higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

WHOLESALE AND RETAIL
NQF LEVEL 2

(11030012)

22 November 2019 (Y-Paper)
13:00–16:00

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. Start each section on a NEW page.
5. Use a pen with only BLUE or BLACK ink.
6. Write neatly and legibly.

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SECTION A

QUESTION 1

Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'True' or 'False' next to the question number (1.1–1.10) in the ANSWER BOOK.

1.1 Receiving and dispatch are operational functions.

1.2 Shelf-fillers perform a management role.

1.3 Shoprite offers a smart shopper card as an additional service.

1.4 Target markets affect store layouts.

1.5 Customer theft is also called shopping.

1.6 Security cameras are used to identify stock shrinkage.

1.7 Vouchers are a form of payment accepted in retail stores.

1.8 Stockrooms should be kept clean at all times.

1.9 Mannequins are used to display stock clothing on store windows.

1.10 Hazardous merchandise should be displayed safely away from stock.

(10 × 1) **[10]**

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QUESTION 2

Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A–L) next to the question number (2.1–2.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
2.1	Department dealing with technological support in retail	A	eye level
2.2	Potential customers of a retail store	B	sold-out sign
2.3	Loss of stock in retail stores	C	ICT/IT
2.4	Payment method using instalments in retail	D	display cabinets
2.5	A payment method using an embedded chip that allows a customer pin to authorise payment	E	shrinkage
2.6	Process of cleanliness and keeping stores tidy	F	target market
2.7	Used to display stock	G	stock rotation
2.8	'First in first out' refers to this	H	hire purchase
2.9	Merchandising stock within easier reach	I	credit card
2.10	A sign at empty shelves to inform customers	J	stealing
		K	housekeeping
		L	merchandising

(10 × 1) **[10]**

TOTAL SECTION A: 20

SECTION B

QUESTION 3

Read the Edcon scenario below and answer the questions.

Our Stores

Our retail businesses are structured under three divisions: Edgars division, including Edgars, Boardmans, Edgars Active, Edgars Shoe Gallery, Red Square and the Group's mono-branded stores such as Topshop Topman, Tom Tailor, Dune, Lucky, T.M. Lewin, Lipsy, Salsa, Vince Camuto, Calvin Klein, Inglot, La Senza and Accessorize whose products, are also available through Edgars stores, serves principally middle and upper income markets; Discount division including Jet, JetMart, serves principally middle to lower income markets; and CNA, the Group's stationery, books, games, movies, music, hi-tech electronics and mobile retailer. The Edcon Credit and financial services division provides credit and insurance products to the Group's customers. With the launch of its "Thank U" loyalty programme, Edcon now has the largest retail customer database in South Africa with more than 12 million customers, which enables it to provide customers with relevant offers across its suite of retail and financial services products; this programme includes all mono-branded stores in South Africa.

[Source: www.edcon.co.za]

3.1	Describe the role of Edcon in the supply chain process.		(2)
3.2	Illustrate or draw the supply chain process.	(6 × 1)	(6)
3.3	Identify the sub-sector to which Edcon belongs.		(2)
3.4	Give the category under which Edcon falls.		(2)
3.5	Describe how Edcon can provide a good customer experience.		(2)
3.6	Define the term *moments of truth.*		(2)
3.7	Explain why it is important for Edcon to understand consumer profiles.		(2)
3.8	Identify ONE stakeholder of Edcon in the supply chain.		(2)
			[20]

QUESTION 4

4.1	Describe why customer behaviour patterns are important to Edcon.		(2)
4.2	Compare the target markets of Edgars and Mr Price and discuss the differences.	(2 × 2)	(4)
4.3	Give another term for *turnover*.		(2)
4.4	Explain the effect on profitability of turnover that is below budget.		(2)
4.5	Explain the effect on profitability of well-controlled controllable expenses.		(2)

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4.6 Explain the effect of non-profitability on a retail store and give ONE example. (2)

4.7 Given the following:

Sales = 40 000
Cost of sales = 30 000
Shrinkage = 2 000

4.7.1 What would be the effect of shrinkage on gross profit? (2)

4.7.2 State TWO causes of shrinkage. (2 × 2) (4)

4.8 Explain the procedure to follow when a staff member notices someone shoplifting. (2)

4.9 Give TWO example of how to identify a shoplifter. (2 × 2) (4)

4.10 State TWO methods of recording sales. (2 × 2) (4)
[30]

QUESTION 5

5.1 Explain the purpose of floats in wholesale and in retail. (2)

5.2 When are cashiers expected to check the change in their drawers? (2)

5.3 List THREE forms of payment accepted in Edgars stores. (3 × 2) (6)

5.4 Name THREE ways in which a cashier can prevent losses while accepting payment. (3 × 2) (6)

5.5 Give THREE methods in which cashiers working at Edgars can prevent fraud. (3 × 2) (6)

5.6 Explain the term *till short.* (2)

5.7 Explain the term *till over.* (2)

5.8 Give ONE example of a method of recording sales using technology. (2)

5.9 Give ONE example of a manual method of recording sales. (2)
[30]

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QUESTION 6

6.1 State the consequence of a till shortage. (2)

6.2 Describe an item found on a debit or credit card which allows customers to enter their pin codes at the till point to authorise payment. (2)

6.3 Compare the payment methods accepted in Edgars's stores and in tuck shops and discuss the differences. (3 × 2) (6)

6.4 Explain the importance of Edgars controlling its stock levels. (2 × 2) (4)

6.5 Explain the effect of poor stock counts on stock levels. (2 × 2) (4)

6.6 Explain the effect of errors that can occur when recording sales. (2 × 2) (4)

6.7 Name TWO methods of stock counting. (2 × 2) (4)

6.8 Give TWO examples of good housekeeping standards in the stockroom. (2 × 2) (4)

[30]

QUESTION 7

7.1 Compare the price-marking strategies of Edcon and Mr Price and discuss the differences. (2 × 2) (4)

7.2 Explain the term *merchandising*. (2)

7.3 Give ONE example of stock display equipment or a display unit used at Edcon stores. (2)

7.4 Compare the display methods used by Edcon and Mr Price and discuss the differences. (2 × 2) (4)

7.5 Identify TWO examples of items or units used to display prices in Edcon stores. (2 × 2) (4)

7.6 Name TWO methods of communicating display instructions in retail stores. (2 × 2) (4)

[20]

TOTAL SECTION B: 130
GRAND TOTAL: 150

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