



BOARD OF STUDIES
NEW SOUTH WALES

2004

**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, 13 and 15

Total marks – 80

Section I Pages 2–6

15 marks

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

Section II Pages 9–15

35 marks

- Attempt Questions 16–21
- Allow about 45 minutes for this section

Section III Page 17

30 marks

- Attempt TWO questions from Questions 22–24
- 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 ↙

- 1 A customer bought the following items and paid with a \$10.00 note. How much change should be given?

<i>Item</i>	<i>Number</i>	<i>Price</i> (\$)	<i>Cost</i> (\$)
Cup	2	1.25	2.50
Saucer	2	1.10	2.20
Plate	2	1.45	2.90

- (A) \$2.40
(B) \$3.40
(C) \$4.20
(D) \$7.60
- 2 Which of the following is most likely to be the last step in the selling sequence?
- (A) Allowing the customer to use the product
(B) Demonstrating features of the product
(C) Summarising the advantages of the product
(D) Using questions to find out customer needs
- 3 Which of the following demonstrates good housekeeping practice?
- (A) Checking stock invoices for accuracy
(B) Removing waste when unpacking stock
(C) Storing heavy items on high shelves
(D) Using correct lifting technique
- 4 Which of the following is the most appropriate response to customer resistance in the selling process?
- (A) Ignore the resistance and continue the selling process.
(B) Ask questions to find out why the customer is unsure of purchase.
(C) Recommend another local retailer that may meet the customer's needs.
(D) Use technical language to show the customer that you are knowledgeable.

- 5** A customer says a product is above their price range. Which response is the most appropriate for this objection?
- (A) Agree that the product is expensive
 - (B) Explain that the product is of very high quality
 - (C) Ignore the objection
 - (D) Suggest a less expensive alternative
- 6** Under the NSW Retail Award, how many weeks of paid annual leave are full-time employees entitled to?
- (A) 2
 - (B) 4
 - (C) 6
 - (D) 8
- 7** Who funds the Workers Compensation Scheme in the retail industry?
- (A) Employers contribute at a level consistent with the risk factors associated with the work.
 - (B) Employers contribute equal amounts as determined by the Australian Retailers Association.
 - (C) WorkCover contributes at a level consistent with the risk factors associated with the work.
 - (D) Employees make weekly contributions to the Shop Distributive and Allied Employees Union.
- 8** Which of the following practices would best assist in preparing for a stocktake?
- (A) Checking and validating incoming stock
 - (B) Correct manual-handling procedures
 - (C) Electronic data interchange (EDI)
 - (D) First in, first out (FIFO)

- 9** Complaints made under federal anti-discrimination legislation are submitted to which organisation?
- (A) Anti-discrimination Board
 - (B) Equal Opportunity Tribunal
 - (C) Human Rights and Equal Opportunity Commission
 - (D) Supreme Court
- 10** Which strategy would best assist retailers to identify customers with special needs or requirements?
- (A) Observation and questioning by staff
 - (B) Point-of-sale staff rosters
 - (C) Store modifications
 - (D) Store signs and policies
- 11** Which of the following statements is correct?
- (A) Bearer cheques are negotiated by endorsement and delivery.
 - (B) Cheques are not negotiable documents.
 - (C) Company cheques are negotiated by endorsement and delivery.
 - (D) Uncrossed cheques are negotiable documents.
- 12** An employee is responsible for preparing the shrinkage report each week. Which of the following would contribute the most to shrinkage in the employee's department?
- (A) FIFO stock handling
 - (B) Merchandising presentation
 - (C) Poor record keeping
 - (D) Staff rostering
- 13** A retailer purchases a shirt from a manufacturer for \$110.50 and sells it for \$189.95. What is the retailer's percentage mark-up on the cost price?
- (A) 41.82
 - (B) 58.17
 - (C) 71.90
 - (D) 79.45

- 14** Which of the following is a legislative requirement for retail employers?
- (A) Personal indemnity
 - (B) Public liability
 - (C) Sickness and accident
 - (D) Workers compensation
- 15** Which of the following is NOT a direct benefit to a retailer who offers EFTPOS?
- (A) Allowing the use of debit cards
 - (B) Allowing the retailer to give special offers
 - (C) Allowing customers to claim points on their loyalty cards
 - (D) Allowing faster checkout through the use of store credit cards

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Retail Operations

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Centre Number

Section II

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Student Number

35 marks

Attempt Questions 16–21

Allow about 45 minutes for this section

Answer the questions in the spaces provided.

