry level position within the retail sector.

(10 × 1) **[10]**

QUESTION 3

Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A–F) next to the question number (3.1–3.5) in the ANSWER BOOK.

COLUMN A		COLUMN B	
3.1	This document is drawn up to indicate steps on how to improve performance of sales targets.	A	customer retention
3.2	A simple thank you can go a long way and motivate someone to continue giving their best.	B	reduce to clear
3.3	It is an essential part of the survival of the earth and humans.	C	action plan
3.4	Getting and contacting new customers will improve the number of customer calls.	D	staff appreciation
3.5	The effort to clear overstock and bring cash into the business.	E	green retailing
		F	refuse collection

(5 × 1) **[5]**

QUESTION 4

Complete the following sentences by choosing an item from the list below. Write only the answer next to the question number (4.1–4.10) in the ANSWER BOOK.

overtime; Employment Equity Act; PoS passwords; customer service; renewable; stock losses; stock turn; sales targets; promotions; sales team

4.1 The most important aspect of setting ... is that they should be realistic and accurate.

4.2 ... is/are designed to attract more customer feet into the store and also increase sales results.

4.3 The ... is/are geared to achieving measurable goals.

4.4 … is/are used to measure stock performance in the Wholesale and Retail industry.

4.5 If a store wants to minimise …, they have to look at the receiving and dispatch areas.

4.6 To reduce losses at till points, managers should ensure that all staff are changing their … regularly.

4.7 … is/are a controllable and a variable expense.

4.8 … is/are important for profitability and to improve relationships with stakeholders.

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4.9 Sustainable packaging should be … .

4.10 The … protects workers and job seekers from unfair discrimination.

(10 × 1) **[10]**

TOTAL SECTION A: 30

SECTION B

QUESTION 5

5.1 As the store manager of Checkers Hyper Market, use the information below provided by the floor manager, to calculate the performance of the stock which you will present to the board of directors at a later stage.

Do the calculations on the ANSWER SHEET (attached). Write your EXAMINATION NUMBER in the spaces provided, detach it from the question paper and hand it in with the ANSWER BOOK.

ITEM/PRODUCT	AVERAGE SALES	AVERAGE STOCK ON HAND
Sonny flat touch-screen TV	1 per day	13
LG side-by-side double door fridge	3 per month	8

(10)

5.2 You are employed as a new floor manager and a shelf packer complains about the increase in prices.

Briefly explain to him/her what *inflation* is. (2)

5.3 Explain the impact of inflation in the following situations:

5.3.1 If inflation increases by 6%, do you think the selling price should be adjusted by 3% or 7%. Give TWO reasons for your choice. (1+4) (5)

5.3.2 Do you think it is necessary for the retailer to know the impact of inflation on sales. Motivate your answer. (1+2) (3)

5.4 Describe the impact of the product mix on the retailer's profits. (4)

5.5 The objective of a retailer is to make money.

State THREE methods the retailer can use to encourage sales of high gross profit products. (3x1) (3)

5.6 It is very important that a team has a plan with specific details and deadlines put together with the right information to execute an effective promotion.

State THREE ways to manage promotions effectively. (3 × 1) (3)

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5.7 Describe the importance of setting sales targets. (6)

5.8 The stockroom is one of the areas where internal theft takes place in the Wholesale Retail industry.

Give TWO ways how the supervisor in the stockroom can minimize shrinkage (2 × 2) (4)

[40]

QUESTION 6

6.1 As a cash office clerk, you are required to finalise the daily cash takings from below by calculating the missing amounts. Only write the answer next to the number (6.1.1–6.1.9) in the ANSWER BOOK.

CHECKERS HYPER MARKET RECONCILIATION OF DAILY CASH TAKINGS			
OFFICE CLERK: BULAWYO		**DATE : 05/10/2022**	
CASHIER NAME	**S Mokone**	**T Kokoane**	
EMPLOYEE NO.	**123**	**456**	
OPERATOR NO.	**01**	**02**	
			TOTAL
EXPECTED TAKINGS	**7 812,20**	**4 780,50**	
Cash handed in	500,50	900,00	
Cash drops	3 000,00	2 000,00	**6.1.1**
TOTAL CASH	**6.1.2**	**6.1.3**	
Credit cards	3 000,50	750,50	
Debit cards	765,30		
Coupons	85,90	1 025,00	
Gift vouchers	300,00		
TOTAL TAKINGS	**6.1.4**	**6.1.5**	**6.1.6**
Over			
Short	**6.1.7**	**6.1.8**	
Cashier signature	*S Mokone*	**6.1.9**	

(9 × 1) (9)

6.2 Name FIVE transactions that the manager has to authorise to minimise shrinkage at the PoS. (5 × 1) (5)

6.3 Explain the main objective of reconciliation of the bank with daily takings. (2 × 2) (4)

6.4 It sometimes happens that the bank reports that the total does not correspond with the total on the deposit slip. The discrepancy should then be investigated.

