

**BOARD OF STUDIES**  
NEW SOUTH WALES

**2003**

**HIGHER SCHOOL CERTIFICATE  
EXAMINATION**

# Retail Operations

## General Instructions

- Reading time – 5 minutes
- Working time – 2 hours
- Write using black or blue pen
- Board-approved calculators may be used
- Write your Centre Number and Student Number at the top of pages 9, 11 and 13

**Total marks – 80**

**Section I** Pages 2–5

**15 marks**

- Attempt Questions 1–15
- Allow about 15 minutes for this section

**Section II** Pages 9–14

**35 marks**

- Attempt Questions 16–22
- Allow about 45 minutes for this section

**Section III** Page 15

**30 marks**

- Attempt TWO questions from Questions 23–25
- Allow about 1 hour for this section

## Section I

15 marks

Attempt Questions 1–15

Allow about 15 minutes for this section

Use the multiple-choice answer sheet.

Select the alternative A, B, C or D that best answers the question. Fill in the response oval completely.

**Sample:**  $2 + 4 =$  (A) 2 (B) 6 (C) 8 (D) 9  
A  B  C  D

If you think you have made a mistake, put a cross through the incorrect answer and fill in the new answer.

A  B  C  D

If you change your mind and have crossed out what you consider to be the correct answer, then indicate the correct answer by writing the word **correct** and drawing an arrow as follows.

A  B  C  D   
*correct* ↙

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- 1** Which of the following are sources for acquiring product knowledge?
- (A) Colleagues and trade journals
  - (B) Trade journals and store policies
  - (C) Union representative and suppliers
  - (D) Suppliers and point-of-sale manual
- 2** Which of the following types of retail businesses have unlimited liability?
- (A) Partnership and sole trader
  - (B) Partnership and private company
  - (C) Private company and sole trader
  - (D) Private company and public company
- 3** Which of the following is the most cost effective method of theft prevention in a small retail gift store?
- (A) Employing a security guard
  - (B) Installing a security alarm system
  - (C) Installing security gates or pedestals
  - (D) Training customer service assistants
- 4** What name is given to the procedure of maintaining control of stock throughout a period of time?
- (A) Full stocktake
  - (B) Partial stocktake
  - (C) Cyclical stocktake
  - (D) Spot check stocktake
- 5** Socks cost \$24.50 per dozen and they are marked up 60%. What is the retail price per pair of socks?
- (A) \$2.04
  - (B) \$2.64
  - (C) \$3.27
  - (D) \$3.90

- 6** A product advertised in a current store catalogue is unavailable. What may the store offer to a customer wishing to purchase the product?
- (A) Lay-by
  - (B) Raincheck
  - (C) Credit note
  - (D) Gift voucher
- 7** The cash register has failed. A customer tenders a \$50.00 note for a purchase costing \$13.72. What change should the customer receive?
- (A) \$36.28
  - (B) \$36.30
  - (C) \$36.35
  - (D) \$37.28
- 8** The NSW Government has passed legislation that mirrors consumer protection provisions under the Trade Practices Act (1974). What is this legislation known as?
- (A) Sale of Goods Act (1986)
  - (B) Fair Trading Act (1987)
  - (C) Referral Selling Act (1987)
  - (D) Cheques and Payment Orders Act (1986)
- 9** Which of the following statements about refunds is legal?
- (A) No refunds or exchange are given on items during our clearance sales.
  - (B) We do not refund, but are happy to exchange or give credit notes.
  - (C) Due to health regulations we do not refund on swimwear, underwear or earrings.
  - (D) We do not refund for change-of-mind purchases but are happy to give credit notes.
- 10** A retailer is recruiting employees into a management training program and is actively encouraging females to apply. Which of the following best describes this strategy?
- (A) Affirmative action
  - (B) Regulatory action
  - (C) Direct discrimination
  - (D) Indirect discrimination

