higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

WHOLESALE AND RETAIL
NQF LEVEL 4

(11030034)

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09:00–12:00

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)
WHOLESALE AND RETAIL
NQF LEVEL 4
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. Use only a black or a blue pen.
5. 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 (1.1–1.10) in the ANSWER BOOK.

1.1 The … will watch and ensure that every item is recorded on the till at its full price.

A shelf packer
B supervisor
C driver
D customer

1.2 … is one of the main responsibilities of management.

A Loss prevention
B Security
C Building
D Cleaning

1.3 In order to maintain a level of profit margin, clothing retailers use an exit strategy called …

A impulse.
B KVI.
C planned markdowns.
D product mix.

1.4 One of the elements to consider when evaluating services provided by sales assistants is …

A loyalty.
B sales.
C customer service.
D gross profit.

1.5 The most important aspect of setting sales targets is that they should be realistic and …

A formal.
B equal.
C realistic.
D profitable.

1.6 The promotional pack from head office should contain information about … and instructions on how to use and implement signage.

A signage
B pictures
C guidelines
D allocations

1.7 It is important that all retailers have a/an … on how they will go about clearing out dead stock.

A discontinued
B promotion
C exit strategy
D category

1.8 … markdowns occur when one buys a product for R8 with a view of promoting it at R10.

A Unplanned
B Planned
C Bad
D Clear

1.9 … should never be stored in any staff areas such as canteens.

A Stock
B Cashier collusion
C Customer theft
D Stock counts

1.10 … is the process of comparing a company's financial records with the bank records.

A Reconciliation
B Cash up
C Cash collection
D Deposit

(10 × 1) **[10]**

QUESTION 2

Indicate whether the following statements are TRUE or FALSE by writing only 'True' or 'False' next to the question number (2.1–2.5) in the ANSWER BOOK.

2.1 Good cash flow is important for businesses.

2.2 A cashier should wait for a customer who can't pay because he/she goes to the car to fetch a purse.

2.3 Another way of increasing one's gross profit is to increase selling prices.

2.4 Evaluating service on an ongoing basis will help to ensure that customer service standards are consistent in the retail store.

2.5 A visual merchandiser's next career opportunity could not be to progress into visual planning and visual merchandise management positions.

(5 × 1) **[5]**

QUESTION 3

Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A–J) next to the question number (3.1–3.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
3.1	Is a step-by-step plan of what to do to improve something	A	human resource department
3.2	Is almost the last resort for service standards that are consistently not being achieved	B	statement
3.3	A department which includes labour relation specialists and skills development facilitators	C	action plan
3.4	A transaction that requires a supervisor's authorisation	D	perishables
3.5	Are not usually investigated as this is too expensive	E	discipline
3.6	Transactions handled through the EFT machine at every pay point	F	exchanges
3.7	Categories where the stock has a very short shelf life, such as fresh produce, butchery and bakery	G	KVI
3.8	Financial information sent by the supplier to the retailer/wholesaler at the end of every month	H	small discrepancies
3.9	Can be described in many different ways, but it is how prices increase	I	debit cards
3.10	Means 'known value item'	J	inflation

(10 × 1) **[10]**

QUESTION 4

Complete the following sentences by writing only the missing word or words next to the question number (4.1–4.5) in the ANSWER BOOK.

4.1 … are cash transactions handled through the EFT machine at every pay point.

4.2 … is the way in which the sales assistant approaches customers.

4.3 When wholesale and retail changes its approach regarding how it manages the environment around it, it is called …

4.4 Some stores have a … section in the store and customers regularly look at the stock there to pick up bargains.

4.5 … must keep an authorisation code/key at till points with them at all times and never give it to another staff member.

(5 × 1) **[5]**

TOTAL SECTION A: 30

SECTION B

QUESTION 5

View the graphic below and answer the questions that follow.



5.1 Customer service is vital in the wholesale and retail industry where customers want to deal with staff who can answer their questions.

5.1.1 Discuss FIVE items of promotional activity information that marketing teams would communicate to staff members. (5 × 2) (10)

5.1.2 With the marketing team, discuss factors that could lead to a promotional activity being ineffective. State THREE examples. (3 × 2) (6)

5.2 One of management's responsibilities is to prevent shrinkage caused by internal theft. Indicate to floor managers how they should authorise the following transactions as a method to reduce shrinkage in the store:

5.2.1 Staff purchases. State THREE steps. (3 × 2) (6)

5.2.2 Swapping change. State TWO steps (2 × 2) (4)

5.3 List payment types other than cash payments that need to be authorised. (3)

5.4 What must be checked daily by the cash clerk, even if the cash in transit guards are known to the outlet staff. (1)

[30]

QUESTION 6



6.1.1 List THREE Acts that have been passed by the South African government that affect the wholesale and retail sector. (3)

6.1.2 Give FOUR examples of what the Consumer Protection Act determines. (4 × 2) (8)

6.1.3 State FIVE examples of consumer rights. (5)

6.2 Name FOUR elements to be considered as general standards when evaluating the service provided by sales assistants in a store. (4)

6.3 Good customer service is no small feat. Achieving good customer service equals achieving a better relationship with one's customers.

