



basic education

Department:
Basic Education
REPUBLIC OF SOUTH AFRICA

TEACHERS GUIDE

Grade 9

WHOLESALE AND RETAIL

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SECTION 1:

INTRODUCTION:

1. Requirements for Wholesale and Retail as a subject

1.1. Time Allocation

The total number of hours allocated for the subject in a five-day cycle is 2 hours.

1.2. Resources

1.2.1. Human resources

Wholesale and Retail requires a trained subject specialist. It is preferred that the teacher offering Wholesale and Retail has attended training in this subject. Industry related experience would be an asset. Teachers should build a relationship with managers of both small and large Wholesale and Retail outlets in the area and regularly visit them to keep abreast with the industry

If possible teachers should ask to shadow workers on the floor and in the cash office to get a better understanding of what happens at this level of operation.

Wholesale and Retail teachers are required to:

- Teach the subject content with confidence and flair
- Interact with learners in a relaxed but firm manner
- Manage the budget
- Manage the teaching environment
- Plan for practical work
- Plan for theory lessons

- In areas where outlets are readily available and easy for the learners to get to, teachers must arrange for learners to visit outlets within the area. This might be able to be done through learners doing this on the own if outlets are within the area and able to be accessed through public transport otherwise the school should provide transport and arrange outings

- Ensure learner safety
- Carry out School Based Assessment (SBA)
- Implement innovative methods to keep the subject interesting
- Be self-motivated to keep her/himself abreast of the latest developments in the industry
- Regularly visit wholesalers and retailers and discuss with management any new innovation within the industry

- Provide students with letters stating they are wholesale and retail students so when they visit outlets to observe they will be accepted more readily.

1.2.2. Learner Resources:

- Text/ resource book
- The internet (where access to computers and the internet is available)
- Pen/pencils
- Wholesalers/retailers in the area
- Magazines.
- Newspapers
- Internet pictures (where access to computers and the internet is available)
- Calculators
- You Tube videos (where access to computers and the internet is available)

2. Infrastructure, equipment and finances

Schools must ensure that teachers have the necessary infra-structure, equipment and financial resources for quality teaching and learning.

2.1. Teacher Resources:

- Text book
- PowerPoint presentation to be prepared by the teacher
- YouTube Videos (where access to computers and the internet is available)
- Examples of merchandising techniques downloaded off the internet (where access to computers and the internet is available)
- Products with prices/product codes
- Examples of pricing/codes off the internet (where access to computers and the internet is available)
- Businesses in the area

2.2. Finances:

Budget and inventory

A budget must be allocated for the subject. The amount will be determined by the number of learners taking the subject across the two years and the nature of the practical work required as stipulated in the curriculum. The budget needs to be revised annually and must consider all

resources needed per year. The funding must make provision for maintenance of equipment and the replacement over the years.

Resourcing could be sub divided into the following categories:

- Hardware and Equipment
- Consumable Materials
- Practical Assessment Task Resources (PAT)
- Teaching and Learning Support Material
- Text books, Workbooks and Teachers Guide

3. Field Exercises and Report back.

Retail is a very visual industry and as such learners should visit outlets within the area to identify examples of topics learned through the week. This should be arranged wherever possible where there are outlets within the area.

This might be able to be done through learners doing this on their own if outlets are within the area and learners are able to visit them using public transport.

If this is not an option, the school should provide transport and arrange outings

After field work class discussion should take place to discuss their finding.

SECTION 2:
SPECIFIC GUIDE BY WEEK

Term 1 Week 1

THE WHOLESALE AND RETAIL INDUSTRY – SUPPORT FUNCTIONS

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 1 Week 1	Support functions	<p>Internal support functions at small businesses</p> <p>External support functions for small businesses</p> <p>Internal support functions at large businesses</p> <p>External support functions for large businesses</p>		<p>Verbal or written presentation</p> <p>Team discussion and exercise</p>		Theoretical explanation	Text book

Activity 1: Support Functions

In teams of two discuss which of these support functions you would do yourself if you owned your own little clothing business and which you might use external support to help you.

Function	
BUYING	Owner does him/herself
LOGISTICS	Owner does him/herself Suppliers deliver directly to outlet
MARKETING/ADVERTISING	This function can be either internal or outsourced
PROPERTY AND MAINTENANCE	Would always be outsourced
IT/COMMUNICATIONS	Usually outsourced as this is a very specialised function
FINANCE & ACCOUNTS	Usually outsourced as this is a very specialised function
HUMAN RESOURCES	Owner does with help of external specialist

Term 1 Week 2

THE WHOLESALE AND RETAIL INDUSTRY – STAKEHOLDERS

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 1 Week 2	Stakeholders	Stakeholders of a wholesale and retail business and their role		Verbal or written presentation Team discussion and exercise		Theoretical explanation	Text book

Activity 2: Stakeholders.

In teams of two discuss who you think would be affected if a business had to close its doors for good.

Staff

Suppliers

Outside service companies

Government (SA Revenue Services)

Customers

Banks

Welfare Organisations

The community

Sector Education and Training Authority

Activity 3: How Stakeholders are affected.

List how the given stakeholders will be affected if a business has to close its doors.

STAFF

The staff of the business would lose their jobs.

