

Higher National Unit Specification

General information for centres

Unit title: Retail Environment

Unit code: DL31 34

Unit purpose: This unit is designed to give candidates an understanding of the development of the retail industry and how it operates within a dynamic environment.

On completion of the Unit the candidate should be able to:

1. Explain the development of the retail industry.
2. Evaluate the application of the retail mix by different types of retailers.
3. Analyse the changing retail environment.

Credit points and level: 1 HN Credit at SCQF level 7: (8 SCQF credit points at SCQF level 7*)

**SCQF credit points are used to allocate credit to qualifications in the Scottish Credit and Qualifications Framework (SCQF). Each qualification in the Framework is allocated a number of SCQF credit points at an SCQF level. There are 12 SCQF levels, ranging from Access 1 to Doctorates.*

Recommended prior knowledge and skills: Access is at the discretion of the centre. No prior knowledge of the subject area is required.

Core skills: There may be opportunities to gather evidence towards core skills in this Unit, although there is no automatic certification of core skills or core skills components.

Context for delivery: This Unit is a core unit on the framework of the HNC/D Retail Management. It is recommended that it should be taught and assessed within the subject area of the group award to which it contributes.

Assessment: This unit could be assessed by 2 instruments of assessment. Restricted response questions could be used for Outcome 1, and this would be undertaken in a controlled environment in open book conditions. Candidates would be allowed access to textbooks, handouts or other notes during the assessment. A single instrument of assessment, which could take the form of an assignment of 1500 words, could be used to assess Outcomes 2 and 3. Research and preparation time should be allocated to allow candidates the opportunity to gather sufficient information and materials to complete the assignment, which does not require to be undertaken in controlled conditions.

General information for centres (cont)

An exemplar instrument of assessment and marking guidelines has been produced to indicate the national standard of achievement required at SCQF Level 7.

Higher National Unit specification: statement of standards

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The sections of the Unit stating the Outcomes, knowledge and/or skills, and evidence requirements are mandatory.

Where evidence for Outcomes is assessed on a sample basis, the whole of the content listed in the knowledge and/or skills section must be taught and available for assessment. Candidates should not know in advance the items on which they will be assessed and different items should be sampled on each assessment occasion.

Outcome 1

Explain the development of the retail industry

Knowledge and/or skills

- ◆ Contribution of the retail sector to the UK economy
- ◆ Development of retail power
- ◆ Theories of retail change
- ◆ Contribution of IT in retailing
- ◆ Retail sector dominance

Evidence requirements

The candidate will require to provide evidence that s/he can explain the factors which have contributed to the development of the retail industry. This can be in the form of either written or oral evidence. The evidence should be consistent and should accurately:

- ◆ explain the contribution that the retail sector makes to the UK economy
- ◆ describe the three main stages in the development of retail power
- ◆ understand the contribution which the theories of retail change can make to the retailer's planning decisions
- ◆ describe the contribution of IT in retailing in terms of benefits for both the consumer and retailer
- ◆ explain the factors that have contributed to retail sector dominance

Evidence should be generated through open book assessment undertaken in controlled conditions. Candidates may bring textbooks, handouts, or other reference material to the assessment.

Assessment guidelines

The assessment of this Outcome could be in the form of restricted response questions.

Higher National Unit specification: statement of standards (cont)

Unit title: Retail Environment

Outcome 2

Evaluate the application of the retail mix by different types of retailers

Knowledge and/or skills

- ◆ Elements of the retail mix
- ◆ Different types of retail organisations
- ◆ Market segmentation
- ◆ Targeting
- ◆ Retail positioning

Evidence requirements

A candidate will be able to evaluate the application of the retail mix with reference to a retailer chosen by the candidate, following discussion with the tutor. This can be in the form of either written or oral evidence. The evidence should be consistent, and should accurately:

- ◆ differentiate between various types of retail organisations
- ◆ explain the principles of segmentation and its importance in retailing
- ◆ explain how targeting is used to meet customer needs and build store loyalty
- ◆ explain how retail positioning helps create the desired image and attracts the target customers.

Evidence should be generated through open-book assessment, which can be undertaken outwith the classroom.

Assessment guidelines

The assessment of this Outcome could be in the form of an assignment of 1,500 words, and could be combined with Outcome 3 as part of a single assessment instrument for the Unit. The candidate should be given sufficient time to undertake research and the use of broadsheets, company reports, the internet and trade journals should be encouraged, along with any class notes, hand-outs and course text books. A bibliography could accompany the candidate's submission.

Outcome 3

Analyse the changing retail environment

Knowledge and/or skills

- ◆ Political and legal factors
- ◆ Economic factors
- ◆ The changing consumer
- ◆ Impact of technology

Higher National Unit specification: statement of standards (cont)

Unit title: Retail Environment

- ◆ Environmental/green issues
- ◆ Competitive influence

Evidence requirements

A candidate will require to provide evidence that s/he can identify the main factors which contribute to change and analyse their impact on the retail sector and their chosen retailer in particular. This can be in the form of either written or oral evidence. The evidence should be consistent and should accurately:

- ◆ describe current political and legal factors which impact on the retail sector
- ◆ explain the impact of economic change on the retail industry
- ◆ analyse the changes that are taking place in society and their influence on retail planning decisions
- ◆ describe the contribution which IT makes to retailing from both the retailers' and consumers' perspective
- ◆ describe the impact of environmental/green issues on retail decision-making
- ◆ evaluate the methods adopted by retailers to combat competition in the sector, including the advantages and disadvantages to both consumer and retailer

Evidence should be generated through open-book assessment, which can be undertaken outwith the classroom.

