

**2002 HSC Notes from
the Marking Centre
Retail Operations**

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2002 HSC NOTES FROM THE MARKING CENTRE

RETAIL OPERATIONS

Introduction

This document has been produced for the teachers and candidates of the Stage 6 course in Retail Operations. It provides comments with regard to responses to the 2002 Higher School Certificate Examination, indicating the quality of candidate responses and highlighting the relative strengths and weaknesses of the candidature in each section and each question.

It is essential for this document to be read in conjunction with the relevant syllabus, the 2002 Higher School Certificate Examination, the Marking Guidelines and other support documents which have been developed by the Board of Studies to assist in the teaching and learning of Retail Operations.

Comments

In 2002, approximately 1477 candidates attempted the Retail Operations examination.

The multiple choice and short answer questions were similar in structure and style to those in the specimen paper and in the 2001 papers and they covered a broad range of outcomes from the Retail Operations syllabus.

The extended response questions provided an opportunity for candidates to apply their knowledge of a range of HSC topics studied.

Section I – Core

Part A – Multiple Choice Questions

Question	Correct Response
1	C
2	A
3	C
4	C
5	A
6	B
7	B
8	B

Question	Correct Response
9	A
10	C
11	C
12	D
13	B
14	D
15	A

Section II

General Comments

Overall, the candidates' responses indicated that the majority had a good grasp of retail concepts, appropriate for HSC candidates. Candidates need to be aware that the answer space allocated is a guide to the length of the response required to score full marks.

Teachers should ensure that candidates thoroughly understand the meaning of the words in the 'Glossary of Key Words' document. There were a large number of candidates who relied on defining and describing where the question required a more elaborate response. Those candidates who understood the instructional words generally gained access to higher ranges of marks.

Teachers and candidates should be aware that examiners might ask questions that address the syllabus outcomes in a manner that requires candidates to respond by integrating their knowledge, understanding and skills developed through studying the course.

Specific Comments

Question 16

This question required candidates to identify a potential breakdown in a specific piece of retail equipment and explain the effects of such a breakdown on the operation of the retail store.

Students needed to identify a specific breakdown, for example 'the scanner attached to the point of sale register is not reading any product barcodes', rather than simply making a general statement such as a 'breakdown or malfunction at the point of sale register'. Further, the implications explained had to relate specifically to the identified breakdown.

Better responses clearly identified the cause of a breakdown or a specific type of breakdown in a stated piece of retail equipment. They also explained the resultant direct effect on the store's operation or the indirect effect on sales/profits.

Average responses simply identified a piece of retail equipment and explained the implication, or made a general statement, as to the effect of a breakdown in this piece of equipment.

Poorer responses misinterpreted the intention of the question and often described refund procedures or Occupational Health and Safety (OH&S) principles.

Question 17

- (a) This part of the question required candidates to provide a definition of three retail terms/concepts: franchise, hypermarket and consumer cooperative. The quality of many responses indicated that many candidates were unaware of the range of terms/concepts which could be examined in the HSC examination.

Better responses clearly defined each term/concept providing characteristics which clearly distinguished them from other similar terms/concepts.

Average responses provided a clear definition for one or two of the terms/concepts. Generally, franchise was correctly defined, while hypermarket and consumer cooperative (which was often confused with producer cooperative) were poorly attempted.

Poorer responses contained three incorrect definitions.

- (b) This part of the question required candidates to explain the relationship between the manufacturer, the wholesaler and the retailer in the distribution process. Generally candidates identified the links between the three key players, but many were unable to clearly explain the role that each plays within this distribution process.

Better responses clearly identified the role of each member in the distribution process and explained the links between them.

Average responses identified the roles of some members and explained all the links in the distribution process. Many candidates failed to establish a significant role for the wholesaler beyond distribution.

Poorer responses provided general statements about the distribution process members being interdependent, or incorrectly identified the relationship between members of the distribution chain. Some candidates simply stated that each member of the process made money. There were few non-attempts.