SUPPLIERS

Suppliers that sell goods to the business would suffer as they would have one less business selling their goods to consumers

THE GOVERNMENT

The Government (SA Revenue Services) who get the VAT the business collects as well as the tax the business pays on its profits would lose this source of income and there would be less to build schools, roads and so on.

CUSTOMERS

Customers who used to shop at that outlet, would now not have the choice of products or the convenience that shop provided and would have to look for another shop selling those items.

BANKS

Banks who lend the business money and get interest for it and who use the money the business deposit with them to lend to others. They also charge the business for the services they provide. Now they too would lose this income.

Term 1 Weeks 3

THE WHOLESALE AND RETAIL INDUSTRY – DISTRIBUTION CENTERS

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 1 Weeks 3 & 4	Distribution centers	The role of the DC Why organisations invest in DCs Cross docking versus storage		Verbal or written presentation		Theoretical explanation	Text book

Activity 4: Cross docking.

Explain how cross docking works.

Cross docking is generally done in 2 ways

1. One way is where the DC gets large quantities from the supplier into the DC, breaks this bulk into smaller lots for the different outlets and sends it out within a few days.
2. The other can be where the supplier does not have a big distribution network so he packages individual outlet orders separately but delivers to the retailer's DC & the DC receives the cartons and sends them straight to the dispatch area to be dispatched to the different outlets when the DC next deliver there.

The stock never gets packed onto the DC's shelving and stored but is sent from the receiving bay (or receiving dock as it is sometimes called) straight to the dispatching dock. That's where the term **cross docking** comes from.

The stock goes from the one dock straight across to the other dock.

Activity 5: Investing in DCs.

Explain why retailers invest millions of Rands in DC and how they make up this investment.

Retailers invest in DCs for two main reasons.

1. They receive very large quantities of products from overseas and these cannot all be sent to the outlets immediately. So they go into the DC where they are stored. The Planners distribute quantities to the outlets and then the outlets draw stock as they require.
 2. They can order smaller quantities of stock because they do not have to order full cases for each outlet. They can break carton lots in the DC and send small quantities to each outlet. This saves the retailer millions of Rands and this is the main reason they can afford to build and run DCs
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Term 1 Weeks 4 - 6

THE WHOLESALE AND RETAIL INDUSTRY – INDUSTRY LEGISLATION

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 1 Weeks 5 & 6	Industry legislation	Legislation applicable to the industry		Verbal or written presentation		Theoretical explanation	Text book Internet (where available)

Activity 6: Industry legislation.

Provide the aims and objectives of the given legislation.

Basic Conditions of Employment

This act helps to lay down the minimum requirements and conditions of employment, protecting the employer and the employee. It covers elements related to working hours, including overtime, leave as well as remuneration, termination of employment and administrative obligations. This act covers all employers and employees in the industry

Sectoral Determination 9: Wholesale and Retail Sector

This legislation is created to work alongside the Basic Conditions of Employment Act. The Sectoral Determination for the wholesale and retail environment specifies how the sector should handle

- Minimum wages
- Working hours
- Number of leave days
- Termination of employees

Labour Relations Act	<p>This law governs labour relations and labour in South Africa. It applies to all employers, workers, trade unions and employers' organisations in South Africa.</p> <p>This act provides a structure for discussion of terms of employment, collective bargaining to determine wages, fair labour practices, dispute resolutions, unfair dismissal and sexual harassment.</p>
Employment Equity Act	<p>The purpose of this act is to protect workers and job seekers from unfair discrimination and provide a framework for implementing affirmative action. It promotes equity and non-discrimination in the workplace and also includes specifications surrounding affirmative action measures.</p> <p>No person may unfairly discriminate against an employee in any employment policy or practice, on any grounds including race, gender, pregnancy, marital status, family responsibility, ethnic or social origin, colour, sexual orientation, age, disability, religion, HIV status, conscience, belief, political opinion, culture, language, and birth.</p>

Term 1 Week 7

PROFIT – PREVENTING SHRINKAGE AND LOSSES

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 1 Week 7	Preventing shrinkage and losses	<p>General policies of the industry in terms of preventing internal theft</p> <p>General policies of the industry in terms of preventing shoplifting</p> <p>General policies to minimise other forms of loss</p>		Verbal or written presentation		Theoretical explanation	Text book

Activity 7: Minimising internal theft.

Identify 5 methods used by industry to minimise internal theft.

- **Vacuum System** – The vacuum system is a system for controlling access of suppliers and stock items at the receiving and dispatch areas in an outlet. A cage is used where the supplier and the stock has to enter a 'holding area' before being checked and the stock then moved through into the stockroom.
- **Declaring incoming goods.** When staff members enter the outlet with goods that the business sells they must declare the items on arrival and have it marked by the security.
- **Garbage Out** – A strategy to prevent theft taking place when the garbage is taken out includes having a security guard check the garbage before it leaves the outlet or to make use of see through garbage bags.
- **Security guards** – Businesses make use of external security guards
- **New staff** - Before employing new staff retail businesses need to make sure that thorough reference checks are done on potential employees.
- **Sweet-Hearting at the tills** Supervisors need to keep an eye and ear to listen that every item passed over a scanner is recorded on the PoS by listening for the beep the scanner makes
- **Profit sharing** – some businesses offer their staff a profit sharing scheme where the staff can earn a bonus based on the overall performance of the outlet. The overall performance includes increasing sales, reducing shrinkage and reducing expenses.
- **Anonymous tip off line** – many businesses have introduced a phone line specially to allow staff to phone in without giving their name, and reporting other staff who are stealing.
- **Anonymous undercover agents** –businesses have been known to temporarily employ a security guard who acts as a normal employee and works as a normal employee which allows him/her to work alongside the staff and to hear what is going on in the outlet. Based on his/her report the company will decide on action to take.
- **Searching** – virtually every wholesaler and retailer has a policy of searching staff when they leave the premises. This takes place at both lunch breaks and at the end of shifts.

