higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

WHOLESALE AND RETAIL
NQF LEVEL 3

(11030023)

10 March 2020 (X-paper)
09:00–12:00

This question paper consists of 10 pages.

419Q1S2010

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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 only blue or black pen.
6. Write neatly and legibly.

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SECTION A

QUESTION 1

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

1.1 Open-ended questions start with What, Why, When, Where, Who, Which and allow conversation to flow, compared with questions to which the answer is only yes or no.

1.2 Manufacturers send products from the factory to large distribution centres from where stock is sent to wholesalers and retailers.

1.3 Word of mouth is a paid promotion where customers sell products on behalf of businesses they like.

1.4 Float is the exchange of an amount of money for products or services.

1.5 Cash drop is the term used to describe the process of loading cash with a high money value in the till without recording it.

1.6 Symmetry or a symmetrical display means the right and left side of a display are equal.

1.7 Reserve slots are usually found on the higher shelves.

1.8 Pallets are also used to deliver cigarettes.

1.9 The skill to be able to translate product features into benefits can be learnt and mastered by sales people.

1.10 False objections are sometimes delay objections.

(10 × 1) **[10]**

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	Comparing financial records of business with that of bank to ensure they correspond	A	focal point
2.2	Percentage off every invoice given by supplier to wholesaler or retailer in case of damaged goods	B	let-down
2.3	Principal focus or centre of interest which draws customer's eye	C	discrepancy
2.4	Taking reserve stock from shop floor back to the storeroom	D	reconciling
2.5	Delivered goods not correlating with goods charged for	E	blind cash-up
2.6	Allows store to look at financial performance and see how successful they have been	F	swell allowance
2.7	Goods received number/voucher	G	GRN/GRV
2.8	Process of cashing up without knowing what expected takings are	H	escalating query
2.9	Passing on a query to next level of authority	I	budget
2.10	Mix between high-profit and low-profit products which are both needed in a store	J	reducing selling prices
		K	product mix
		L	own use

(10 × 1) **[10]**

QUESTION 3

Complete the following sentences by filling in the missing word or words. Write only the word or words next to the question number (3.1–3.10) in the ANSWER BOOK.

hard sale; sweet-hearting; electronic funds transfer; anonymous tip-off line; visual merchandising; buying need; nonverbal; service approach; SMARTBOX; receiving; blind spot; pick to light

3.1 … is selling a product or service by using a direct or to-the-point approach.

3.2 … means using the internet or on-line banking to transfer money directly from your account to the retailer's/wholesaler's account.

3.3 … concerns displaying products in the most eye-catching manner to get the customer's attention so that they would buy these products.

3.4 Another form of cash-up in a highly computerised store is the use of a system called a …

3.5 … buying signals means that the customer's body language is showing that they are ready to close the sale.

3.6 … means accepting delivery of stock to the business.

3.7 … happens when a customer, who is a friend of the cashier, wants to buy an expensive product and the cashier at the till gives it away or sells it at a lower price.

3.8 An … is an effective way of reducing internal theft by staff who would otherwise be afraid to say something but now reports is anonymously.

