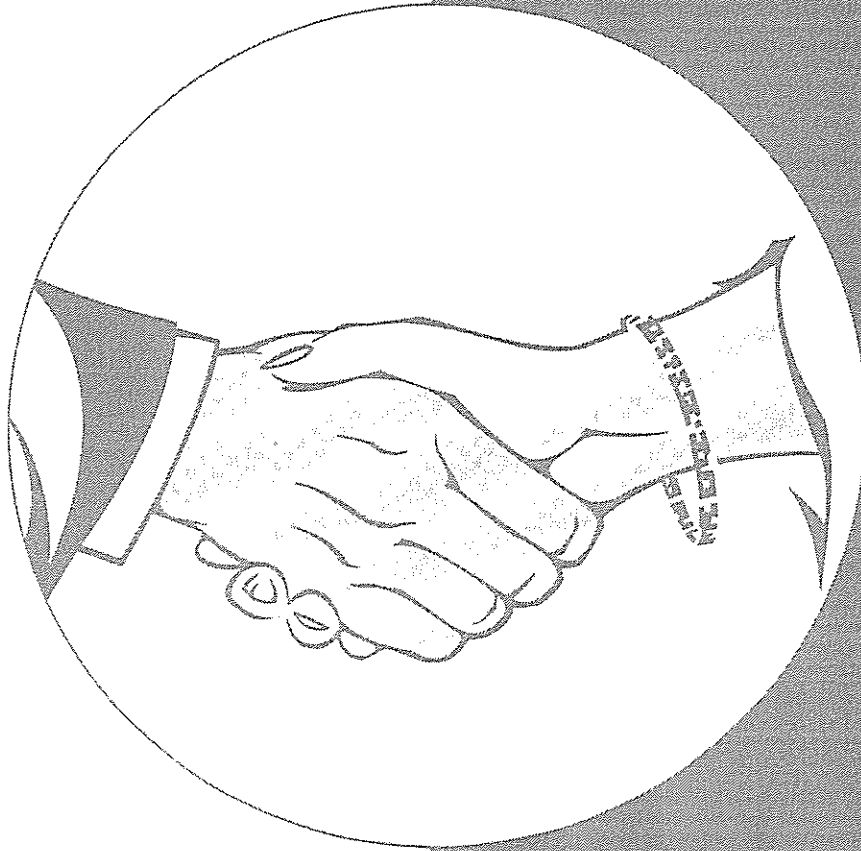


MODULE 4



RETAILING & THE CONSUMER

MODULE 4: RETAILING AND THE CONSUMER

UNIT 1: CONSUMER AND THE LAW

1. Define a Consumer

A **consumer** is a person who buys goods or services for their own use.

A **trader** is a person who buys goods or services for resale.

Activity 4.1

List different situations when you have been a consumer.

2. Difference between goods and services

A **good** is a product/item that can be seen and is tangible e.g. a tin of beans, loaf of bread.

A **service** is provided e.g. Taxi Service, Hairdressing.

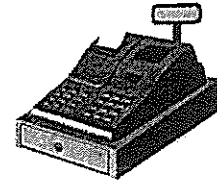
Activity 4.2

List 5 examples of (i) Goods
(ii) Services
which you have purchased recently.

<u>Goods</u>	<u>Services</u>
1. _____	1. _____
2. _____	2. _____
3. _____	3. _____
4. _____	4. _____
5. _____	5. _____

3. Explain what is meant by proof of purchase and prepare a receipt

A receipt is proof that you have paid for the goods. Most shops issue receipts. It is issued when goods are paid for by cash, cheque, laser card or credit card.



Some receipts will be issued by the cash register in the business while others may be hand written. A receipt does not have to be issued by law.

Activity 4.3

Collect receipts issued by a cash register from 3 different retail outlets. What information is included on each of them?

Activity 4.4

1. You work for Cashman Ltd design a receipt that could be used in the business. The receipt must include the following
 - i. Name – Cashman Ltd.
 - ii. Address
 - iii. Date
 - iv. Amount paid
 - v. Details of goods purchased
 - vi. Details of who made the payment

What other information should be included on this receipt?

4. Explain the importance of keeping a proof of purchase

A business will issue a receipt when goods are paid for. A receipt is proof of payment and should be used:

- i. if the customer has a problem or a query at a later date,
- ii. if the customer has a complaint,
- iii. if the customer wished to return or exchange the item at a later date.

Some shops will ask for a receipt as proof of purchase if a customer wishes to exchange an item or return an item at a later date.

If a receipt is not available as a proof of purchase some shops may accept the following:

- i. Credit Card Receipt
- ii. Cheque Stub

A lotto slip is the only valid proof of purchase for the game and to claim prizes.

5. Outline the legal responsibilities of a retailer towards his/her customers under current law (i.e. Sale of Goods and Supply of Services Act 1980)

Under the Sale of Goods and Supply of Services Act 1980:

Goods should be of merchantable quality.