Activity 8: Minimising shoplifting.

Identify 5 methods used by industry to minimise shoplifting

Change rooms Many retailers make use of a control system where customers are allowed to take a specific number of items into the changing room. This is checked by a customer assistant and when the customer exits the cubicle and returns the corresponding disc, the customer assistant can then cross check this to the clothing brought out of the change room

Blind corners. Outlets use mirrors to monitor these areas.

Customer Returns Customer returns are usually only allowed with a valid till docket.

High Value Inventory (HVI) Regular stock counts and secure storage or display methods are required. Sometimes empty display cases are displayed. In cellular phone outlets an example of the phone models is made available for view on the shop floor but there is a security line that is in place where the item cannot be removed from the outlet because it is connected to a security device?

Security guards walking the floor and at the front door is another deterrent used by retailers

Many retailers have **security tags** on some (or all) of their products and systems at the front door that buzz if someone walks out the outlet with an item with an active security tag.

Some retailers also have **cameras** in the outlet which allow a guard to observe suspicious shoppers from a distance

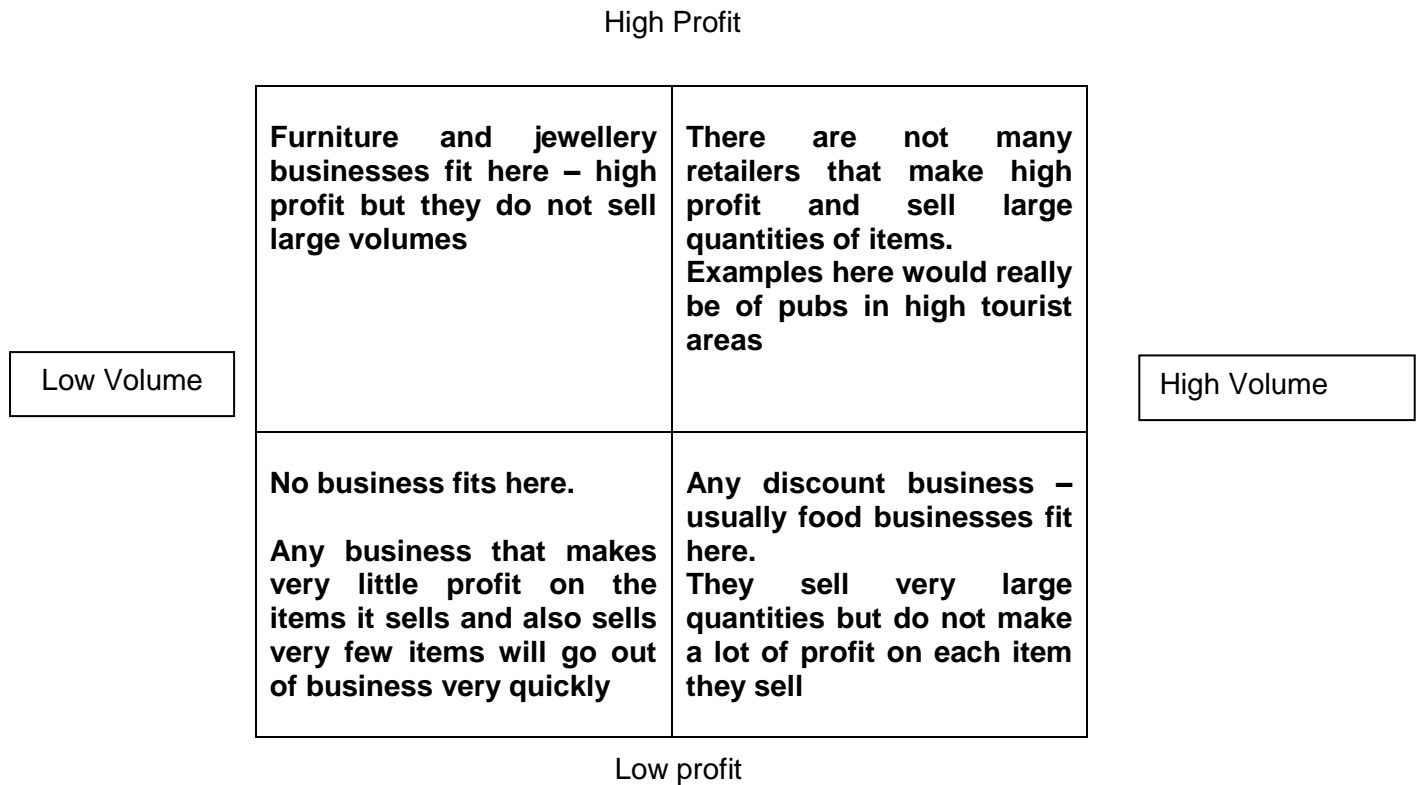
Announcements are made to alert staff to specific security or shoplifting situations in a manner that doesn't alert the thief or upset other customers.

