

**-SQA- SCOTTISH QUALIFICATIONS AUTHORITY**

**NATIONAL CERTIFICATE MODULE: UNIT SPECIFICATION**

**GENERAL INFORMATION**

**-Module Number-** 5120277

**-Session-1997-98**

**-Superclass-** BA

**-Title-** MERCHANDISING

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**-DESCRIPTION-**

**GENERAL COMPETENCE FOR UNIT:** Explaining the contribution of the merchandising function and the retail mix to the success of the retail organisation.

**OUTCOMES**

1. explain the relationship between the retail mix and the trading policy of organisations;
2. apply the principles of store design and layout;
3. outline the principles of merchandise layout;
4. explain the purpose of retail pricing methods.

**CREDIT VALUE:** 1 NC Credit

**ACCESS STATEMENT:** Access to this unit is at the discretion of the centre. However, it would be beneficial if the candidate had completed NC module 5120067 Introduction to Retail Merchandising.

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For further information contact: Committee and Administration Unit, SQA, Hanover House, 24 Douglas Street, Glasgow G2 7NQ.

Additional copies of this unit may be purchased from SQA (Sales and Despatch section). At the time of publication, the cost is £1.50 (minimum order £5.00).

**NATIONAL CERTIFICATE MODULE: UNIT SPECIFICATION****STATEMENT OF STANDARDS****UNIT NUMBER:** 5120277**UNIT TITLE:** MERCHANDISING

Acceptable performance in this unit will be the satisfactory achievement of the standards set out in this part of the specification. All sections of the statement of standards are mandatory and cannot be altered without reference to SQA.

**OUTCOME**

1. EXPLAIN THE RELATIONSHIP BETWEEN THE RETAIL MIX AND THE TRADING POLICY OF ORGANISATIONS

**PERFORMANCE CRITERIA**

- (a) The retail mix elements are correctly identified.
- (b) Trading policies are described for a range of retail organisations.
- (c) The changing relationship between the retail mix and different trading policies is justified.

**RANGE STATEMENT**

Retail mix: location; layout; assortment; marketing; promotions; services.

Retail organisations: independent; multiple; variety chain store; department store; discount store; supermarket; superstore; hypermarket; concession; franchise; co-operative; specialist store.

**EVIDENCE REQUIREMENTS**

Written and/or oral evidence that the candidate can explain the relationship between retail mix elements and differing retail organisation trading policies.

**OUTCOME**

2. APPLY THE PRINCIPLES OF STORE DESIGN AND LAYOUT

**PERFORMANCE CRITERIA**

- (a) The influence of customer service methods on store design is correctly explained in relation to different outlets.
- (b) The effect of customer traffic flow on store layout is illustrated.

- (c) Different types of fixtures and fittings are identified in relationship to various products and outlets.
- (d) Measures to ensure security of stock, staff and customers and their effect on store layout are explained in relation to different outlets.

### **RANGE STATEMENT**

Customer service methods: personal service; self service; self selection.

Layout: free-flow; grid; boutique; positioning of promotional lines.

Types of fixtures and fittings: gondolas; plinths; baskets and dump bins; counters; wall bars; racking.

Security of stock: tagging and alarm systems; CCTV; security personnel; blind spots; height of fixtures and fittings.

Security of staff and customers: width of aisles; strength and positioning of fixtures and fittings; safe working and shopping environment through layouts of different types of outlet.

### **EVIDENCE REQUIREMENTS**

Written and/or oral evidence that the candidate can explain the factors involved in store design and layout decisions pertaining to a range of different outlets.

### **OUTCOME**

3. OUTLINE THE PRINCIPLES OF MERCHANDISE LAYOUT

### **PERFORMANCE CRITERIA**

- (a) Methods of block and horizontal merchandising are described in relation to different products.
- (b) Factors which influence merchandising techniques are described in relation to different products and outlets.
- (c) Merchandising ratios are calculated accurately.

### **RANGE STATEMENT**

Block and horizontal techniques: products to which they are applied; outlets in which they are common; effects and purpose of their use.

Factors which influence merchandising techniques: demand lines; semi demand lines; promotional lines; impulse buys; staple/luxury goods; height; centrally devised plans eg. "planagrams" versus local needs.

Merchandising ratios: rate of stockturn; calculation of stock space allocation; linear measurement; square measurement.

**EVIDENCE REQUIREMENTS**

Written and/or oral evidence that the candidate can explain the factors affecting the principles of merchandise layout.

**OUTCOME****4. EXPLAIN THE PURPOSE OF RETAIL PRICING METHODS****PERFORMANCE CRITERIA**

- (a) Characteristics of various pricing methods are described.
- (b) Possible usage of pricing methods is justified.
- (c) Trading and market factors which affect pricing method selection are described.