Assessment guidelines

The assessment of this Outcome could be in the form of an assignment and could be combined with Outcome 2 as part of a single assessment instrument for the Unit. The candidate should be given sufficient time to undertake research and the use of broadsheets, company reports, the internet and trade journals should be encouraged, along with any class notes, hand-outs and course text books. A bibliography could accompany the candidate's submission.

Administrative Information

Unit code:	DL31 34
Unit title:	Retail Environment
Superclass category:	BC
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Higher National Unit specification: support notes

Unit title: Retail Environment

This part of the Unit specification is offered as guidance. The support notes are not mandatory.

While the exact time allocated to this Unit is at the discretion of the centre, the notional design length is 40 hours.

Guidance on the content and context for this Unit

This unit is intended for candidates who wish to pursue a career in the retail industry and who are taking a qualification in HNC/D Retail Management in which Retail Environment is a single credit, core unit. Their study may be on a full-time or part-time basis.

The following notes give additional information on each outcome:

Outcome 1: GDP; employment; consumer expenditure; VAT; Pommerening; retail polarisation; pareto rule; natural selection in retailing; wheel of retailing; accordion, institutional and evolution theories; retail life cycle; polarisation; EPOS; EFTPOS; growth of e-commerce; contributory factors leading to retail sector dominance, for example: standardised formats, high street locations; out of town growth; competitive pricing; direct buying; specialisation

Outcome 2: different types of retail organisations; service retailing; non-shop forms of retailing; reasons and criteria for market segmentation; strategies: un/differentiated; concentrated and multi-segment strategies; single and multi-variable segmentation; perceptual maps

Outcome 3: legislation, including EU legislation; depression; recession, recovery; growth; demographics, socio-economic and lifestyle trends; retail response: innovations in format development; location shift; retail planning policy; impact of technology both in terms of types of products available and the impact of IT on the retail industry; growth and influence of pressure groups; global competition

Guidance on the delivery and assessment of this Unit

This Unit is likely to form the group award HNC/D Retail Management and requires to be delivered in Year 1 as it is a core unit for the HNC. It would be advisable to deliver it early in the course as it is an introductory unit, and lays the foundation upon which to build further knowledge and skills.

This Unit is unlikely to be offered as a freestanding unit.

Candidates should be encouraged to use current information from the media particularly in Outcomes 1 and 3. Newspaper articles, retailers' report and accounts, government reports and statistics, and the use of the internet should be the basis for facts and figures.

Higher National Unit specification: support notes (cont)

Unit title: Retail Environment

It is recommended that Outcome 1 be assessed by restricted response questions, while the assessment of Outcomes 2 and 3 can be combined into an assignment of 1500 words which should be undertaken in the candidates' own time towards the end of the unit. The candidates will base their assignment on a retailer with whom they are familiar, after consultation with their lecturer/tutor. Additional time should be allocated to the candidate to undertake research prior to completing the assignment.

Open learning

This Unit could be delivered by distance learning. However, it would require planning by the centre to ensure the sufficiency and authenticity of candidate evidence. Arrangements would require to be made to ensure that the assessment for Outcome 1 was undertaken in a supervised environment under controlled conditions.

Candidates with additional support needs

This Unit specification is intended to ensure that there are no artificial barriers to learning or assessment. The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments or considering alternative Outcomes for Units. For information on these, please refer to the SQA document *Guidance on Special Assessment Arrangements for Candidates with Additional Support Needs* (BA 2399, SQA, due 2004).

General information for candidates

Unit title: Retail Environment

The Unit is designed to give you an understanding of the environment in which the retail sector operates. It explores the development of retailing, looking at the rise of dominant powers within the sector and the influences, which impact upon it. You will study how retailers react to change and the innovative methods they adopt to maintain their competitive position within the market place.

You will have the opportunity to visit a number of retailers to observe the various approaches they take to ensure their sustainability in the market place.

This unit will give you the background knowledge and understanding of the retail industry that will lay the foundation upon which to build, as you progress through your course, gaining more knowledge and skills.

In order to achieve the unit, you will be required to achieve a satisfactory level of performance in two pieces of work.

The first, which will assess Outcome 1, could be a set of restricted response questions, which you will be required to do in a controlled environment, under supervision. You will be able to refer to your notes or any textbooks.

The second piece of work, covering the remaining Outcomes 2 and 3, is open book and will be undertaken in your own time. Towards the end of the Unit, you will be allocated time to carry out research in order to complete the assessment, which will take the form of an assignment of 1500 words and will be based upon a retailer with whom you are familiar and after discussion with your tutor.

To gain maximum benefit from this 40 hour Unit, you should take an interest in what is happening in the business world, through reading a good daily broadsheet and watching current affairs programmes on television. Although you will have a recommended text, it is never as current as the television, daily newspapers or trade journals.