The best method of minimising theft in a retail outlet is for **the staff to make eye contact with every customer** and to smile and greet every customer they come into contact with or walk past. No thief likes to be seen and when a staff member greets someone who is thinking of being dishonest it makes them nervous and less likely to steal. They will rather go to another outlet where they can operate unnoticed.

PROFIT – PROFIT VERSES VOLUME

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 1 Week 8	Profit versus volume	The concept of volume verses profit Businesses that fall into the different concepts Departments that fall into the different concepts		Verbal or written presentation Class discussion		Theoretical explanation	Text book

Activity 9: Profit versus volume
In the drawing below, fill in examples of retailers or sub-sectors that fall into each quadrant



Activity 10: Why both?

Class Discussion: Why do you think most businesses carry a range of both high and low profit items?

Most businesses will have a mixture of lower profit margin items which they use to draw the customers into the outlet and higher profit items that they hope the customers will buy when they come in for the low profit items.

Term 2 Weeks 1 & 2

PROFIT – USING BUDGETS

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 2 Weeks 1 & 2	Using budgets	The concept of budgets How budgets are used in the industry		Compare actual figures to budgeted figures and identify areas requiring improvement		Theoretical explanation Comparison of figures	Text book

Activity 11: Analyse performance to budget

Below is the budget you drew up for the three months just passed as well as your actual figures for this period.

Compare actual figures to budgeted figures and identify where your business might be under performing.

	ACTUAL	BUDGET	COMMENT
Sales	2 330 489	2 500 000	This is bad - below budget
Cost of Goods Sold	1 857 844	2 000 000	
Gross Profit	472 645	500 000	This is bad - below budget
Shrinkage	9 903	5 000	This is bad - above budget
True Gross Profit	462 742	495 000-	This is bad - below budget
Expenses			
Staff costs			
- Basic	69 821	70 000	
- Overtime	3 565	2 500	This is bad - above budget
- Casual	3 539	3 000	This is bad - above budget
- Other staff costs	3 496	3 500	
Cleaning	6 000	6 000	
Electricity	10 221	10 000	This is bad - above budget
Water	17 009	18 000	
Packaging & Wrapping	2 409	2 000	This is bad - above budget
Printing & Stationary	3 198	3 000	This is bad - above budget
Refuse collection	1 000	1 000	
Rent	47 110	47 110	
Rates	11 424	11 424	
Repairs	1 073	750	This is bad - above budget
Total Expenses	179 865	178 284	This is bad - above budget
Operating Profit	282 877	316 716	The result is bad - below budget

Term 2 Weeks 3 & 4

PROFIT – CALCULATING RETAINED INCOME

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 2 Weeks 3 & 4	The importance of profit Categorise expenses	Methods of improving the different entries that go to make up Net Profit The concept of Fixed expenses The concept of Variable expenses The concept of Controllable expenses The concept of Non-Controllable expenses		Calculate the retained income of a business		Theoretical explanation	Text book Calculator. Income statement with certain given figures

Activity 12: Fixed and variable expenses

Which of the following expenses are fixed and which do you think are variable?

	Fixed	Variable
Staff costs		
- Basic Salaries	✓	
- Overtime		✓
- Casual wages		✓
Cleaning	✓	
Electricity	✓	
Water	✓	
Packaging & Wrapping		✓
Printing & Stationary		✓
Refuse collection	✓	
Rent	✓	
Rates	✓	
Repairs		✓
Telephone		✓
Security guards	✓	

NOTE:

Electricity will be variable if the outlet has a department like a bakery or hot food section as the busier the outlet is the more it must produce. However, if the outlet does not have these departments this will usually not increase according to the sales increase.

Activity 13: Fixed and variable expenses

Which of the expenses given do you think the Manager and staff can control and which the owner or Head Office would control.

	Controllable	Non-Controllable
Staff costs		
- Basic Salaries		✓
- Overtime	✓	
- Casual wages	✓	
Cleaning		✓
Electricity	✓	
Water		✓
Packaging & Wrapping	✓	
Printing & Stationary	✓	
Refuse collection		✓
Rent		✓
Rates		✓
Repairs	✓	
Telephone	✓	
Security guards		✓

Activity 14: Calculating Retained Income
Calculate the Retained Income of this business

Income Statement for BZA Trading

	R
ACTUAL SALES	78 000
COST OF GOODS SOLD	72 000
SHRINKAGE & LOSSES	<u>1 500</u>
GROSS PROFIT	4 500
OTHER INCOME	5 000
EXPENSES	<u>6 000</u>
NET PROFIT BEFORE INTEREST	3 500
INTEREST PAID	<u>1 500</u>
NET PROFIT BEFORE TAX	2 000
TAXATION	<u>800</u>
NET PROFIT AFTER TAX	1 200
DIVIDEND	<u>750</u>
RETAINED INCOME	450

CUSTOMER SERVICE – CUSTOMER QUERIES AND COMPLAINTS

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 2 Week 5	Customer queries and complaints	<p>Concepts and differences between customer queries and customer complaints</p> <p>The concept of a query</p> <p>The concept of a complaint</p> <p>The concept of levels of authority and how this impacts on decision making when handling customer complaints</p> <p>Examples of levels of authority in retail businesses</p> <p>How to handle customer queries and complaints</p>		Class discussion		Theoretical explanation	Text book

Activity 15: The difference

Class discussion: What is the difference between a customer query and a customer complaint?