This means that the goods should be of reasonable quality taking into account the price paid for them and how long they should last.

Goods should be fit for their purpose.

This means that goods should be fit for normal use or it could be some particular use made known to the seller at the time of purchase.

Goods should be as described.

If the goods are sold by description they should match the description whether the description is on the package, written in a brochure/catalogue or stated by the salesperson.

Goods should correspond to sample.

If goods are sold by sample then they should correspond to that sample.

The Act states that it is the seller who is responsible for putting things right if there are problems. It is the seller who has the contract with the buyer and the seller in the event of a complaint cannot tell the buyer to contact the manufacturer even if it is the manufacturer's fault.

Shop Signs:

It is an offence for a shop to display a notice if the notice seems to imply that you do not have certain rights under the Act.

Signs such as:

No money refunded.

Goods cannot be exchanged.

Credit Notes only.

Contact the manufacturer with all complaints.

Rights to Redress: 3R's Repair, Replacement, Refund.

If goods are faulty you may be entitled to a full cash refund.

The fault must be discovered soon after purchase and the consumer must act promptly in discovering the complaint.

If the goods have been used or the consumer delays in complaining you may be entitled to a partial refund or a repair.

You have no rights to a refund:

- If you change your mind about the goods after buying them.
- If they are the wrong size, wrong colour.
- If the faults are due to misuse of the goods after purchase.
- If the fault was pointed out at the time of purchase e.g. shop soiled, seconds.

Credit Notes may be offered by some retailers. A credit note allows the customer the value of the amount stated on the credit note within a given period of time.

A customer is not bound to accept a credit note if the customer has a valid complaint you can refuse all offers of a credit note and insist on a full cash refund.

If you do not have a valid complaint sometimes the retailer may offer a credit note as a goodwill gesture.

Activity 4.3

Fill in the following receipts for Corcoran Ltd, Main Street, Naas:

- (i) Received from Dennis Horan €200 for Tins of Paint. Use today's date.

CORCORAN LTD., MAIN ST., NAAS	
<u>RECEIPT</u>	
Date:	_____
Received from:	_____
Details:	_____
The sum of: €	_____
Signed:	_____

- (ii) Received from Liam Tighe €350 for Wallpaper. Use today's date.

CORCORAN LTD., MAIN ST., NAAS	
<u>RECEIPT</u>	
Date:	_____
Received from:	_____
Details:	_____
The sum of: €	_____
Signed:	_____

- (iii) Received from Sinead Jeffers €2020 for Tiles and Paint. Use today's date.

CORCORAN LTD., MAIN ST., NAAS	
<u>RECEIPT</u>	
Date:	_____
Received from:	_____
Details:	_____
The sum of: €	_____
Signed:	_____

Activity 4.6

1. Exam Questions

Department of Education and Science Exam 2000 Q.2 (a)

You work as a sales assistant in a sports shop. A customer returns a track suit purchased two days ago. She said when she fitted it on at home it did not match her running shoes and she has asked for her money back. Outline how you would handle this situation.

Department of Education and Science Exam 2000 Q.7 (d)

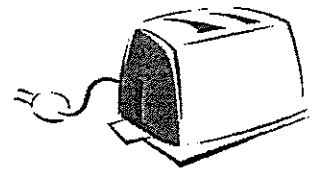
The owner of the shop wishes to display some new signs. Advise the owner on the legality of each sign. Say whether it should be displayed or not and explain why.

(i) No cash refunds under any circumstances _____

(ii) Credit Cards accepted _____

(iii) Faulty goods must be returned to the manufacturer _____

2. You work in a retail outlet, a customer comes in with a toaster which was an unwanted gift. The toaster was bought in your shop but the customer has no receipt. Outline how you would handle the situation.
Has the customer any legal rights in this case?



3. A customer wishes to exchange a Manchester United Shirt for a Liverpool Shirt which she bought by mistake – she has a receipt.
Outline how you would deal with the situation.

4. A customer bought a DVD player and two weeks later the on/off button does not work.

Outline how you would deal with the situation.

6. Deal effectively with customer complaints in accordance with house policy

Activity 4.7

Find out the policy of the following business with regard to returning goods:

- (i) Local Supermarket
- (ii) Boutique
- (iii) Chain Store
- (iv) Sports shop

Some business may have a policy of not allowing goods to be returned, others may offer a credit note.

However if the goods are faulty the customer is entitled to a repair, replacement or a refund. Many shops e.g. Dunne's Stores, Penney's will allow you to return the goods if you have a valid receipt if you change your mind about the goods.

7. Check policies in delivery

Some businesses may offer a free delivery service others may charge for delivery.

Check the policies on delivery of the following:

- i. Local supermarket.
- ii. Furniture shop.
- iii. Business selling coal.

8. Outline the Retailer's responsibilities under the Consumer Information ACT 1978.

The purpose of the Act is to protect consumers against false or misleading claims about goods services and prices.

