higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

WHOLESALE AND RETAIL
NQF LEVEL 2

(11030012)

12 March 2018 (X-Paper)
09:00–12:00

This question paper consists of 8 pages.

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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. Write neatly and legibly.

NC3020

SECTION A

QUESTION 1

1.1 Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'true' or 'false' next to the question number (1.1.1–1.1.10) in the ANSWER BOOK.

1.1.1 A manufacturer adds value to raw material, which it then sells to suppliers.

1.1.2 The farmer is responsible for the production of raw material.

1.1.3 A store that specialises in building material belongs to the speciality sub-sector.

1.1.4 The target market is not a group of customers or potential customers a retail store is aiming for.

1.1.5 The functions of a cashier include processing of payments for goods at a till point.

1.1.6 Smiling at a customer is a 'Bad Moment of Truth'.

1.1.7 Packing stock together is part of stock-take preparation.

1.1.8 FMCG refers to 'Fast Moving Consumer Goods'.

1.1.9 Movement of old stock to the front of a shelf is called cold chain.

1.10 Using a scanner is part of technology at the till within retail.

(10 × 1) **[10]**

1.2 Choose an/a item/word from COLUMN B that matches a description in COLUMN A. Write only the letter (A–J) next to the question number (1.2.1–1.2.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
1.2.1	Adds value to raw material	A	pallet jack
1.2.2	A shop at a fuel station	B	poor housekeeping
1.2.3	A description of a customer or group of customers with information about their demographics (age, income levels, occupation, etc.)	C	external merchandisers
		D	manufacturer
		E	convenient store
1.2.4	It looks after workplace relations and hiring of staff	F	consumer profile
		G	eye level
1.2.5	Packing of stock on the shelf	H	merchandising
1.2.6	A good experience in the store	I	good moment of truth
1.2.7	Used to move stock within retail	J	human resources
1.2.8	Leaving a store untidy and dirty		
1.2.9	Merchandising stock in retail but not working directly for the company		
1.2.10	A product placed conveniently not far below or too high		

(10 × 1) (10)
[20]

TOTAL SECTION A: 20

SECTION B

QUESTION 2

Read the following paragraph to answer QUESTION 2 and QUESTION 3.

Edcon (Pty) Ltd is the leading clothing, footwear and textiles (CFT) retailing group in South Africa, trading through a range of retail formats. The first Edgars store was opened on 6 September 1929 in Joubert Street, Johannesburg. Since then, the company has grown to ten retail brands trading in over 1000 stores in South Africa, Botswana, Namibia, Swaziland, Lesotho, Zimbabwe and Zambia.

Edcon's retail business has, through recent acquisitions, added top stationery and houseware brands as well as general merchandise to its CFT portfolio. Edcon Financial Services provides credit facilities and financial services products to the Group's over 4 million cardholders.

[Accessed from: *https://en.wikipedia.org/wiki/Edcon* on 28 October 2016]

2.1 Define the concept of supply chain in detail. (4)

2.2 Name the sub-sector Edgars belong to. (2)

2.3 Describe the customer profile of Edgars in terms of the following:

2.3.1 Age

2.3.2 Education

2.3.3 Income

(3 × 2) (6)

2.4 List THREE departments within Edgars. (3 × 2) (6)

2.5 Explain the difference between *wholesale* and *retail*. (2 × 2) (4)

2.6 Give ONE example of a retail store. (1)

2.7 Describe the role of the departments listed in QUESTION 2.4. (3 × 2) (6)

2.8 Explain the role of the receiving department. (2)

2.9 Describe TWO different methods for recording sales by cashiers in Woolworths and Edgars respectively. (2 × 2) (4)

[35]

QUESTION 3

3.1 Describe the concept *Good Moment of Truth* in the context of Edgars and give an example. (2 × 2) (4)

3.2 Explain the importance of customer service within Edgars. (2)

3.3 Give ONE example of an *add-on service* within Edgars. (2)

3.4 Explain the concept *add-on service.* (2)

3.5 Explain why *add-on services* are provided by retailers. (2)

3.6 Compare the customer service strategy within Edgars and Mr Price.

What is the difference in relation to their target markets? (2 × 2) (4)

3.7 NameTWO methods of counting stock. (2)

3.8 Name TWO examples of equipment used to move stock within Edgars. (2 × 2) (4)

3.9 Define the term *expired stock*. (2)

3.10 Give an example of stock with short shelf life. (1)

3.11 Explain the difference between *stock counting* and *financial stocktake*. (2 × 2) (4)

3.12 Explain the importance of lifting heavy stock correctly within Edgars. (2 × 1) (2)

3.13 Compare stock moving equipment used at Woolworths and Shoprite, since they are two different subsectors. (4)

[35]

QUESTION 4

Read the following paragraph to answer QUESTION 4 AND QUESTION 5.

WOOLWORTHS GROUP

Our goal is to have customers put us 1st, across all our brands.
To achieve this we have 5 priorities:
1. Building a customer and store-led culture and team
2. Generating sustainable sales momentum in food
3. Evolving our drinks business to provide even more value and convenience to customers
4. Empowering our portfolio businesses to pursue strategies to deliver shareholder value
5. Becoming a lean retailer through end-to-end process and systems excellence

[Accessed from: http://www.woolworthsgroup.com.au/page/about-us/our-approach/strategy-and-objectives/, 28 October 2016]

4.1	Name TWO methods of recording sales in retail.	(2 × 2)	(4)
4.2	Give TWO forms of payment accepted in a Woolworths store.	(1 × 2)	(2)
4.3	Define the term *cash up*.		(2)
4.4	Explain the term *replenish change*.		(1)
4.5	Give an example of how losses can occur when controlling change.		(2)
4.6	Describe how Woolworths handles excessive till overs and till shorts.	(2 × 2)	(4)
4.7	Explain the importance of accuracy when cashing up in a Woolworths store.		(2)
4.8	Compare point of sale services offered by Woolworths and Shoprite, and indicate the difference of services offered by the two stores.	(2 × 2)	(4)
4.9	Define the term *shrinkage.*		(2)
4.10	Name ONE example of how shrinkage affects profits in Woolworths.		(2)
4.11	Name TWO fixed expenses within Woolworths.		(2)
4.12	Explain how shrinkage affects employees in a Woolworth's store.		(2)
4.13	Explain how breakages affect profits in Woolworths.		(2)
4.14	Compare Woolworths and Shoprite, by explaining what differentiates the two companies when it comes to lighting on displays and around the store.	(2 × 2)	(4)

[35]

QUESTION 5

5.1	Name TWO methods of displaying prices for a customer in Woolworths.	(2)
5.2	Name TWO types of ticketing used at Woolworths.	(2)
5.3	Give ONE example of breakable items at Woolworths.	(2)
5.4	Give ONE example of a high value item at Woolworths.	(2)
5.5	Identify ONE display fixture used at Woolworths.	(1)
5.6	Explain the term *price marking*.	(2)
5.7	Explain the term *merchandising*.	(2)
5.8	Explain the importance of uniform merchandising at Woolworths.	(2)
5.9	Define the term d*isplay fixtures*.	(2)
5.10	Name TWO housekeeping standards you can think of in a retail store. (2 × 2)	(4)
5.11	Compare Woolworths and Mr Price by describing why there are differences regarding the type of price marking used. (2 × 2)	(4)
		[25]

TOTAL SECTION B: 130
GRAND TOTAL: 150

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