A query is when a customer simply wants some information.

A Complaint is when they are unhappy with something and want their problem rectified.

Activity 16: Handling complaints

How would you handle a customer complaint if you do not have the authority to resolve it?

The most important thing to do is to ***listen to the customer without interrupting***. This is especially important if the customer is angry.

Allow the customer to get their anger out of their system.

Always apologies for their feelings and show understanding for their feelings.

This will allow them to cool down.

Then explain whether you can help them and what you are going to do.

If you cannot help the customer explain it is above your level of authority and explain that you will take them to a person who can solve their issue.

Then most of all – do it.

Either solve their complaint or take them to the person who can solve their complaint.

Term 2 Weeks 6 & 7

STOCK – RECEIVING STOCK

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 2 Weeks 6 & 7	Receiving stock	Recap on shrinkage The concept of receiving in the industry so as to minimise losses Receiving in non-computerised business Receiving in computerised businesses Recording discrepancies		Verbal or written presentation		Theoretical explanation	Text book

Activity 17: Receiving deliveries

How would you receive a delivery so as to minimise losses to the outlet in a non-computerised outlet

Ensure the delivery is for YOUR outlet?

Ensure there is an order for the delivery?

Compare the supplier's delivery note to the outlet's order to ensure they are delivering only what was ordered.

Let the supplier bring the goods into the receiving area and compare the actual stock being delivered to the stock the outlet is being charged for on the supplier's delivery note

Do not turn your back on an open receiving door.

Do not let the anyone remove the stock until it is check in.

Date stamp cartons being received

Check expiry dates and check for damaged stock being delivered

Term 2 Week 8

STOCK – DISPATCHING

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 2 Week 8	Dispatching	Reasons for dispatch Methods for dispatching so as to minimise losses in non-computerised businesses Methods for dispatching so as to minimise losses in computerised businesses		Verbal or written presentation		Theoretical explanation	Text book

Activity 18: Dispatching
How would you dispatch stock from an outlet so as to minimise losses in a non-computerised outlet?

- Ensure your outlet’s name and address is recorded on any dispatch documentation.
- Record to whom the items are being dispatched
- The person contacted at the supplier who gave permission for the return of the goods if the goods are being returned
- The full description of each item being returned.
- Accurate listing of the quantity being dispatched
- The cost price, if this is known at outlet level
- The person collecting the goods must sign and write his name on the return document
- The registration number of the truck/car of the person collecting should be if possible
- Never turn your back on an open dispatch door.
- Ensure the person collecting is authorised to collect.

Term 3 Weeks 1 & 2

MERCHANDISING – LAYING OUT A DISPLAY

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 3 Week 1 & 2	Laying out a display	Planograms Benefits of set layouts Filling displays The 'just in time' concept		Verbal or written presentation		Theoretical explanation	Text book

Activity 19: Planograms
Explain why chain outlets have set layouts

Every chain, irrespective into which sub-sector it falls has an image it wants to promote. An image it believes will attract the target market it is aiming for.

Businesses plan very carefully what products go near the front doors, where their fridges go, which departments go next to which departments.

They promote their most profitable departments and products but at the same time must ensure they have the items that draw customers into their outlet in a prominent place.

They need to draw their customers through their outlet so the customer gets to see as much merchandise as possible and might be tempted into an impulse buy.

The only way chain outlets can control that every single outlet is merchandised as it should be is to have set layouts

Activity 20: “Just in time” deliveries

Explain your understanding of this concept and why it is important

Carrying a lot of stock is very costly to a business.

Outlets should carry as little stock as possible but just enough to ensure they never sell out.

“As little as possible” means carrying just enough stock to cover sales until the next delivery is received

This is the concept of getting the delivery “**just in time**”

So where FMCG outlets are in town centres near their DC and get deliveries daily from their DC they should only carry about 2 or 3 day’s stock at any time.

If an outlet is far from their DC and only gets a delivery once a week then it should carry about a week and a half’s stock.

In other words, the next delivery arrives “**just in time**” so the outlet does not sell out.

This is important because it means;

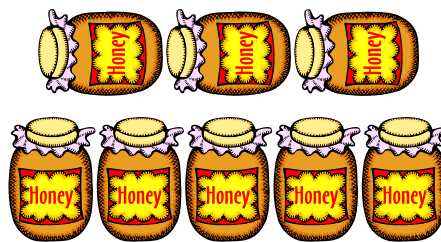
- smaller stockrooms and lower rents.
- displays are filled mainly on the day the DC delivers as there is very little back-up stock to fill shelves on other days and this allows the manager to schedule staff to come in on the day of the DC delivery.

