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:** \[ 2 + 4 = \] \( \begin{array}{cccc} \text{(A) 2} & \text{(B) 6} & \text{(C) 8} & \text{(D) 9} \\ \text{A } & \text{B } & \text{C } & \text{D } \end{array} \)

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

\[ \begin{array}{cccc} \text{A } & \text{B } & \text{C } & \text{D } \end{array} \]

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.

\[ \begin{array}{cccc} \text{A } & \text{B } & \text{C } & \text{D } \end{array} \]
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?

(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
Question 16 (6 marks)

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

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Question 17 (6 marks)

Calculate the missing totals on this invoice.

<table>
<thead>
<tr>
<th>Item no.</th>
<th>Product code</th>
<th>Product description</th>
<th>No. of units</th>
<th>Price per unit</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>AB351</td>
<td>Coloured copy paper – ream</td>
<td>8</td>
<td>7.49</td>
<td>59.92</td>
</tr>
<tr>
<td>2</td>
<td>PF001</td>
<td>Paper clips – 33 mm box</td>
<td>11</td>
<td>0.33</td>
<td>3.63</td>
</tr>
<tr>
<td>3</td>
<td>PF010</td>
<td>Whiteout fluid – bottles</td>
<td>25</td>
<td>1.25</td>
<td>31.25</td>
</tr>
<tr>
<td>4</td>
<td>PF302</td>
<td>Penline 205 pens – boxes of 10</td>
<td>1</td>
<td>49.00</td>
<td>49.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total (ex GST)</td>
<td></td>
<td></td>
<td>143.80</td>
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<td></td>
<td></td>
<td>GST @ 10%</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td>Total Sale</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td>Less 2.5% Discount (Product on sale this month)</td>
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<tr>
<td></td>
<td></td>
<td>Grand Total</td>
<td></td>
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</tbody>
</table>
Question 18 (4 marks)

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

Employee theft
(i) ...............................................................................................................................
(ii) ...............................................................................................................................

Vendor theft
(i) ...............................................................................................................................
(ii) ...............................................................................................................................
Question 19 (4 marks)

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

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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
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(b) Psychological
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Marks

4

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Question 21 (5 marks)

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

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

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Question 22 (6 marks)

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

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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.

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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.

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

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