Question 18

This question required candidates to complete a table by analysing the information provided and calculated the total wage for each employee and the total wages for the day. Although this question was successfully attempted by the majority of candidates, it was evident that many candidates had not taken a BOS approved calculator into the examination room to assist them in answering the question.

Better responses included an analysis of the information presented with the required information placed in the correct positions within the table. These candidates were also able to calculate the additional entitlements such as meal allowances where required.

Average responses generally included a calculation of individual employee wages for normal hours, but showed a lack of knowledge of how or when to calculate time and a half and/or double time wages. The allocation of meal allowance entitlements also proved difficult for these candidates.

Poorer responses showed a lack of understanding of how to access the information provided in the question, and how to use it to calculate either the individual employee wages or the total wages for the day.

Question 19

- (a) This part of the question required candidates to distinguish between a mark-up and a markdown. Many poorer responses made generalised statements such as ‘mark-up means raising prices while markdown means lowering prices’. Better responses clearly distinguished between the two concepts by providing clear definitions of each term. These responses used

retail specific terminology such as percentage increase added to cost price and percentage reduction in original selling price.

- (b) This part of the question required candidates to explain why retailers mark up prices through the use of a specific retail example.

Better responses clearly identified one reason why a retailer would mark up prices and supported this with a related retail example. For example, a retailer may mark up prices to cover increased wage costs to ensure that profit levels are maintained.

Poorer responses either identified an example of a retailer marking up prices without providing a reason for this action, or correctly identified a reason for marking up prices without providing a relevant example to support the reason identified.

- (c) This part of the question required candidates to demonstrate an understanding that profit may either rise or fall when a retailer applies a markdown to a price.

Better responses were able to clearly demonstrate the relationship between a markdown in price and the impact on profit. These candidates explained that a markdown in price could increase profits as it may lead to an increase in turnover and increased profits. These candidates also explained that if there was no increase in turnover, a markdown in price was more likely to lead to a decrease in profits.

Average responses generally demonstrated only one impact of a markdown in price. These candidates tended to state that a markdown in price would lead to a decrease in profits as reduced sell price x constant turnover would lead to reduced profits.

Poorer responses made a general statement that a markdown in sell price would reduce profits. These candidates were not able to explain the relationship between sell price, turnover and their respective impact on profits.

Question 20

This question required candidates to explain the rights of the customer and the retailer with regards to a request to present a handbag for inspection at the point of sale register. Candidates generally explained some of the rights of both the retailer and the customer, but many failed to explain the essential requirement of store signage to make customers aware of the fact that it is a condition of entry to the store that all bags/handbags larger than a foolscap piece of paper would be inspected at the checkout.

Better responses provided a thorough explanation of the rights of the retailer to inspect bags as per the Bag Check Code of Practice and the procedures they needed to follow in carrying out such bag checks. They also explained the rights of the retailer to refuse the customer any further entry into the store unless they were prepared to comply with the conditions of entry. These responses also gave an explanation of the right of the customer to refuse to comply with the request for a bag inspection.

Average responses provided a descriptive account of the rights of the retailer and the customer during a bag check. These responses often omitted the essential requirements of store signage to

inform the customers of the conditions of entry and of the right of the customer to refuse to comply with the request for a bag check.

Poorer responses simply listed one or two rights of either the retailer or the customer.

Question 21

This question required candidates to apply their knowledge of workers' compensation legislation. In areas dealing with legislation, it became clear that many candidates relied on out-dated information, or that syllabus outcomes referring to legislation have been quickly glossed over. It is essential that candidates be familiar with the most up-to-date and relevant legislation to allow them to access marks in the higher ranges.

- (a) This part of the question required candidates to discuss employee entitlements provided under workers' compensation legislation.

Better responses provided a clear discussion of the general entitlements available to an employee. They further outlined the conditions under which an employee was entitled to claim workers' compensation as well as workplace practices which may exclude the employee from legitimately claiming workers' compensation benefits.