MERCHANDISING – MERCHANDISING DIFFERENT CATEGORIES OF STOCK

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 3 Week 3 & 4	Merchandising different categories of stock	Merchandising cold chain products Merchandising fragile items Merchandising hazardous products Merchandising clothing		Verbal or written presentation Class discussion		Theoretical explanation	Text book

Activity 21: Merchandising glass products

Class discussion: Look at the way this honey has been merchandised and comment on whether you think this is right and why



This is **NOT** right as the customer might not see the jars on their sides and take one of the standing ones. This will result in the jars lying on their sides rolling off and

- Perhaps falling onto the customers' foot
- Breaking
- Spraying the contents (honey, beetroot) all over the customer and his/her clothing.

So not only does the outlet now have a loss caused by a breakage but additional costs of helping the customer and cleaning their clothing.

Activity 22: Merchandising different categories of stock

List how the given categories of merchandise should be handled

Cold chain products

If cold or frozen foods are not kept at their specific temperature and start to thaw they can go off. Customers who buy food products that have thawed and been re-frozen could get very sick and death has even occurred due to this.

The fridges and freezers have load lines. They must never pack the stock higher than these load lines.

Ensure stock is taken from back up freezers and fridges or delivery trucks straight to the shop floor cabinets is very important.

Check “use-by” codes and rotate stock on receipt

Food should never be refrozen

Hazardous products

All hazardous material must be handled according to specific handling methods for each product and in some cases special gloves and aprons must be worn.

Clothing

Clothing, towels and other material items are usually received at the outlet, wrapped in plastic or packed in plastic bags to keep them clean.

One of the better ways of merchandising this kind of product is to keep the items in the protective plastic wrapping until they are at the display area and only then take them out. This helps keep the items clean.

Even though these items won't break if they are dropped, they can get very dirty. Customers won't want to buy a new white t-shirt that has dirty marks on it. Merchandisers handling these kinds of products need to make extra effort to ensure that their hands are clean and that the shelves and racks are clean before they place the new items in their display area.

MERCHANDISING – LOSS PREVENTION WHILE MERCHANDISING

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 3 Week 5	Loss prevention while merchandising	Loss prevention when price marking Loss prevention when filling shelves Loss prevention through stock rotation Customer satisfaction when merchandising		Verbal or written presentation		Theoretical explanation	Text book

Activity 23: Preventing losses
Give 5 examples of how to prevent losses when merchandising

If a product is price marked (or the shelf edge label shows) one price and the item scans at a different price at a till, customers will usually be given the item at the **lowest** price.

So how do losses occur through price marking?

- Team members marking items at the wrong price.
- Not changing prices/shelf edge labels when a product changes in price
- Not removing promotional tickets when the promotion is over.

Staff must ensure they do these things correctly

The single biggest cause of loss when shelf filling is through **damage** to merchandise.

- The team over-filling shelves as discussed earlier in the discussion of the way the honey had been merchandised.
- Trying to squeeze items onto the shelf and they over-lap the shelf.
- Overfilling trolleys of stock when bringing stock from the stockroom to the shop floor.
- Overloading shelves that cause products to fall and break

Lost sales.

Sales are lost when staff do not unpack stock and fill the shelves and the stock on the shelf sells out while there is still stock in the stockroom. This often happens when the stockroom is so full that the team cannot find the stock they are looking for. That is why it is best to fill the shop floor displays as soon as any delivery is received and why it is so important that stockrooms are correctly packed and maintained in a neat and clean state.

Not implementing stock rotation

Rotating stock is very important when merchandising. When newly received products are brought to the shop floor to fill shelves, the older products need to be brought to the front and the newly received products must be displayed behind.

The products that are near the sell-by date would have to be destroyed if the supplier doesn't replace them or sold cheaply to clear them before they are out of date. Products that have gone past the sell by date need to be removed from shelves and cannot be sold.

Activity 24: Customer satisfaction while merchandising

What must staff do when merchandising so as not to make shopping difficult for customers

They must not obstruct customers. They must;

- Keep stock on trolleys
 - Keep trolleys and empty boxes and packaging close to the shelves
 - Make sure there is room for the customer to walk past
-

MERCHANDISE – HOUSEKEEPING

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 3 Week 6	Housekeeping	Explain “housekeeping” as used in the industry The concept of housekeeping Cleaning Prices, shelf edge labels, ticketing Tidying Damages Items moved by customers		Verbal or written presentation Team discussion and exercise		Theoretical explanation	Text book

Activity 25: Implementing housekeeping
In teams of two list everything you will do when housekeeping your department.

Housekeeping is the process of cleaning and tidying display areas and stock

You should begin at one end of your section and work your way to the other end.

You must;

- Make sure that every item has a shelf edge label and it correspond to the stock that is on the shelf.
- Remove all dirty or damaged shelf edge labels and replace them.
- Remove any damaged, soiled or expired stock from the shelf.

- It is sometimes useful to use a ruler to tidy items like deodorants, into straight lines.
- Fixtures and stock (where applicable) must be dusted.
- Items in the wrong place must be taken to the correct place

In clothing outlets, as part of housekeeping, staff should ensure all styles are grouped and sizes grouped.