The Act applies to people who buy and sell goods and people who provide a service i.e. anyone acting in the course of a business trade or profession.

1. It is an offence to make a false or misleading claim about goods e.g. statements about the weight of the goods, how they are made, where they made, how they work.

The Act also prohibits false or misleading claims about services. An offence is committed only if the trader knows the claim is false or misleading or if the claim is made without good grounds for believing it was true.

2. The Act prohibits false or misleading indications of the price, the previous price or the recommended price of goods and services.
 - If you see a price in a product you should not have to pay any extra charges if there is no indication of such extra charges.

- As regards the previous price it must be accurate. Goods must have been on sale at the previous price for at least 28 consecutive days in the previous three months.
 - It is wrong to quote an inaccurate recommended or list price. If no price is recommended, none should be quoted as such.
3. It is forbidden to publish any advertisement which is false or misleading and which is likely to cause loss, damage or injury to members of the public.
 4. The office of the Director of Consumer Affairs was set up under the Act and it is her function to prosecute offences under the Act.

UNIT 2: CALCULATIONS AND PAYMENTS

1. Calculate VAT inclusive and VAT exclusive prices

VAT (Value Added Tax) is a tax that is added to many goods and services. The prices of goods given in shops generally include VAT. Some businesses however may give a bill which shows the amount charged before VAT is added on.

VAT is collected by businesses selling goods and services and sent to the Government every two months.

Activity 4.8

1. Exam Questions:
Department of Education and Science Exam 1997, Q.7 (a)

You work in Office Machines Ltd. You are asked to calculate VAT and selling price. Complete the grid below using the following information.

Cash registers selling at €400 + 21% VAT.

Fax Machine selling at €650 + 21% VAT.

Collating Machine selling at €300 + 21% VAT.

Franking Machine selling at €500 + 21% VAT.

Computer selling at €975 + 21% VAT.

Description	Unit Price	VAT	Selling Price

2. The cost of a meal in a restaurant is €58 + VAT @ 21%. Find the cost of the meal.

3. A TV is marked at €300 +VAT @ 21%.What is the cost of the TV?

4. The price of a computer is €799 +21% VAT. What is the cost of the computer?

5. The price of a service in a garage costs €49 plus VAT at 13.50%. What is the total cost of the service?

6. Calculate the VAT and the total cost price of the following items:

Quantity	Description	Cost per Unit	VAT @ 21%	Total
1	Video Recorder	209		
1	DVD Player	349		
1	CD Player	298		
1	Stereo System	458		
1	Digital Camera	569		

7. The price of a car is €12,000. This includes VAT at 21%. Find the price of the car before VAT was added on.

8. The price of a camera is €120.00 after VAT at 21% has been added on. Calculate the price of the camera before VAT was added.

9. Show the amount of VAT and the total cost following cases, if the VAT rate is 21%.

NETT €	VAT @ 21%	TOTAL
679.00		
955.00		
1214.00		
1552.00		
49.99		
1765.00		
777.00		
3939.00		
559.00		
8439.75		

2. Calculate cash and trade discounts and allowances

Trade discount is an allowance given to the trade for buying in bulk. Trade discount is given to encourage greater sales and to allow the retailer to make a profit.

Cash discount may be offered if a business pays within a certain time e.g. 30 days.

Activity 4.9

1. Calculate the discount and the new selling price in each of the following.

ORIGINAL PRICE €	DISCOUNT 10%	NEW PRICE
380.00		
650.00		
404.00		
39.00		
739.00		

2.

ORIGINAL PRICE €	DISCOUNT 15%	NEW PRICE
347.00		
1000.00		
68.75		
598.79		
6363.36		

3. Understand the difference between Mark up and Margin.
4. Calculate Mark Up

COST PRICE +PROFIT =SELLING PRICE.

Mark Up is when profit is expressed as a percentage of cost price.

$$\text{MARK UP} = \frac{\text{PROFIT}}{\text{COST PRICE}} \times 100$$

Margin is when profit is expressed as a percentage of selling price.

$$\text{MARGIN} = \frac{\text{PROFIT}}{\text{SELLING PRICE}} \times 100$$

Calculate the mark up and margin in each of the following:

COST PRICE €	SELLING PRICE €	MARK UP (%)
350	380	
500	550	
1000	1600	
384	529	
13000	15000	
84	90	
3939	4500	
75	90	
1.20	1.49	
67	99	

5. Demonstrate an ability to follow proper cash register procedures

List the rules for dealing with cash.

This should be practised during this module.

Students may be able to practise during work experience or in part time jobs.