Average responses generally provided a description of a limited number of entitlements available to an employee. These candidates were often able to outline the conditions under which an employee was entitled to claim workers' compensation but did not refer to workplace practices which may exclude the employee from legitimately claiming workers' compensation benefits.

Poorer responses gave a general statement about workers' compensation without being able to discuss or describe particular employee entitlements.

- (b) This question part required candidates to describe the process an employee should follow to apply for workers' compensation when injured in the workplace.

Better responses provided a clear description of the process to be followed outlining all essential stages/features.

Poorer responses provided a general statement or listed one stage of the process without providing any description of the process.

Question 22

This question required candidates to describe the role housekeeping plays in minimising theft.

Better responses clearly identified and described the relationship between good housekeeping practices and store security. This description was reinforced by providing a relevant, specific example from the retail industry.

Average responses provided a general example from the retail industry but did not clearly describe the relationship between good housekeeping and store security.

Poorer responses simply provided a general description of housekeeping or made a statement about minimising theft. These candidates could not generally provide relevant examples.

Section III

Candidates need to be mindful of the rubric at the beginning of Section III advising them of the criteria used to assess responses.

Question 23

This question required candidates to identify a range of changes in society and analyse how these changes have impacted on the retail industry. Candidates were required to identify a range of societal changes and their impact rather than provide an analysis of a range of examples within one area of societal change; for example, analysing the impact of three new technological developments in the retail industry.

Better responses were able to identify at least three distinct areas of societal change and provided a clear analysis of how the changes in these areas impacted upon the retail industry.

Average responses either identified two distinct areas of societal change but provided a general description of their impact on the retail industry, or identified one area of societal change and provided a limited analysis of their impact on the retail industry.

Poorer responses provided a limited list of examples of changes in the retail industry and provided no link between these changes and changes in society.

Question 24

This question required candidates to analyse how a retailer would respond to different types of customer complaints in order to improve customer satisfaction. This question was reasonably well attempted, though a number of candidates misinterpreted the question and provided responses on how a salesperson would deal with customer objection to the attempted sale.

Better responses clearly identified the wide range of categories into which customer complaints fall and provided a comprehensive analysis of the strategies which could be employed by a retailer to overcome these complaints. These strategies were directly linked to the nature of the complaint and provided a comprehensive explanation of how these strategies would benefit the retailer to further improve customer satisfaction. These responses were cohesively written using precise retail terminology.

Average responses identified a number of types of customer complaints but provided a general analysis as to how a retailer could deal with any type of customer complaint. In many instances, these candidates were unable to directly link the strategies analysed with improving ongoing customer relations. Responses also contained descriptive rather than retail specific terminology.

Poorer responses gave a general description of complaints but provided little or no analysis of how a retailer could respond to these complaints in order to improve customer satisfaction. These responses generally consisted of limited appropriate retail terminology. Many of these responses misinterpreted the question and discussed customer objection.

Question 25

This question required candidates to analyse how salespeople recognise and use rational and emotional buying motives during the selling process.

Better responses discussed how salespeople used questions to identify customers' needs and buying motives. These responses showed a clear understanding of how a salesperson uses both rational and emotional buying motives in the selling process, including identifying the features and benefits of products in overcoming objections. All the examples cited supported the discussion provided in the response.

Average responses often confused rational and emotional buying motives, relating them to needs and wants, to the customers' feelings, or to the purpose of buying the product (eg purchasing an engagement ring involves an emotional buying motive). Other average responses did not explicitly identify or address buying motives, concentrating more on needs analysis and the selling process in general.

Poorer responses either identified incorrect examples of rational and emotional buying motives or responded with generalised statements about selling.