If the hangers have size indicators staff should check the item on the hanger is the same size as the size indicator on the hanger

They must check no item is damaged or dirty

Term 3 Week 7

MERCHANDISING – EXTERNAL MERCHANDISERS

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 3 Week 7	External merchandisers	<p>Explanation of the external merchandising organisation</p> <p>Why businesses use external merchandisers</p> <p>Their role in the industry</p> <p>Pros & Cons to using external merchandisers</p>				Theoretical explanation	Text book

Activity 26: External merchandisers

Why do you think a supplier would want to pay someone to go around to the retailers and fill the shelves for them.

External merchandisers are usually contracted to merchandise products that are fast moving and because of this we often find that they sell out very quickly and the retailer’s staff do not have the time to keep the shelves full.

Sometimes the stock is lying in the retailer’s stockroom and not on the shelf and when not on the shelf the customer cannot buy it and if the customer is not buying the product the supplier loses out.

It is usually the supplier and not the retailer that loses out because the customer often has a competitor’s product she could buy.

So some suppliers find that it is money well spent, to pay an external merchandising company to check that all their products are on the shelf or even have a dedicated merchandiser in the supermarket continually making sure that their products are well stocked and available for customers to buy

Activity 27: External merchandisers

Explain the role of the external merchandiser in the industry.

The external merchandiser's role is to merchandise specific products for a specific or a few specific suppliers in retailer's outlets.

He/she must ensure there is stock on the shelves of the outlet and the shelf edge labels are on display.

If there is no stock available the merchandiser must tell the manager and often he/she can take an order from the outlet

Term 3 Week 8

MERCHANDISING – VISUAL MERCHANDISING

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 3 Week 8	Visual merchandising	<p>The concept and aim of visual merchandising</p> <p>When visual merchandising is appropriate</p> <p>Visual merchandising methods for different merchandise</p>		Verbal or written presentation		Theoretical explanation	Text book

Activity 28: Visual Merchandising
Explain why retailers display their merchandise visually.

Visual merchandising is the activity of promoting the sale of goods by presenting them in an appealing way to the customer in retail outlets.

It is a creative display, intended to attract a potential customer

Attractive displays get customers to come into the outlet and there is an obvious increase in opportunity to improve the sales figures of the retail outlet.

By implementing visual merchandising, retailers aim to attract customers to the outlet, come in and be interested in a display, eventually making a purchases and thereafter becoming a loyal, regular customer who comes back again and again.

Activity 29: The difference

Explain the difference between visual merchandising and merchandising in outlets where stock is replenished.

Where stock is replenished, like in supermarkets and other FMCG stores, items are not displayed in a visual manner. Each item has a place on the fixtures and the stock is replenished regularly.

Stock is grouped in a way to promote sales but not in a visual manner.

Visual merchandising is used in outlets that sell fashion/clothing where ranges and stock changes regularly and the visual merchandising methods are used to promote sales

Term 4 Weeks 1 & 2

PROMOTIONS – PROMOTIONS IN THE WHOLESALE AND RETAIL INDUSTRY

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 4 Weeks 1 & 2	Promotions in the industry Reaching target market	Promote to clear aged stock, Promote to increase sales, Promote to reach new target markets, Promote to reach new customers, Promote the name of the business Reach via TV, radio, Reach via magazine, Reach via Knock n drop, Reach via outdoor advertising		Verbal or written presentation Team discussion and exercise		Theoretical explanation	Text book

Activity 30: Communication to a target audience

In teams of two, discuss how wholesalers and retailers communicate to their target market.

Business needs to know who its target market is and what medium is best to use to communicate with them.

The Living Standards Measure details which media is best to use even down to which TV and radio stations the different groups watch and listen to.

E mail is often used these days and members of a business's loyalty programs get mail or e mails

Members of clubs and organisations such as those for retired people are a target market grouped together.

Activity 31: Promotions in the industry

Explain why businesses promote

Businesses can promote for a number of reasons

They promote;

- Their business to get it known in an area
- New products
- Special prices
- Old/dated products to clear
- A service (financial services in supermarkets)

So promotion is the activities which communicate to a targeted audience a product, brand or service **with the aim of making people aware, attracting them and persuading them to buy a product or service.**

Ultimately, promotions are about improving sales.

Term 4 Week 3

PROMOTIONS – TICKETING AND DISPLAY METHODS

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 4 Week 3	Ticketing and display methods	<p>Merchandising and ticketing for high end businesses</p> <p>Merchandising and ticketing for lower end businesses</p> <p>Ticketing in small businesses compared to chain businesses</p>		<p>Verbal or written presentation</p> <p>Team discussion and exercise</p>		Theoretical explanation	Text book

Activity 32: Promotional ticketing and displays

In teams of two discuss and list how promotional displays and ticketing differ depending upon the target market of the business and the size of the business

High end businesses aimed at the very wealthy do not promote price. Rather a lifestyle and quality product.

Businesses aimed at the lower LSM groups need to shout about the promotions and display as much stock in as small a space as possible

FMCG businesses and discount businesses shout about price with large tickets and displays

Buying and printing promotional ticket can be very expensive and you cannot expect the owner of a small shop to be able to afford the same ticketing as a large national chain group.

So the owner of a single outlet will have to be creative in designing ticketing to highlight promotional products and very often they will be simple, small hand written tickets or tickets printed off a computer in the outlet or owners home.