ACTIVITY 4.10

Design a questionnaire to give to a person working on a cash register. Include questions about the following:

- Float
- Giving change
- Dealing with loyalty cards
- Cashing up after their shift



6. Complete bank lodgement forms

Complete the bank lodgement forms from the following information:

1. You are making a lodgement to the account of S. Mc Donald of Main Street, Castlebar, Co. Mayo. Use today's date. The account number is 25845356. €369 in notes, €3.69 in coins and a cheque of €258.36
2. Make a lodgement to the account of E. Cole of Dublin Street, Carlow. The account number is 12388632. Use today's date. €258 in notes, €2.48 in coins and a cheque for €369.36
3. Lodge the following to the account of Jane Edwards of Cork Road, Waterford. The account number is 14786278. Use today's date. €569 in notes, €5.99 in coins and a cheque for €369.32
4. Make a lodgement to the account of C. Adams, Tuam Road, Galway. The account number is 45678989. Use today's date. €257 in notes, €68.99 in coins and a cheque for €789.33
5. Make a lodgement to the account of A. Dunne, Main Street, Cavan. The account number is 12786558. Use today's date. €963 in notes, €25.36 in coins and cheques of €1258.02 and €58.25.

7. Sort cash for lodgement.

Coins must be sorted into different denominations and ready for lodgement. The correct amount must be in each bag and coins must not be mixed in each bag.



8. Prepare invoice, credit note, debit note, cheque and receipt.

An invoice is used when goods are bought and sold on credit. The seller issues an invoice and the buyer receives this invoice.

A credit note is sent by the seller to the buyer to inform the buyer that the amount he now owes has been decreased. This may occur as goods may have been returned and the seller is making an allowance for this. Goods may have been broken or damaged or not as ordered and have been returned. The seller will issue a credit note.

A debit note is sent by the seller to the buyer to inform the buyer that the amount he now owes has been increased. This may occur as the incorrect price may have been shown on the invoice and the seller has now to charge more for the goods.

A receipt is proof of payment and will be issued by the seller when payment has been received for the goods.

ACTIVITY 4.11

1. You wish to order the following goods from M.Murphy & Company, Main Street, Galway. Use today's date.

100 White Sports Bags model number 14782P @ €25.36 each
 14 pairs of Nike runners size 7 model number 258OP @ €58.69 each
 32 Tracksuits size XL Model number 2789B @ €33.99 each.



Complete the following Order form. Use your own name as Purchasing Manager.

ORDER
 Limerick Sportswear Ltd.,
 Ennis Road,
 Limerick

Date:

Order number:

To:

QUANTITY	DESCRIPTION	MODEL NUMBER	PRICE

SIGNED:

PURCHASING MANAGER _____

2. Complete the following order form to Euro Sports Gear Ltd., Kennedy Avenue, Carlow. Use today's date.

- 26 Badminton rackets model number AS1258 @ €25.39 each
- 47 packs GH golf balls model number WE 269 @ €2.99 each
- 36 pairs white sports socks model number RE 4898 @ €1.98 each.



Order

Limerick Sportswear Ltd.,
Ennis Road,
Limerick

Date:

Order number:

To:

QUANTITY	DESCRIPTION	MODEL NUMBER	PRICE

SIGNED:

PURCHASING MANAGER

3. Complete an order form for a Viking Direct or other catalogue.
4. Complete an order form for a Celtic Hampers or other catalogue.

5. Complete the following Credit note sent by S. Kelly & Company Ltd. to D. Bottles of Main Street, Trim, Co. Meath who returned damaged goods.

Credit Note

S. Kelly & Company Ltd.
 Dublin Road,
 Navan,
 Co. Meath

Number: _____

Date: _____

To: _____

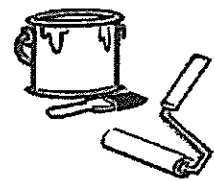
Order Number: _____

Quantity	Description	Price

6. Complete the following invoice from the following information:

You work for O' Brien's, Link Road, Navan, Co. Meath and you sell the following goods to Westside Ltd. Dublin Road, Drogheda.

- 4 Tins of White Paint catalogue number 12588 @ €12.36 each
- 6 Rollers catalogue number 1567897 @ €25.96 each
- 9 Packets Wallpaper paste catalogue number 54646 @ €9.69 each.



Trade Discount is 20% and VAT is 21%.
 Use today's date.

INVOICE

O' Brien's
Link Road, Navan, Co. Meath
 Tel : 058-7987654

TO: _____

NUMBER: ____

DATE: _____

QUANTITY	DESCRIPTION	MODEL NUMBER	PRICE EACH	TOTAL
			Total	€
			TradeDiscount	€
			Sub Total	€
			VAT	€
			Total	€

INVOICE

S. JUNIOR AND COMPANY LIMITED.
MAIN STREET, GALWAY

DATE: _____

TO: _____

QUANTITY	DESCRIPTION	MODEL NO.	UNIT PRICE	TOTAL
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
			LESS TRADE DISCOUNT	€ _____
			ADD VAT	€ _____
			INVOICE TOTAL	€ _____