Give THREE questions that should be asked when investigating shorts or overs reported by the bank. (3 × 1) (3)

6.5 Give THREE reasons why e-mails can be used as a survey method to measure customer service. (3 × 1) (3)

6.6 Against the background of the challenges related to the coronavirus pandemic, describe with regards to the headings below, how managers can encourage and acknowledge staff members to enhance great service and create a culture of service excellence:

6.6.1 Incentives and rewards (2)

6.6.2 Friendly competition (2)

6.6.3 Appreciation (2)

6.7 Define the purpose of each of the following legislation within the Wholesale and Retail environment.

6.7.1 Occupational Health and Safety Act No. 85 of 1993 (2)

6.7.2 Labour Relations Act No 66 of 1995 (2)

6.7.3 National Credit Act No 34 of 2005 (2)

6.8 Differentiate in a table form the difference between *effective and ineffective promotional activities.* (2 × 2) (4)

[40]

QUESTION 7

7.1 Even in challenging times customer service remains dynamic.

Name FIVE elements to examine when evaluating the service provided by a sales assistant. (5)

7.2 Explain the following terms, keeping in mind that times are changing and so are the expectations of customers to be served:

7.2.1 Training (2x1) (2)

7.2.2 Mentoring (2x1) (2)

7.2.3 Correcting (2x1) (2)

7.3 Do you think it is a good or bad idea for a retailer to use practical energy efficient strategies in his building? Motivate your answer. (1+2) (3)

7.4 The following are statements that will have a positive or negative impact on the environment of the business. Only indicate 'positive' or 'negative' next to the question number (7.4.1-7.4.5) in the ANSWER BOOK.

7.4.1 The manager has asked staff to print on only one side of a page. (1)

7.4.2 The business decided to use refurbished ink cartridges for printers. (1)

7.4.3 Customers are offered re-usable shopping bags instead of plastic bags. (1)

7.4.4 Retailers can use cleaning products in the store that promotes cleanliness. (1)

7.4.5 The retailer is not recycling products and is not interested in waste management. (1)

7.5

FINANCIAL STATEMENT OF BUSAKWE STORE AT END OF FEBRUARY 2022		
	Actual	**Budget**
Sales	30 000 000	35 000 000
Cost of sales	26 000 000	30 000 000
Gross profit	**4 000 000**	**5 000 000**
Shrinkage	20 000	25 000
Recorded waste/damages	5 000	7 000
Actual gross profit	**4 025 000**	**5 032 000**
Salaries	900 000	1 000 000
Overtime	40 000	70 000
Casual wages	10 000	12 000
Total staff costs	**950 000**	**1 082 000**
Advertising	50 000	60 000
Bank charges	20 000	30 000
Cleaning	40 000	30 000
Computer licence	3 000	3 000
Electricity	80 000	70 000
Motor vehicle expenses	35 000	30 000
Packaging and wrapping	20 000	25 000
Printing and stationery	10 000	8 000
Rates	15 000	15 000
Rent	100 000	100 000
Refuse collection	3 000	3 000
Repairs: Building	80 000	70 000
Repairs: Equipment	90 000	80 000
Security	120 000	120 000
Telephone	25 000	20 000
Total general expenses	**691 000**	**664 000**
Total expenses	**1 641 000**	**1 746 000**
Net profit	**2 384 000**	**3 286 000**

7.5.1 Name FIVE expenses from the Income Statement above that requires improvement. (5 × 1) (5)

7.5.2 Name FOUR of the expenses you mentioned in QUESTION 7.5.1 that are controllable expenses. (4 ×1) (4)

7.5.3 Do you think it is a good or bad idea for the store to minimize shrinkages in their store? Motivate your answer. (1+2) (3)

7.6 Explain THREE exit strategies with an example of each one that retailers can use if stock is not selling. (3 × 3) (9)

[40]

TOTAL SECTION B: 120
GRAND TOTAL: 150

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

ANSWER SHEET

QUESTION 5.1

				STEP 1 CALCULATE		STEP 2 CALCULATE		
Item/ Product	Average sales	Average stock on hand	Sales per year	Sales per day	Sales per week	STOCK TURN $\frac{\text{Annual sales}}{\text{Avg. SOH}}$	WEEK'S COVER $\frac{\text{Avg. SOH}}{\text{Avg. weekly sales}}$	DAYS OF SUPPLY $\frac{\text{Avg. SOH}}{\text{Avg. daily sales}}$
Sonny flat touch-screen TV	1 per day	**13**	*1 x 365 = 365*					
LG side-by-side double door fridge	3 per month *(30 days per month)*	**8**	*3 x 12 = 36*					

(10)

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