3.9 Customers come to the retail store to satisfy a specific ...

3.10 The … is the easiest to use because you are engaging with customers, asking whether you could assist them.

(10 × 1) **[10]**

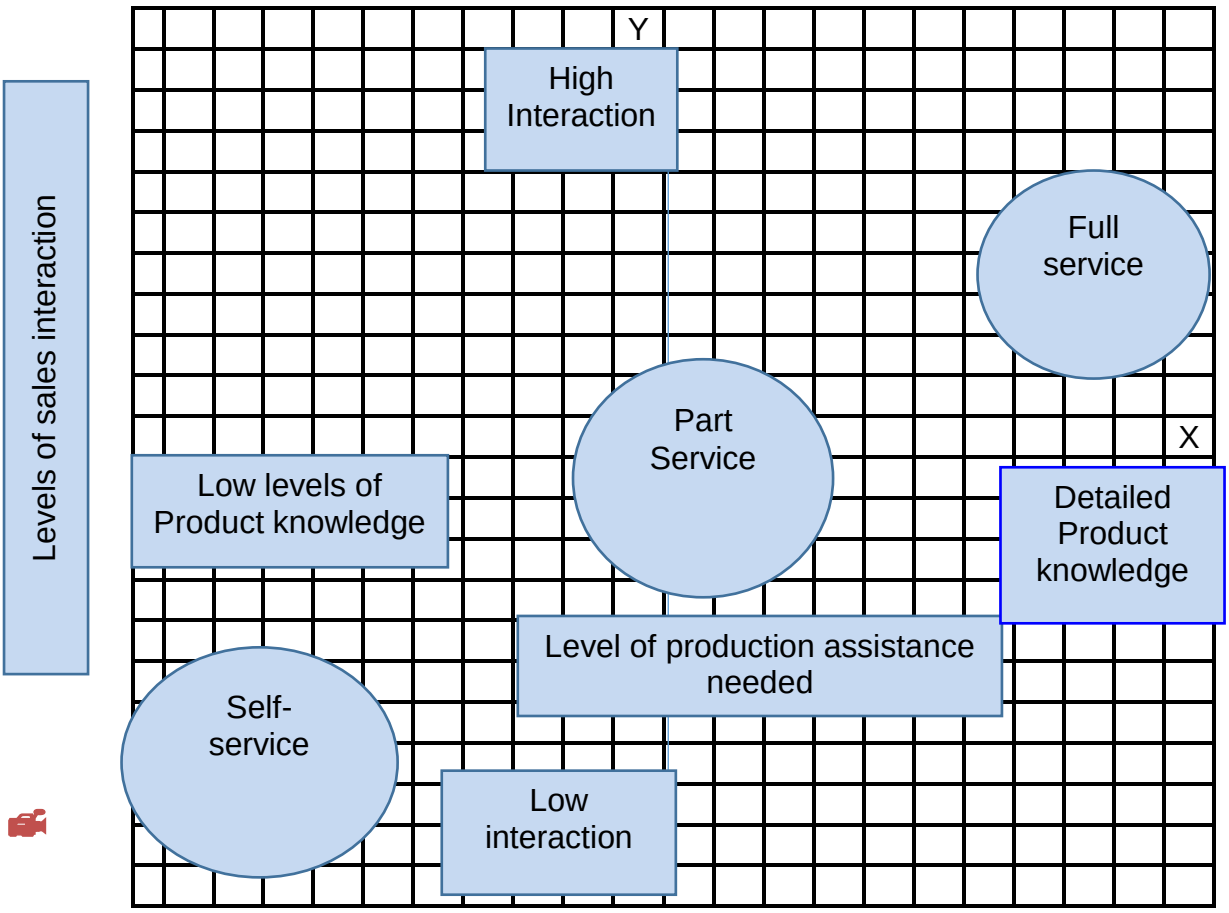
TOTAL SECTION A: 30

SECTION B

QUESTION 4

4.1 List FOUR elements that a visual merchandiser uses to evaluate visual merchandise displays. (4)

4.2 Use the diagram below to determine whether a customer needs full service, part service or self-service. Also explain the different service levels a customer will receive from the sales assistant.



(10)

4.3 State THREE reasons why a distribution centre (DC) would break the bulk. (3)

4.4 Define *sale.* (2)

4.5 Give THREE reasons why retailers should try to exceed customer's expectations. (3)

4.6 List FOUR ways to prevent losses while cashing up. (4)

4.7 Explain *visual merchandising*. (1)

4.8 Below are the income statements of the shop on the corner for 2017 and 2018.

Identify SEVEN entries which have a negative impact on the net profit.