INVOICE

S. JUNIOR AND COMPANY LIMITED.
MAIN STREET
GALWAY

DATE: _____

TO: _____

QUANTITY	DESCRIPTION	MODEL NO.	UNIT PRICE	TOTAL
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

LESS TRADE DISCOUNT € _____

ADD VAT € _____

INVOICE TOTAL € _____

INVOICE

S. JUNIOR AND COMPANY LIMITED.
MAIN STREET, GALWAY

DATE: _____

TO: _____

QUANTITY	DESCRIPTION	MODEL NO.	UNIT PRICE	TOTAL
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

LESS TRADE DISCOUNT € _____

ADD VAT € _____

INVOICE TOTAL € _____

7. Complete the invoices on the previous page:

1. Goods sold to B. O'Leary, Dublin Road, Carlow.

65 Typewriters B486768 @ €123.36 each

58 Fax machines Y5456 @ €546.36 each

25 Printers W768 @ €546.99 each

Trade discount is 10%

Vat is 21%



2. Goods sold to P. Murphy Ltd, West Road, Galway.

25 Computer speakers @ €25.66 each

85 3½inch discs @ €0.85 each

30 VDU's @ €69.98 each

Vat is 21%, Trade discount is 15%



3. Goods sold to V. Maher Ltd, James Street, Athlone.

54 Dust bins K54654 @ €5.99 each

3 Swivel chairs T874984 @ €6.87 each

78 Badges m8749874 @ €0.38 each

Vat is 21%, Trade discount is 12.5%



Use today's date in the above exercises.

8. Fill in the following cheques: Use today's date and use your own signature.

(a) €38.97 payable to J. Byrne

(b) €179.95 payable to B. Crowe

(c) €3079.98 payable to E.Kelly

(d) €9098.89 payable to S. Fleming

9. Use the correct procedure when handling cash transactions

Activity 4.12

a) Interview a person who works on a cash register and ask them the procedure when handling cash transactions i.e. money in the till, how change is calculated, is a receipt given.

b) You work on a cash till. A person hands you a €50 note to pay for a bill of €12.75. Outline how you would deal with the transaction.

c) A customer purchased goods to the value of €5.75 and you gave change of €4.25. The customer insists they gave you a €20 note for the transaction. Outline how you would deal with the transaction

10 Deal with refunds, voids, gift vouchers, credit notes, and cash collections.

11. Recognise situations and follow correct procedures when the supervisors signature is required.

- A customer is entitled to a full cash refund if the goods are faulty.
- A credit note may be offered by the shop when a customer returns goods if they changed their mind about the goods or if it is the wrong size or colour.
- If the cash till operator charges for a product incorrectly or may charge the customer twice then a void may have to be dealt with.
- Some customers may give in vouchers as part payment of goods or some may have coupons when they buy some goods.
- The cashier must be able to deal with all of these transactions at the checkout. Sometimes they may have to call a supervisor to deal with the situation, others they may have to deal with themselves.
- When accepting vouchers, coupons, credit notes the person operating the checkout must ensure that they are all valid for the goods being purchased and that the correct date must be included on each.
- It may be company policy to require a receipts or any other proof of purchase before a refund can be made.
- If the goods are being taken back as a goodwill gesture, then the person taking back the goods should ensure that they are in good condition and that they have not been used or abused in any way.
- Some companies, who accept returns may require the customer to complete a form giving your name, address, reason for refund.



Activity 4.13

Interview someone working in

1. Local grocery shop/ supermarket
2. Sports shop



and find out

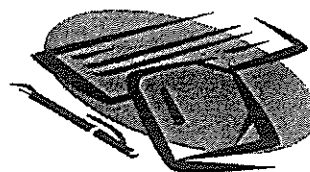
1. When refunds and credit notes are issued
2. What vouchers are accepted
3. Can the person operating the cash till issue the refund?
4. When is a supervisor called?

12. Follow the correct procedures for validating cheques

Some businesses when accepting cheques will require the person writing the cheque (the drawer) just to sign the cheque, as their cash registers will fill in the rest of the details. In other shops the drawer will have to fill in all the details.

When filling in a cheque the following must be filled in:

1. Date
2. Payee's name (name of person/business to whom you are making the payment)

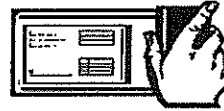


3. Amount in words
4. Amount in figures
5. Signature

The cashier when accepting a cheque must ensure

- ✓ That the date is correct
- ✓ That the amount in words corresponds to the amount in figures
- ✓ Check the signature on the cheque against the signature on the cheque guarantee card
- ✓ Check the expiry date on the card
- ✓ Write the card number on the back of the cheque
- ✓ Ensure that the amount of the cheque does not exceed the amount guaranteed by the card.

13. Follow the correct procedures for credit cards, cheque cards, laser cards and debit card transactions.



1. Credit Cards. e.g. Visa, MasterCard.

This card allows the cardholder to buy goods and services up to a certain limit each month. The credit card is given to the cashier. The card is then passed through a terminal which reads the details on the card and prints a slip. The buyer checks that these details are correct and then signs the voucher. The cashier checks that the signature matches the signature on the credit card and also checks the expiry date on the cheque. One copy of the sales voucher is given to the customer with their credit card.