Retail Operations

2002 HSC Examination Mapping Grid

Question	Marks	Content	Syllabus outcomes
1	1	WRRCA.1A, WRRS.1A, WRRCS.1A	Pricing, Mathematical calculations, Mark-up
2	1	WRRS.1A	Add-on sales
3	1	WRR1.1A	Aims of stocktaking
4	1	WRRS.1A, WRRCS.1A, WRRCS.3A	Communication, Product knowledge, Good service, Trade Practices Act, Questioning
5	1	WRRCS.1A	Gross/net profit
6	1	WRRCS.2A, WRRCA.1A	Function of POS equipment, Scanners, EFTPOS
7	1	WRRER.1A	Legislative requirement, Awards
8	1	WRRER.1A	Legislative requirement, EEO, Anti-discrimination
9	1	WRRCS.1A, WRRER.1A	Awards, Legislative requirement
10	1	WRRF.1A	Reconcile floats
11	1	WRRLP.2A	Legislative and statutory protocols
12	1	WRRM.2A	Importance of housekeeping, Protocols
13	1	WRR1.1A, WRRLP.2A, WRRM.2A	Stock rotation, Monitor stock, Principles of stock control
14	1	WRRLP.1A, WRRM.2A	Legislative requirements, Identifying hazards
15	1	WRRM.2A, WRRLP.1A	OH&S, Dealing with hazards, Legislative requirements
16	2	WRRCS.2A	POS procedures, Protocols, Documentation
17 (a)	3	RET.001	Major types of retail outlets
17 (b)	4	RET.001	Methods of distribution
18	6	WRRCS.1A, RET.001, WRRER.1A	Retail calculation, Awards, Wages
19 (a)	2	WRRCS.1A, RET.001	Mark-up, Documentation
19 (b)	2	WRRCS.1A, RET.001	Mark-up
19 (c)	4	WRRCS.1A, WRR1.1A	Mark-up, Documentation, Stock control principles
20	4	WRRLP.2A, WRRCS.3A	Reporting and dealing with theft, Legislative requirements, Legal rights, Communication methods
21 (a)	3	WRRLP.1A, WRRCS.1A	OHS, Legislative requirement, Communication
21 (b)	2	WRRLP.1A, WRRCS.1A	OHS, Hazards, Legislative requirement, Communication
22	3	WRRLP.2A, WRRM.2A	Importance of housekeeping, Protocols, Range of security measures
23	15	RET.001	Changes in retail industry
24	15	WRRS.1A, WRRCS.1A, WRRCS.3A, WRRER.1A	Customer complaints, Methods of dealing with complaints, Reasons businesses encourage customer complaints
25	15	WRRS.1A, WRRCS.1A, WRRCS.3A	Buying motives, Interact and communicate with customers

2002 HSC Retail Operations Marking Guidelines

Section II

Question 16 (2 marks)

Competency assessed: WRRCS.2A

MARKING GUIDELINES

Criteria	Marks
• Correctly identifies a breakdown and explains its implication	2
• Correctly identifies a breakdown with no explanation or an incorrect explanation	1
OR	
• Correctly explains an effect without identifying the breakdown	

Question 17 (a) (3 marks)

Competency assessed: RET.001

MARKING GUIDELINES

Criteria	Marks
• Correctly defines three terms	3
• Correctly defines two terms	2
• Correctly defines one term	1

Question 17 (b) (4 marks)*Competency assessed: RET.001***MARKING GUIDELINES**

Criteria	Marks
<ul style="list-style-type: none">• Correctly identifies the roles of each member• Explains the link (in correct order) between each of the members	4
<ul style="list-style-type: none">• Correctly identifies the roles of some members• Explains the link (in correct order) between each of the members	3
<ul style="list-style-type: none">• Correctly identifies the roles of a member• Explains the link (in correct order) between each of the members	2
<ul style="list-style-type: none">• Makes a correct general statement relating to the distribution members or the process	1

Question 18 (6 marks)*Competencies assessed: RET.001, WRRER.1A, WRRCS.1A***MARKING GUIDELINES**