National chain outlets can afford neat and large printed tickets to promote either price or a range of products or new lines

Term 4 Weeks 4 - 6

CASHING UP AND BALANCING – METHODS OF CASHING UP PoS

Insert date	Topic(s)	Theory	Date completed	Practical	Date completed	Activities	Resources
Term 4 Weeks 4 - 6	Methods of cashing up PoS	<p>The concept and need for cashing up.</p> <p>Methods of cashing up cashiers in a non-computerised outlet</p> <p>Methods of cashing up cashiers in a computerised outlets</p> <p>Computerised money counting equipment</p>		Learners to calculate the overs or shorts of a Cashier		<p>Theoretical explanation</p> <p>Practical exercise</p>	<p>Text book</p> <p>Pictures of money counting equipment off the internet (where available)</p> <p>Cashing up stationary</p> <p>Calculator</p> <p>Cashing up exercise information</p>

Activity 33: Cashing up Cashiers

Using the information given and the stationary supplied, cash up the Cashier and calculate her overs/shorts

Cash up the till drawer of Mary Jonas – Employee 7471 operator 7

Opening reading 682 453.57

Closing reading 701 591.29

Actuals cash handed in

 Notes - R200 X 46

 R100 X 66

 R50 X 29

 R20 x 18

 R10 X 31

 Coins R5 X 37

 R2 X 6

 R1 X 11

Credit and Debit card slips handed in

 153.98

 26.87

 205.67

 308.99

 285.59

Coupons handed in

 .50

 1.00

Voucher handed in R25.00

CASH HAND OVER CONTROL		
Date	Date of exercise	
Name	Mary Jonas	
Employee No	7471	
PoS number	7	
NOTES	QTY	VALUE
200.00	46	9200.00
100.00	66	6600.00
50.00	29	1450.00
20.00	18	360.00
10.00	31	310.00
Sub Total		17 920.00
R5.00	37	185.00
R2.00	6	12.00
R1.00	11	11.00
0.50		
0.20		
0.10		
0.05		
Total		18 128.00
Credit/Debit Cards		981.10
Coupons		1.50
Vouchers		25
Till Over		
Till short		
Cashier sign	M Jonas	
Office Clerk sign	Learner's signature	

DAILY CASH TAKINGS RECONCILIATION	
Cashier Name	M Jonas
Employee No	7471
Operator No	7
Closing reading	701 591.29
Opening reading	682 453.57
EXPECTED TAKINGS	19 137.72
Cash handed in	18 128.00
Credit/Debit cards	981.10
Coupons	1.50
Gift vouchers	25.00
TOTAL TAKINGS	19 135.60
Over	
Short	R2.12
Cashier signature	<i>M. Jonas</i>

WEEK 8

Formal Assessment

The weeks allocated for formal assessment are integrated across the weeks planned for teaching and learning. The assessment will consist of Practical Task/s with a 75% weighting and a Theory test with a 25% weighting

Activity 1 – PRACTICAL ASSESSMENT TASK - PAT (Practical project) = 35% of term mark

The learner to design a poster illustrating the supply chain and show the flow of stock, cash and information through the supply chain

- The supply chain (80 % of total marks of demonstration)
- The flow of stock, cash and information. (20 % of total marks of project)

Total for Activity 1 Marks to be converted to 35% of total term mark

Activity 2 – PRACTICAL ASSESSMENT TASK - PAT (Practical project) = 15% of term mark

Learners to draw a poster showing the flow of cash through a store and showing where each job is involved in the process

- The flow of cash (80 % of total marks of demonstration)
- Where each job is involved. (20 % of total marks of project)

Total for Activity 1 Marks to be converted to 15% of total term mark

Activity 3– PRACTICAL ASSESSMENT TASK - PAT (Practical project) = 25% of term mark

Learners to draw a poster showing the flow of stock through a store and showing where each job is involved in the process

- The flow of stock (80 % of total marks of demonstration)
- Where each job is involved. (20 % of total marks of project)

Total for Activity 1 Marks to be converted to 25% of total term mark

Activity 4

Formal written or oral assessment – 25%

Scope of work is all the work done during the year.

SECTION 4:

ASSESSMENT

4.1 Assessment

Year 1 Reporting only in the term when the skill is done.

The GETC: Skills and Vocational Qualification at NQF Level 1 is a four year Learning Programme. In year one a learner is exposed to a number of Vocational Subjects. Each subject is offered over a ten week period (one term) in Year 1, where the learner is exposed to the basic skills required for the subject. By the end of year 1 the learner will select a minimum of one skill for the qualification.

Year 1	Formal School-Based Assessments
	Learner performance in the Term:
	Practical 75% *
	Theory 25%
Term Report	100%

4.2 Timing of formal assessment

Suggested Program of Assessment for Wholesale and Retail

YEAR 1					
Term	Content/ concept/skill	Activities	Forms of Assessment	%	FATs based on activities in CAPS: SV
Year 1	<ul style="list-style-type: none"> Understanding the Wholesale & Retail Industry Plan to improve the profit of a wholesale or retail business Identify different target markets and how they impact on retail businesses Identify standards of service expected of the industry Explain the importance of stock control and receive and dispatch stock 	Activity 1 Produce a poster	Practical Project	35%	FAT 1
		Activity 2 Produce a poster	Practical Project	40%	
		Activity 3 Respond to questions	Pen and paper test (Oral or written)	25%	