2. Laser Cards

This is a debit card which allows the owner to pay for goods and services. The card is swiped through a terminal which issues a slip, the receipt is signed by the customer. The amount of the transaction is debited from the owners account within a few days. As well as being used to pay for goods and services some outlets will give you cash back. The procedure when paying with a laser card is as follows

1. Card is given and this is swiped through a terminal
2. Cashier enters the amount to be paid and asks if the customer wants any cash back
3. The transaction is authorised and the machine issues an authorisation slip.
4. Customer signs the authorisation slip.
5. Copy of authorisation slip and the card is given back to the customer.

ACTIVITY 4.14

Department of Education and Science Exam 1998 Q.7 (c)

A customer wishes to pay in cash for an item costing €7.50. She hands you €10.00, Describe four (4) steps you would take when handling this transaction.

1. _____
2. _____
3. _____
4. _____

ACTIVITY 4.15

1. If a receipt is not given as a proof of purchase what else can be accepted?

2. Why do some shops allow customers to return goods even though there is nothing wrong with the goods?

3. A customer wishes to pay for a purchase by credit card which your business does not accept. Outline how you would deal with this situation.

4. Coupons, vouchers and discounts may be given to customers to encourage them to buy goods and services. Give examples of each of these. Where do customers obtain these?

5. A customer offers you a coupon which is not valid for the goods being purchased. Outline how you would deal with this transaction.

UNIT 3: ADVERTISING AND DISPLAY

1. **Distinguish between different types of display**
2. **Identify the specific areas within a retail unit for display.**
3. **Recognise effective merchandising and methods of promotion within a store.**

- Window Display
- In store Display
 - End of aisle
 - At checkout
 - Goods displayed on shelves
- Merchandising

Displays on shop windows or in the store must be effective and attractive. Some businesses will employ people to display the goods on their shop windows and in the store, whereas in other shops it will be responsibility of the shop assistants. Many firms will also employ people who act as merchandisers for their products. The aim of the display is to attract the customer's attention and also persuade them to buy.

Activity 4.16

Visit a local retail outlet.

1. What type of goods are being displayed on the shop window?

2. Would you change anything / do anything differently?

3. What goods are on display at the end of aisles?

4. Why are such goods on display at the end of an aisle?

5. Look at goods displayed on the shop shelves – choose a particular product e.g. shampoo, biscuits and state how the products are displayed on the shelves. If a number of shelves are being used state what products are on the various shelves. If you were displaying your product(s) which shelf would you like it to be displayed on.
Why?

Merchandising

This is part of the selling of products in a business. Manufacturers may sometimes employ people to act as merchandisers on their behalf. This means that they will ensure that products are displayed well on shelves in the store and that the products are in a prime location in the store and are displayed prominently. The aim of merchandising is to sell the product and to encourage the customer to impulse buying.

Activity 4.14

Visit a local Supermarket.

1. In a supermarket find out if any people are employed to act as merchandisers.
2. Comment on how the goods are displayed in the store.

3. What other methods of promotion are being used in the store? List them

4. What type of goods are being promoted?

5. Would you be encouraged to buy any of these products?

6. Price reductions, free samples, coupons, vouchers, percentage extra free are some methods used to promote products. Give examples of products being promoted in this manner. Do you think these methods will increase sales for the business?

Exam Questions:

Department of Education and Science Exam 1998 Q.1.(a)

You work as a sales assistant in a pharmacy in a new shopping centre which is due to open next month. The shopping centre is located on the outskirts of a large town. You have been asked to help develop a special promotion for the first week at the shopping centre. Suggest five (5) ideas to encourage customers to shop and give reasons for your answers.

- (i) Suggestion

Reason

- (ii) Suggestion

Reason

(iii) Suggestion _____

Reason _____

(iv) Suggestion _____

Reason _____

(v) Suggestion _____

Reason _____

Department of Education and Science Exam 1999 Q.8.(c)

Tick one box for each sentence to show whether the sentence is true or false.

	True	False
Employees are entitled to statutory payments if made redundant.	<input type="checkbox"/>	<input type="checkbox"/>
It is illegal to consume food if past its sell-by date.	<input type="checkbox"/>	<input type="checkbox"/>
25% of €360 is €90.	<input type="checkbox"/>	<input type="checkbox"/>
All employees must be registered for PAYE.	<input type="checkbox"/>	<input type="checkbox"/>

4. UNDERSTAND THE IMPORTANCE OF GOOD ATMOSPHERE AND LAYOUT IN THE RETAIL ORGANISATION

Activity 4.18

1. Draw the layout of a local Supermarket and label the goods in the various aisles.
2. You wish to buy the following goods. Show where they are located in the store.