INCOME STATEMENT OF PICK n PAY		
	2018	**2017**
Sales	R1000 000	R1000 000
Cost of sales	R200 000	R400 000
Shrinkage	R60 000	R50 000
Gross profit	**R740 000**	**R550 000**
Expenses	**R485 212**	**R352 762**
Cleaning	R33 000	R33 000
Printing and stationery	R10 000	R 9 000
Electricity and water	R80 000	R70 000
Telephones	R50 000	R40 550
Security	R20 212	R20 212
Repairs	R89 000	R45 000
Rent	R20 000	R20 000
Rates	R5 000	R5 000
Refuse collection	R3 000	R3 000
Salaries	R100 000	R80 000
Overtime	R60 000	R12 000
Staff uniforms	R15 000	R15 000
Net profit/loss	**R254 788**	**R197 238**

(7)

4.9 Study the information below and answer the questions.

4.9.1 Explain the impact on gross profit:

Sales xxx (↑)
- Cost of goods sold xxx (same)
- Shrinkage xxx (same)
= Gross profit xxx (↑) (3 × 1) (3)

4.9.2 Explain the impact on net profit/loss

Gross profit xxx (↑)
+ Other income xxx (same)
- Expenses xxx (↑↑↑)
= Net loss (↓) (3 × 1) (3)

[40]

QUESTION 5

5.1 Use the daily cash takings reconciliation below and fill in the amount of money which must be taken to the bank on the deposit slip on the attached ADDENDUM.

CORNER SUPERMARKET (PTY) LTD. DAILY CASH TAKINGS RECONCILIATION				
Office clerk: SEEKOIE (account number134)			Date: 28/11/2019	
Cashier name	CHABANE	LESETLA	MOLOI	TOTAL
Employee no	888	777	999	
Operator no	03	02	01	
EXPECTED TAKINGS	**3334,30**	**3 301,25**	**7 190,00**	
Cash handed in	736,00	1 050,00	960,00	2 746,00
Cash drops	2 000,00	1 800,00	5 400,00	9 200,00
TOTAL CASH	**2 736,00**	**2 850,00**	**6 360,00**	**11 946,00**
Credit cards	400,00	100,00	280,00	
Debit cards	50,00	250,00	400,00	
Coupons	30,00	. 25,00		
Gift Vouchers	150,00	100,00	50,00	
TOTAL TAKINGS	**3 336,30**	**3 300,25**	**7 090,00**	
Over	**2**			
Short		**1**	**100**	
Cashier Signature	*CHABANE*	*LESETLA*	*MOLOI*	

(10)

5.2 List FIVE elements to consider when positioning different categories of stock in a distribution centre. (5)

5.3 Identify FOUR types of visual displays used to promote different merchandise. (4)

5.4 Give the corner shop advice on TWO ways to influence the gross profit positively. (2)

5.5 State TWO advantages of using a perpetual inventory. (4)

5.6 List FOUR steps of the sales process. (4)

5.7 State THREE positive buying signals a customer may show. (6)

5.8 Name FIVE responsibilities of the receiving clerk. (5)

[40]

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QUESTION 6

6.1 Give the branch manager of the corner shop THREE hints about the benefit of having a budget. (3)

6.2 Discuss the advantages of holding a change float in the store. (2)

6.3 Explain the concept *pick to zero*. (3)

6.4 Use the information below and calculate the expected takings of the day.

Closing reading	216 578,20	Today's reading
Opening reading	187 900,10	Last closing reading
Expected takings	?	

(2)

6.5 Discuss the steps that should be followed when cashing up. (3 × 2) (6)

6.6 Give FOUR reasons why retailers cash up and balance the tills at the end of trading. (4)

6.7 In step 4 of the receiving procedure the goods are brought into the receiving area.

Identify FOUR things that need to be compared against the supplier's invoice. (4)

6.8 What steps should the receiving clerk follow to complete a claim for credit on goods received? (6)

6.9 Discuss THREE reasons why colour technique is important to enhance visual merchandise displays. (3)

6.10 Differentiate between *soft selling* and *hard selling*. (2 + 2) (4)

6.11 Explain to a new cashier how to process a pick-up. (3)

[40]

TOTAL SECTION B: 120
GRAND TOTAL: 150

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EXAMINATION NUMBER:

ADDENDUM

QUESTION 5

Deposit

Date	Cash		
Name	Checks		
Account number			
The money bank			
	Subtotal		
	Less Cash		
	TOTAL		

Write you EXAMINATION NUMBER in the space provided and hand in the ADDENDUM with the ANSWER BOOK.

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