Marks

Question 16 (6 marks)

Identify and explain the impact of THREE modern methods of shopping on the community.

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Question 17 (6 marks)

Use the following lay-by document to answer parts (a)–(d).



PENRIC RURAL OUTFITTERS
ABN 08 01 96 03 12 98

4 Stranger Street,
Tapesville, NSW 2671

Customer: Bernie Cheng
32 Jean Street,
Tapesville, NSW 2671

Date of Purchase: 30 April 2004

Description	Quantity	Price per unit	Total
Boots	1	\$349.00	\$349.00
Jeans	2	\$129.00	\$258.00
Shirt	2	\$129.00	\$258.00
Belt	1	\$44.00	\$44.00
Socks	2	\$19.00	\$38.00
T-shirt	3	\$29.00	\$87.00
TOTAL			\$1034.00

Conditions of Lay-by

1. Lay-by must be finalised in 8 weeks.
2. Lay-by must be paid in full by Bernie Cheng.
3. Payments to be at the store of purchase only.
4. Goods remain the property of Penric Rural Outfitters until finally paid.
5. Minimum deposit is \$30 or 20% of the total (whichever is greater).
6. Payments must be made every 2 weeks.
7. A cancellation charge of \$30 will apply to any cancelled lay-by.
8. There is no lay-by permitted on sale items.
9. It is the responsibility of the customer to advise of any change of address.
10. No parcels will be opened/separated until payment is made in full.
11. This docket must be produced when making further or final payment.
12. Goods will only be altered after final payment has been received.
13. Once a lay-by is paid in full and the goods taken, they cannot be returned or refunded.

Penric is happy to refund for change of mind within 7 days of the purchase date. Unfortunately we are unable to accept returns on sale goods. Please retain your receipt as proof of purchase.

Question 17 continues on page 11

Question 17 (continued)

(a) Calculate the minimum deposit required for this lay-by. **1**

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(b) Calculate the average fortnightly payments the customer will have to make in order to finalise the payment in eight weeks. **1**

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(c) What is Penric’s policy in relation to cancellation and refund of this lay-by? **2**

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(d) Describe TWO advantages for retailers offering lay-by as a payment option. **2**

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End of Question 17

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Retail Operations

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Centre Number

Section II (continued)

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Student Number

Marks

Question 18 (8 marks)

Complete the following table to identify the types of hazards and precautions to be taken to reduce risk in each of the following situations.

8

<i>Situation</i>	<i>Type of hazard</i>	<i>Precautions to be taken to reduce risks</i>
Boxes blocking shopping aisle		
Poor lighting at point-of-sale area		
Roadworks directly outside store creating high levels of noise pollution		
Pallet of 10 kg bags of pool chlorine spilt in loading dock		

Question 19 (5 marks)

- (a) Explain the role of the retail industry employee association. **2**

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- (b) Outline the steps involved when an employee has a grievance in the workplace. **3**

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Question 20 (5 marks)

- (a) Outline the procedures that are involved in receiving and processing incoming stock. **2**

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- (b) Describe how electronic data interchange (EDI) can assist in the monitoring of stock within the store. **3**

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Retail Operations

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Centre Number

Section II (continued)

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Student Number

Marks

Question 21 (5 marks)

- (a) Identify characteristics required to be an effective member of a team in a retail environment. **2**

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- (b) Explain how characteristics of effective teamwork contribute to quality customer service. **3**

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Retail Operations

Section III

30 marks

Attempt TWO questions from Questions 22–24

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
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Question 22 (15 marks)

Evaluate strategies a retailer can use to minimise theft.

Question 23 (15 marks)

Analyse the techniques a professional salesperson would use to successfully close a sale.

Question 24 (15 marks)

Discuss the rights and responsibilities of the consumer and retailer in relation to purchases and refunds.

End of paper

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