Bread, Milk, Tin Peas, Rashers, Eggs, Washing Powder, Batteries.

When supermarkets are choosing a layout for their store some of the following may be taken into consideration.

1. Entrance

This may be located at one side of the store to ensure that shoppers walk down as many aisles as possible before leaving the store.

2. Bread

This may be located near the entrance as the aroma of freshly baked bread may encourage shoppers to buy.



In other stores this may be located further in the store which will bring shoppers to as many aisles as possible, another view is that the bread should be left near the end as it is likely to be squashed in the shopping trolley.

3. Shelf Space

Certain spaces on shelves sell goods better than others e.g. eye level. Some supermarkets may ask suppliers for money or for discounts to have their products on these shelves. In some cases luxury goods may be at eye level whereas regular essential goods may be at the bottom. In some chemist shops goods which can only be bought there might be at eye level whereas goods which can be bought in a supermarket may be at the bottom.



4. End of aisle



This may be used for special offers e.g. % extra free, three for the price of two or it may offer goods that the supermarket wants to sell e.g. goods that may be near their sell by date. Attractive presentation encourages consumers to buy products. These may be away from their normal aisle.

5. Linked goods

Some products which go together may be placed near each other e.g. burger buns near the frozen foods, wafers near ice cream, gravy, stock cubes near the meat / chicken.

6. Display

Colourful displays may be used e.g. fruit, veg to encourage shoppers to buy.

Most retailers are conscious of the importance of good atmosphere and layout. This will be seen in the store

1. Where aisles are wide and attractively laid out
2. Colourful displays within the supermarket and use of colour in the decoration of the store
3. Some may control the aromas / smells around the supermarket. Smells of freshly baked bread is a popular smell around the store and not the smell of meat / fish
4. Background music may be used in many supermarkets.

This should be compared with the layout and décor of stores like Lidl and Aldi which is basic. The layout is similar to a warehouse where some goods are displayed in cardboard boxes.

Shelving and goods displayed on the shelves is not as important as in other retail outlets. Shopping baskets are generally not used with only trolleys being used. The selling point for these shops is top quality and low price food. At the checkout only cash or laser may be accepted as payment for the goods.

Activity 4.19

1. Why do most supermarkets place some much attention to décor and layout in their stores?

2. How can supermarkets like Lidl and Aldi compete with other supermarkets when layout and décor is not a priority?

5. CREATE EXAMPLES OF DIFFERENT TYPES OF PROMOTION (ADVERTISING) IN RETAILING.

Activity 4.20

1. Design a group collage or tape or other form of advertising for a good or service
2. Prepare a stand for the enterprise trade fair
3. Prepare a display in the school for Christmas or St. Patrick's Day or Easter.
4. Collect examples of the following types of advertising. List goods/services suitable to be promoted using each method.

- Outdoor advertising
- Transport advertising
- Point of sale materials
- In store promotions

5. Exam Questions:

Department of Education and Science 1999 Exam, Q8 (a).

Design a display for the shop window of a small grocery shop suitable for Easter or Halloween or any other occasion of your choice.

Department of Education and Science 1998 Exam, Q8 (c).

Design a poster for a window display in an electrical store advertising a sale. Supply your own details

Department of Education and Science 1997 Exam, Q8 (b)

Suggest ways of displaying the following items attractively in a store.

- Easter Eggs
- Kitchen Equipment
- Fresh Bread

Department of Education and Science 2000, Q2 (d)

A particular brand of tea is not selling well in your shop. Give three suggestions to help to promote this product in the shop.

1. _____
2. _____
3. _____

UNIT 4: BEING AN EMPLOYEE

1. Complete an application form for employment

Activity 4.21

Please complete the following application form for employment.

POSITION APPLIED FOR: _____

Personal Details:

Name: _____

Address: _____

Tel No: _____ E-Mail: _____

Education:

School: _____

Dates: _____

Examination Results: _____

Work Experience / Previous Employment:

Date: _____

Employer: _____

Position and Duties: _____

Interests and Hobbies:

Referees:

Name: _____ Name: _____

Address: _____ Address: _____

Tel No: _____ Tel No.: _____

Any other Additional Information:

Signed: _____ Date: _____

The following points should be noted when filling in an application form

1. Fill in in black or blue pen.
2. Use block capitals if requested.
3. Read the form carefully before you start filling it in and before you send it off i.e. check spelling, make sure all relevant information is included.
4. Keep a copy of the completed form.

2. Identify the basic legal rights of an employee

- To receive a fair wage.
- To work in safe and healthy work place.
- To join a trade union.
- To receive the statutory number of days holidays.
- To be treated equally and fairly.
- To allow female employees maternity leave.

Activity 4.22

1. What is the current minimum wage?

2. Find out the provisions of the Protection of Young Persons (Employment) Act 1996. Is this act relevant to you if you work during school term? How does it apply to you?