**RANGE STATEMENT**

Pricing methods: prestige pricing; price lining; competition orientated pricing; demand oriented pricing; loss leaders; psychological pricing.

Possible usage: as applies to stage in product life cycle; as used by different types of retail outlets for various products.

Trading and market forces: competition; location; promotion; store image; brand image.

**EVIDENCE REQUIREMENTS**

Written and/or oral evidence that the candidate can explain the purpose of pricing methods in various retail situations.

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**ASSESSMENT**

In order to achieve this unit, candidates are required to present sufficient evidence that they have met all the performance criteria for each outcome within the range specified. Details of these requirements are given for each outcome. The assessment instruments used should follow the general guidance offered by the SQA assessment model and an integrative approach to assessment is encouraged. (See references at the end of support notes).

Accurate records should be made of the assessment instruments used showing how evidence is generated for each outcome and giving marking schemes and/or checklists, etc. Records of candidates' achievements should be kept. These records will be available for external verification.

In certain cases, modified outcomes and range statements can be proposed for certification. See references at end of support notes.

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**NATIONAL CERTIFICATE MODULE: UNIT SPECIFICATION****SUPPORT NOTES**

**UNIT NUMBER:** 5120277

**UNIT TITLE:** MERCHANDISING

**SUPPORT NOTES:** This part of the unit specification is offered as guidance. None of the sections of the support notes is mandatory.

**NOTIONAL DESIGN LENGTH:** SQA allocates a notional design length to a unit on the basis of time estimated for achievement of the stated standards by a candidate whose starting point is as described in the access statement. The notional design length for this unit is 40 hours. The use of notional design length for programme design and timetabling is advisory only.

**PURPOSE** This module is suited to candidates who have some previous knowledge of retail merchandising and may be undertaken by candidates following a programme in retail.

SQA publishes summaries of NC units for easy reference, publicity purposes, centre handbooks, etc. The summary statement for this unit is as follows:

This module will help you to gain an appreciation of the importance of the merchandising function and its contribution to profit. You will also develop an understanding of the importance of the retail mix, store design and pricing to the creation of store image.

**CONTENT/CONTEXT** Corresponding to outcomes 1-4:

1. Trading policies relating to target markets, service levels, selection of retail mix elements to fulfil organisational objectives and meet the needs of the target market segment.
2. Effects of methods of customer service on store layout and staffing, customer traffic flow, types of fixtures and fittings.

Materials used in fixtures and fittings, eg: wood, chrome; etc. as appropriate to different outlets.

Security issues relating to staff and customers. Link to store layout in terms of evacuation.

3. Layouts of stores and the relationship to block and horizontal merchandising, products, outlets, purposes and uses. Influencing factors on merchandising techniques in terms of lines, type of goods, balance between centrally devised plans, eg: planograms, and local needs. Different merchandising ratios and their uses.

4. Pricing methods, applicability to markets, different pricing methods and their uses. Trading and market forces and their influence of pricing methods.

**APPROACHES TO GENERATING EVIDENCE** This module should be delivered in the context of different retail outlets and products. A candidate-centred approach should be adopted through the use of visits and assignments. Trade magazines and retail journals should also be used.

**ASSESSMENT PROCEDURES** The outcomes in this module may be assessed individually. However, opportunities exist to integrate assessment activities and where possible, course work may be submitted as assessment evidence.

#### Outcome 1

The candidate will participate in an assignment examining two different types of retail outlet and the relationship between the trading policy and the retail mix of each.

#### Outcomes 2 and 3

The candidate will participate in an assignment requiring the candidate to design a store, illustrating and outlining layout, design and merchandising features as indicated in the performance criteria.

#### Outcome 4

The candidate will participate in ten short answer questions to cover all the performance criteria and the full range.

**PROGRESSION** Candidates who successfully complete this module may wish to progress to relevant units of an appropriate Higher National award, eg: retail.

**RECOGNITION** Many SQA NC units are recognised for entry/recruitment purposes. For up-to-date information see the SQA guide 'Recognised Groupings of National Certificate Modules'.

**REFERENCES**

1. Guide to unit writing. (A018).
2. For a fuller discussion on assessment issues, please refer to SQA's Guide to Assessment. (B005).
3. Procedures for special needs statements are set out in SQA's guide 'Candidates with Special Needs'. (B006).
4. Information for centres on SQA's operating procedures is contained in SQA's Guide to Procedures. (F009).
5. For details of other SQA publications, please consult SQA's publications list. (X037).

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