higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

WHOLESALE AND RETAIL
NQF LEVEL 3

(11030023)

7 December 2020 (X-paper)
09:00–12:00

This question paper consists of 8 pages and 1 addendum.

391Q1N2007

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TIME: 3 HOURS
MARKS: 100

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.

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SECTION A

QUESTION 1

1.1 Indicate whether the following statements are TRUE or FALSE by writing only 'True' or 'False' next to the question number (1.1.1–1.1.10) in the ANSWER BOOK.

1.1.1 Let-downs is the process of moving stock from the higher reserve slots to the lower pick slots.

1.1.2 Self-service is where the retailer leaves customers to choose products they want, without the help of a dedicated sales consultant or sales assistant.

1.1.3 Fixed expenses are those expenses not affected by turnover.

1.1.4 External factors are forces outside of the business that the business has no control over.

1.1.5 Product mix is the mix between high-profit products and low-profit products, both which are needed in the store.

1.1.6 EFT is a process of using the internet or online banking to transfer money directly from your account to the retailer.

1.1.7 Discrepancy is when goods delivered agree with goods exchanged for.

1.1.8 Receiving process entails that the truck delivering the stock, returns to the supplier with the same stock.

1.1.9 Invoices are used by the supplier to record and charge the goods being delivered to the wholesale or retailer.

1.1.10 Housekeeping of the receiving area is not vital since work can be done in an untidy area.

(10 × 1) (10)

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1.2 Complete the following sentences by choosing a word or words from the list below. Write only the answer next to the question number (1.2.1–1.2.10) in the ANSWER BOOK.

damaged products; buying; vacuum cage; budget; customer perception; quantity; takings; cold chain; profit-sharing; merchandise; distribution centre; breaking bulk; net profit

1.2.1 Stock levels are the … of stock in the business.

1.2.2 … is a way in which customers will view a product, service or business based on their experience.

1.2.3 … is a plan or a target.

1.2.4 Some retailers offer … to reduce internal theft.

1.2.5 … result in loss of profit.

1.2.6 … is the amount of money earned by a retail store from the sale of products.

1.2.7 … is the process of negotiation and reaching an agreement.

1.2.8 … for dispatch must be protected so it is not damaged.

1.2.9 The … must be emptied of stock between deliveries.

1.2.10 Maintaining the … is keeping the product at the right temperature all the time.

(10 × 1) (10)

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1.3 Choose a description from COLUMN B that matches an item in COLUMN A. Write only the letter (A–J) next to the question number (1.3.1–1.3.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
1.3.1	Bubble wrap	A	the expenses that the manager and staff can control at shop floor level
1.3.2	Import	B	one of the hotspots for theft
1.3.3	Query	C	the process of counting the takings in the till and matching it to the record of sale for that period so that money can be sent to the bank
1.3.4	Online shopping	D	another word for replenishing the shelves
1.3.5	Blind corners	E	known in the industry as inter-branch transfer
1.3.6	Controllable expenses	F	used for glassware, crockery or anything fragile and easily broken
1.3.7	Cashing up	G	when a customer buys several items from retailers over the internet and can also pay through the internet
1.3.8	Shelf filling	H	question that a customer has
1.3.9	IBT	I	it stands for goods received voucher.
1.3.10	GRV	J	when products are brought into the country from another country

(10 × 1) (10)

TOTAL SECTION A: 30

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QUESTION 2

Read the following paragraph and answer the questions.

In 2015, Boxer entered the Western Cape for the first time, firmly entrenching the Boxer brand as a national retail supermarket offering. The first store to open in the Western Cape added yet another milestone to the Boxer company, as it heralded the 200th trading store in the company across all trading formats.

In 2019, Boxer landed 3 fully functional distribution centres and a meat factory to best serve the needs of the Boxer business. Today, Boxer continues to grow and expand in areas where the company knows it serves the needs of all communities through its select product range, sold at low prices and served in an efficient customer-friendly manner. The ethos of Boxer 'superstores' revolves around its promise that shoppers should 'never pay more than the Boxer price'.

[Adapted from: *https://www.boxer.co.za*, May 2019]

2.1 Explain why it is important for Boxer stores to cash up and balance tills daily. (2)

2.2 Cashiers do make mistakes while cashing up, which leads to losses of money. Advise Boxer how they can prevent losses while cashing up.

Provide FIVE examples of preventing losses during the cashing-up process. (5)

2.3 List FOUR steps to be followed when preparing to deposit the day's takings. (4)

2.4 Explain why Boxer uses a budget in their stores. (2)

2.5 Explain how the following steps of preventing losses during cash-up can have an impact on the store's profitability.

2.5.1 Failure to use a Smart Box. (3)

2.5.2 Failure to have a drop safe with a set of keys kept by the security company. (3)

2.6 Explain the difference between an uplift and a cash-up process within a Boxer store. (4)

2.7 Identify FOUR methods Boxer stores could use to reduce shrinkage in their stores. (4)

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2.8 On 30 January 2020, the office clerk of Boxer store requested change from the bank to the value of R 3 000,00. Use the following information to prepare the change requisition by completing the attached ADDENDUM.
Denominations:

Amount given	Change requested
R 500	R 50
R 500	R 20
R 400	R 10
R 500	R 5
R 300	R 0.10
R 300	R 0,20
R 100	R 0,05
R 400	R 2

Seal No. 456
Employee No. 236
POS No: 01
Branch: Port Elizabeth

(13)
[40]

QUESTION 3

3.1 Explain the concept *perpetual inventory.* (2)

3.2 Discuss THREE advantages of perpetual inventory. (3)

3.3 Boxer store just employed a new receiving manager.

Identify SEVEN steps he or she needs to follow when receiving deliveries. (7)

3.4 Explain the difference between receiving manually and electronically. (4)

3.5 List FIVE negative buying signals that show that the customer is not ready to make a purchase. (5)

3.6 In a table form, differentiate between a hard sale and a soft sale. (4)

3.7 Give FOUR techniques the sales manager of Boxer can use to visually display the merchandise. (4)

3.8 Describe the term *visual merchandising*. (2)

3.9 Happy customers tell their friends, and this results in more business.

Identify FIVE examples of how Boxer stores sales staff can provide excellent after-sales service. (5)

3.10 Discuss FOUR elements of evaluating visual merchandise displays. (4)
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QUESTION 4

4.1 Explain why Boxer stores need a distribution centre (DC). (3)

4.2 Differentiate between cross-docking and storage. (4)

4.3 List THREE methods used by the DC to notify the staff of items to pick which are ordered by different stores. (3)

4.4 Identify FOUR benefits of using visual merchandising. (8)

4.5 Explain how a negative customer perception would affect the sales of Boxer stores. (2)

4.6 Identify the type of service Boxer stores deliver. Explain the difference between this type of service and that of Woolworths. (6)

4.7 Describe how Boxer staff can have personal interaction with customers that will exceed their expectations. (3)

4.8 Boxer stores are experiencing problems showing a positive net profit.

Explain the following to the store manager:

4.8.1 Give TWO examples of ways to improve their gross profit. (4)

4.8.2 Ways of reducing their cost of goods sold to improve their net profit. (2)

4.8.3 What they could do to increase their sales to improve their net profit. (3)

4.9 Explain the term *budget*. (2)

[40]

TOTAL SECTION B: 120

GRAND TOTAL: 150

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ADDENDUM

BOXER STORE		
Date:		
Name:		
Employee No:		
POS No:		
Notes handed in	**Denominations**	**Amount**

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