- 11** A retailing strategy used to identify customer dissatisfaction includes which of the following?
- (A) A flexible refund policy
  - (B) The provision of in-store promotions
  - (C) Following industry codes of practice
  - (D) A mechanism for customer input/feedback
- 12** Which of the following does the Occupational Health and Safety Act (2000) NOT give a union officer power to do?
- (A) Inspect with notice for a suspected breach of the Act.
  - (B) Inspect without notice for a suspected breach of the Act.
  - (C) Inspect and impose a penalty for a suspected breach of the Act.
  - (D) Inspect in the company of a WorkCover officer for a suspected breach of the Act.
- 13** A salesperson assisting a customer with a purchase restates the customer's needs to clarify understanding. Which questioning is this an example of?
- (A) Open questioning
  - (B) Active questioning
  - (C) Closed questioning
  - (D) Reflective questioning
- 14** Which of the following is an example of a housekeeping policy consistent with environmentally responsible waste disposal?
- (A) Collecting all waste in plastic bins
  - (B) Disposing of chemicals into stormwater drains
  - (C) Compacting and recycling cardboard boxes after use
  - (D) Cleaning shelves and equipment with 'dolphin safe' products
- 15** The Trade Practices Act (1974) is administered and enforced by which organisation?
- (A) Department of Fair Trading
  - (B) Australian Consumers Association
  - (C) Australian Retailers Association
  - (D) Australian Competition and Consumer Commission

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# Retail Operations

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Centre Number

## Section II

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Student Number

35 marks

Attempt Questions 16–22

Allow about 45 minutes for this section

Answer the questions in the spaces provided.

**Marks**

### Question 16 (6 marks)

(a) Identify and outline THREE functions of a retail environment.

**3**

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(b) Describe and provide examples of the THREE main methods of approaching customers in a retail environment.

**3**

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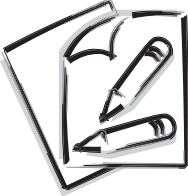
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**Question 17** (6 marks)

Calculate the missing totals on this invoice.

6

		<b>Robjen Stationers</b> 123 Nowhere Street Anywhere, 2000 ABN 456 444 555		Date: 30-04-2003 Purchase Order Number: 0035	
To: PKT Nelson Ltd 6 Cooper Rd Croydon		Invoice Number 23413847			
Item no.	Product code	Product description	No. of units	Price per unit \$	Total \$
1	AB351	Coloured copy paper – ream	8	7.49	<input type="text"/>
2	PF001	Paper clips – 33 mm box	11	0.33	3.63
3	PF010	Whiteout fluid – bottles	25	1.25	<input type="text"/>
4	PF302	Penline 205 pens – boxes of 10	1	49.00	49.00
		Total (ex GST)			143.80
		GST @ 10%			<input type="text"/>
		Total Sale			<input type="text"/>
		Less 2.5% Discount (Product on sale this month)			<input type="text"/>
		Grand Total			<input type="text"/>

# Retail Operations

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Centre Number

## Section II (continued)

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Student Number

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**Marks**

### Question 18 (4 marks)

Describe FOUR different security measures a store could use to prevent employee and vendor theft.

Employee theft

(i) ..... **1**  
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(ii) ..... **1**  
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Vendor theft

(i) ..... **1**  
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(ii) ..... **1**  
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**Question 19** (4 marks)

Demonstrate how retail employees can behave ethically and responsibly in the workplace. **4**

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**Question 20** (4 marks)

Provide an example from the retail industry for the types of hazards listed below. Identify an appropriate action to minimise the hazard of the example provided.

(a) Ergonomic **2**

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(b) Psychological **2**

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# Retail Operations

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Centre Number

## Section II (continued)

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Student Number

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**Marks**

### Question 21 (5 marks)

- (a) Outline signals a customer may use to indicate that she/he is ready to buy a product. **2**

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- (b) Identify and explain why a specific closing technique may be used by professional salespersons. **3**

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**Question 22** (6 marks)

- (a) Outline why housekeeping procedures are important in the point-of-sale area. **2**

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- (b) Compare and contrast the professional behaviour and personal presentation for a salesperson in a hardware store and an exclusive menswear store. **4**

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## Retail Operations

### Section III

**30 marks**

**Attempt TWO questions from Questions 23–25**

**Allow about 1 hour for this section**

Answer each question in a SEPARATE writing booklet. Extra writing booklets are available.

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In your answers you will be assessed on how well you:

- demonstrate relevant knowledge and understanding
  - communicate ideas and information, using precise industry terminology and appropriate workplace examples
  - organise information in a well-reasoned and cohesive response
  - solve proposed issues or problems
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#### **Question 23** (15 marks)

Retailers offer a wide variety of payment options to customers. Evaluate the advantages and disadvantages of these for retailers.

#### **Question 24** (15 marks)

Describe the responsibilities of retail employers to manage risks under Occupational Health and Safety legislation.

#### **Question 25** (15 marks)

Explain how effective stock control procedures can increase the profits of a store.

**End of paper**

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