3. What are the statutory number of days holidays an employee is entitled to?

4. One of the rights of an employee is to be treated equally and fairly. What are the grounds an employee cannot be discriminated against?

3. Identify the responsibilities of an employee

- To do an honest days work.
- To work at all times in the best interests of the firm.
- To keep confidential any information they might have access to.
- To respect the employers property.
- To be punctual .
- To respect rules regarding health and safety.

4. Identify the role of industrial relations practices in the workplace

- *Industrial relations* is the relationship between employers and employees.
- A *trade union* is an organisation of workers set up to protect and improve its members jobs and conditions of employment e.g. higher wages, better holidays.
A *shop steward* is the trade union representative in the work place.

Functions of a trade union:

- To look for higher wages / salaries for their members.
- To represent their members if there is a dispute with the employer.
- To look for better conditions of employment e.g. longer holidays, shorter working week.
- To protect the jobs of their members and to negotiate on behalf of their members in a redundancy situation.

Activity 4.23

1. Name some trade unions operating in Ireland.

2. Are there any trade unions in (a) your work place?
(b) place of work experience?
If so name them.

3. If you wanted to join a trade union in your workplace – how would you do so?

4. Are there any other industrial relations practices in the work place e.g. workers councils - give details.

5. Understand the importance of a contract of employment

This is drawn up when a person is being appointed to a job. It contains the terms of employment e.g. Probation period (if any), date of commencing work, salary, holidays, pensions, sick leave, and minimum notice for leaving/dismissal.

Activity 4.24

1. Complete the following contract of employment

CONTRACT OF EMPLOYMENT

EMPLOYER: _____

EMPLOYEE: _____

JOB DESCRIPTION /TITLE: _____

CONTRACT DATE: _____

NATURE OF EMPLOYMENT: _____

SALARY: BASIC _____

OVERTIME _____

HOLIDAYS: _____

SICK LEAVE: _____

MINIMUM NOTICE-DISMISSAL _____

-LEAVING _____

HEALTH AND SAFETY: _____

PENSION: _____

TRADE UNION MEMBERSHIP: _____

SIGNED: _____ EMPLOYER

_____ EMPLOYEE

6. Explain the purpose of keeping employee records

Employee records must be kept for:

- Income tax and PRSI records – if an employer has to fill out a P60 or a P45 form.
- If an employee is to be promoted or dismissed then it is important that records are available and up to date.

Time sheets and attendance records may be used if an employee's attendance is under review. Attendance records may include medical records of certified and uncertified sick leave. Attendance and punctuality may be taken into account when deciding on a promotion.

If an employee is being dismissed then the disciplinary records will be required as the responsibility is on the employer to prove that the dismissal was fair.

An employer may consult these records if an employee requires a reference.

The type of information that may be kept includes the following:

- C.V.
- Letter of application
- Tax records
- Time sheets
- Attendance sheets
- Medical certs

WORD BANK

- CHEQUE:** An order instructing your bank to pay an amount of money out of your account to someone else.
- CHEQUE GUARANTEE CARD:** Card used with a cheque which guarantees the payment of a cheque up to a certain amount.
- CONSUMER:** Person who buys goods and services for their own use.
- CONTRACT OF EMPLOYMENT:** Drawn up between an employer and an employee when an employee is appointed to a job. It contains details such as probation period, salary, pensions, holidays, sick leave.
- CREDIT CARD:** e.g. Visa, Mastercard. This allows the card holder to buy goods and services on credit up to a certain limit each month.
- CREDIT NOTE:** Document sent by the seller to the buyer to inform the buyer that the amount he now owes has been decreased. May be issued if goods are returned.
- DRAWEE:** Bank
- DRAWER:** Account holder – the person writing out the cheque.
- INDUSTRIAL RELATIONS:** Relationship between employers and employees in the workplace.
- INSTORE DISPLAY:** Means by which goods are displayed within the store – it may be the goods displayed on the shop window, on shelves, at checkouts or at end of aisles.
- INVOICE:** Document used when goods are bought and sold on credit.
- LASER CARD:** Card used in payment for goods and services. The amount of the transaction is debited from the account holders account in the bank within a few days.
- MARK UP:**
- | | | |
|------------|---|-----|
| Profit | x | 100 |
| Cost price | | 1 |
- MERCHANDISING:** This is means of selling/promoting products. Goods are displayed well on shelves and are displayed prominently in the store.

- MERCHANTABLE QUALITY:** Goods should be of reasonable quality taking into account the price paid for them.
- PAYEE:** The person or organisation that you are making the cheque payable to.
- RECEIPT:** Document issued by the seller and can be used as proof of payment.
- TRADER:** Person who buys goods and services for re-sale.
- TRADE DISCOUNT:** Allowance given to the trade for buying in bulk.
- TRADE UNION:** Organisation of workers to protect and improve members rights and conditions of employment.
- VAT:** Value Added Tax – this is a tax on goods and services.

*Office
Administration
&
Customer Care*