Criteria	Marks
<ul style="list-style-type: none">• One mark allocated for each employee's correct total wage with one additional mark if the total wage column is added correctly regardless of any earlier error	1–6

Question 19 (a) (2 marks)*Competencies assessed: WRRCS.1A, RET.001***MARKING GUIDELINES**

Criteria	Marks
<ul style="list-style-type: none">• Differentiates the two terms by defining each	2
<ul style="list-style-type: none">• Defines either mark-up or markdown correctly	1

Question 19 (b) (2 marks)*Competencies assessed: WRRCS.1A, RET.001***MARKING GUIDELINES**

Criteria	Marks
<ul style="list-style-type: none">• Correctly identifies one reason with an appropriate example	2
<ul style="list-style-type: none">• Correctly identifies one reason with inappropriate or no example <p>OR</p> <ul style="list-style-type: none">• Identifies one example with no reason	1

Question 19 (c) (4 marks)

Competencies assessed: WRRCS.1A, WRRI.1A

MARKING GUIDELINES

Criteria	Marks
<ul style="list-style-type: none"> • Demonstrates an understanding that profit can increase or decrease by clearly explaining the relationship between price and turnover of stock and that profit is directly related to sell price times quantity sold 	4
<ul style="list-style-type: none"> • Demonstrates that profit can increase or decrease by explaining the relationship between price and turnover of stock or that profit is directly related to sell price times quantity sold 	3
<ul style="list-style-type: none"> • Demonstrates that profit will increase and provides reason(s) OR <ul style="list-style-type: none"> • Demonstrates that profit will decrease and provides reason(s) 	2
<ul style="list-style-type: none"> • Makes a general statement about the effect on profit 	1

Question 20 (4 marks)

Competencies assessed: WRRLP.2A, WRRCS.3A

MARKING GUIDELINES

Criteria	Marks
<ul style="list-style-type: none"> • Thorough explanation of the rights of the customer and of the retailer in regards to bag checks 	4
<ul style="list-style-type: none"> • Description of the rights of the customer and of the retailer in regards to bag checks 	3
<ul style="list-style-type: none"> • Explanation of the rights of the customer or the rights of the retailer in regards to bag checks 	2
<ul style="list-style-type: none"> • Outlines some rights of either customer or retailer, in regards to bag checks 	1

Question 21 (a) (3 marks)

Competencies assessed: WRRLP.1A, WRRCS.1A

MARKING GUIDELINES

Criteria	Marks
<ul style="list-style-type: none"> • Provides a discussion of the entitlements of employees under Workers Compensation legislation 	3
<ul style="list-style-type: none"> • Provides description of the entitlements of employees under Workers Compensation legislation 	2
<ul style="list-style-type: none"> • Makes general statement(s) related to Workers Compensation entitlements 	1

Question 21 (b) (2 marks)*Competencies assessed: WRRLP.1A, WRRCS.1A***MARKING GUIDELINES**

Criteria	Marks
• Gives a clear description of the process involved in applying for workers compensation	2
• Makes a general statement about the process of applying for workers compensation	1

Question 22 (3 marks)*Competencies assessed: WRRM.2A, WRRLP.2A***MARKING GUIDELINES**

Criteria	Marks
• Identifies the relationship between good housekeeping and store security (theft) by providing a relevant retailing example	3
• Identifies a relevant retailing example, but doesn't clearly identify the relationship between housekeeping and store security (theft)	2
• Gives a definition of housekeeping with some reference to minimising theft	1