How would one improve customer service through the following?

6.3.1 Training. Give THREE examples.

6.3.2 Discipline. Give THREE examples.

(2 × 3) (6)

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6.4 Describe how the management of different retail stores could encourage and acknowledge their staff with regard to their existing excellent service delivery. Give FIVE examples. (4)

[30]

QUESTION 7

Read the following scenario and answer the questions that follow.

You are a post graduate NCV Level 4 student who just opened his own superstore, Zonkezo Trading. Due to national unrest, Zonkezo Trading is affected in many ways. Conduct a staff meeting and address the following questions as part of the agenda.

7.1 State FOUR exit strategies that Zonkezo Trading can use for stock that is not selling. (4)

7.2 State FOUR examples of how the manager of Zonkezo Trading could go about promoting the sales of high gross profit products in the store. (4)

7.3 State FOUR examples explaining how Zonkezo Trading can set targets for the sales team. (4)

7.4 Overstocking in wholesale and retail is a result of poor management of stock control. Being overstocked can have a negative effect on any business.

Explain how overstocking will affect Zonkezo Trading in the following areas of their profit and loss account:

7.4.1 Gross profit

7.4.2 Net profit

(2 × 2) (4)

7.5 You are aware of the areas that contribute to a high percentage of shrinkage at Zonkezo Trading. Advise the staff members on how they can evaluate the control of shrinkage in the following operational areas.

State THREE examples each.

7.5.1 Sales/shop floor

7.5.2 Robbery

(2 × 3) (6)

7.6 State FOUR transactions that usually require authorisation at Zonkezo Trading. (4)

7.7 Study the table below which reflects the till shorts and overs of three cashiers at Zonkezo Trading.

MONTH: JULY 2022	CASHIERS' NAMES		
Date	J Zikode	M Mangethe	B Ntsele
15	-R20,20	0,00	R20,25
16	R50,10	-R50,20	R0,00

Evaluate how the supervisor in the cash office will investigate the shorts of M. Mangethe on 16 July 2022. (2 × 2) (4)

[30]

QUESTION 8

8.1 The profit and loss account of Zonkezo Trading is given below. Study the information and answer the questions that follow.

Sales	18 210 777	20 600 000
Cost of sales	10 880 624	12 770 724
Gross profit	**(A)**	**(F)**
Recorded waste/damages	8 000	4 000
Shrinkages	35 300	20 500
True gross profit	**(B)**	**(G)**
Salaries	400 000	400 000
Overtime	350 000	200 000
Casual wages	500 000	300 000
Total staff cost	1 250 000	900 000
Rates	14 500	19 000
Rent	26 377	40 000
Insurance	10 000	10 000
Electricity	300 000	270 000
Printing and stationery	13 523	12 523
Telephone	16 230	13 456
Cleaning	67 000	67 000
Total general expenses	**(C)**	**(H)**
Total expenses	**(D)**	**(I)**
Net profit	**(E)**	**(J)**

8.1.1 Provide the missing amounts in the profit and loss account by writing only the answer next to the letter (A–J) in the ANSWER BOOK. (10)

8.1.2 Name TWO controllable expenses from the profit and loss account. (2)

8.1.3 Name TWO non-controllable expenses from the profit and loss account. (2)

8.1.4 Make TWO recommendations on how one can improve sales (top line). (2)

8.2 Develop a security checklist to evaluate shrinkage control in the receiving and dispatch department of a store. (2)

8.3 Draw a flow diagram to illustrate the stock-flow process at Pick n Pay. (6)

8.4 Use the information given in the table below to calculate the missing amounts. Do the calculations next to the question number (8.4.1−8.4.6) in the ANSWER BOOK: (6)

GIVEN			**STEP 1: CALCULATE**			**STEP 2: CALCULATE**		
Item/ product	Average sales	Average stock on hand	Sales per year (365 days standardised)	Sales per day	Sales per week (7 days per week standardised)	Stock turn = Annual Sales / Avg. S.O.H	Week's cover = Avg. S.O.H. / Avg. weekly sales	Days of supply= Avg. S.O.H / Avg. daily sales
Huggies	1 a week	6	**8.4.1**	**8.4.2**	**8.4.3**	**8.4.4**	**8.4.5**	**8.4.6**

[30]

TOTAL SECTION B: 120
GRAND TOTAL: 150

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