Question 23 (15 marks)*Competency assessed: RET.001***MARKING GUIDELINES**

Criteria	Marks
<ul style="list-style-type: none">• Provides a comprehensive analysis of how a range of changes in society have impacted on the retail industry• Communicates ideas and information effectively, using appropriate retail examples and integrating correct industry terminology into a well reasoned, cohesive response, using language appropriate to the audience and purpose	13–15
<ul style="list-style-type: none">• Provides an analysis of the impact that a range of societal changes has had on the retail industry• Communicates ideas and information, using appropriate retail examples and integrating correct industry terminology in a response, using language appropriate to the audience and purpose	10–12
<ul style="list-style-type: none">• Identifies some changes in society and their impact on the retail industry• Communicates ideas and information, using one or two appropriate retail examples and a range of industry terminology in a response	7–9
<ul style="list-style-type: none">• Identifies societal changes with limited links to their impact on the retail industry• Uses broad examples• Communicates ideas and information with limited use of industry terminology in a response	4–6
<ul style="list-style-type: none">• Lists some relevant points relating to changes in the retail industry• Shows limited communication, using some basic retail terminology	1–3

Question 24 (15 marks)

Competencies assessed: WRRS.1A, WRRCS.1A, WRRCS.3A, WRRER.1A

MARKING GUIDELINES

Criteria	Marks
<ul style="list-style-type: none"> • Provides a comprehensive analysis of strategic responses to various types of customer complaints • Provides comprehensive explanation of the benefits of responding in a way that achieves ongoing improvement to customer satisfaction • Communicates ideas and information effectively, using appropriate retail examples and integrating correct industry terminology into a well reasoned, cohesive response, using language appropriate to the audience and purpose 	13–15
<ul style="list-style-type: none"> • Provides an analysis of strategic responses to various types of customer complaints • Provides an explanation of the benefits of this response in achieving improved, ongoing customer satisfaction • Communicates ideas and information effectively, using appropriate retail examples and integrating industry terminology in a response, using language appropriate to the audience and purpose 	10–12
<ul style="list-style-type: none"> • Identifies various customer complaints and describes a process for responding to these complaints specifically • Makes some reference to resultant improvement in customer satisfaction • Communicates ideas and information, using one or two appropriate retail examples and a range of industry terminology in a response 	7–9
<ul style="list-style-type: none"> • Identifies various customer complaints and suggests a general process for responding to these complaints • Communicates ideas and information with limited use of industry terminology in a response 	4–6
<ul style="list-style-type: none"> • Lists some relevant points relating to customer complaints • Shows limited communication, using some basic retail terminology 	1–3

Question 25 (15 marks)

Competencies assessed: WRRS.1A, WRRCS.1A, WRRCS.3A
MARKING GUIDELINES

Criteria	Marks
<ul style="list-style-type: none"> • Provides a comprehensive analysis of a selling process that identifies and addresses rational and emotional buying motives • Provides a comprehensive explanation about matching a product or service with the identified customer needs • Communicates ideas and information effectively, using appropriate retail examples and integrating correct industry terminology into a well reasoned, cohesive response, using language appropriate to the audience and purpose 	13–15
<ul style="list-style-type: none"> • Provides an analysis of a selling process that identifies and addresses rational and emotional buying motives • Provides an explanation about matching a product or service with the identified customer needs • Communicates ideas and information effectively, using appropriate retail examples and correct industry terminology into a response, using language appropriate to the audience and purpose 	10–12
<ul style="list-style-type: none"> • Describes how a salesperson uses rational and emotional motives in the selling process using relevant examples <p>OR</p> <ul style="list-style-type: none"> • Provides a comprehensive explanation about matching a product or service with the identified customer needs • Communicates ideas and information using one or two appropriate retail examples and a range of industry terminology in a response 	7–9
<ul style="list-style-type: none"> • Provides an explanation about matching a product or service with the identified customer needs • Outlines and gives examples of rational and emotional buying motives <p>OR</p> <ul style="list-style-type: none"> • Describes customer perspective rather than sales person’s perspective • Communicates ideas and information with limited use of industry terminology in a response providing a relevant example 	4–6
<ul style="list-style-type: none"> • Lists some relevant points relating to buying motives or makes a general statement about the selling process • Shows limited communication, using some basic retail terminology 	1–3