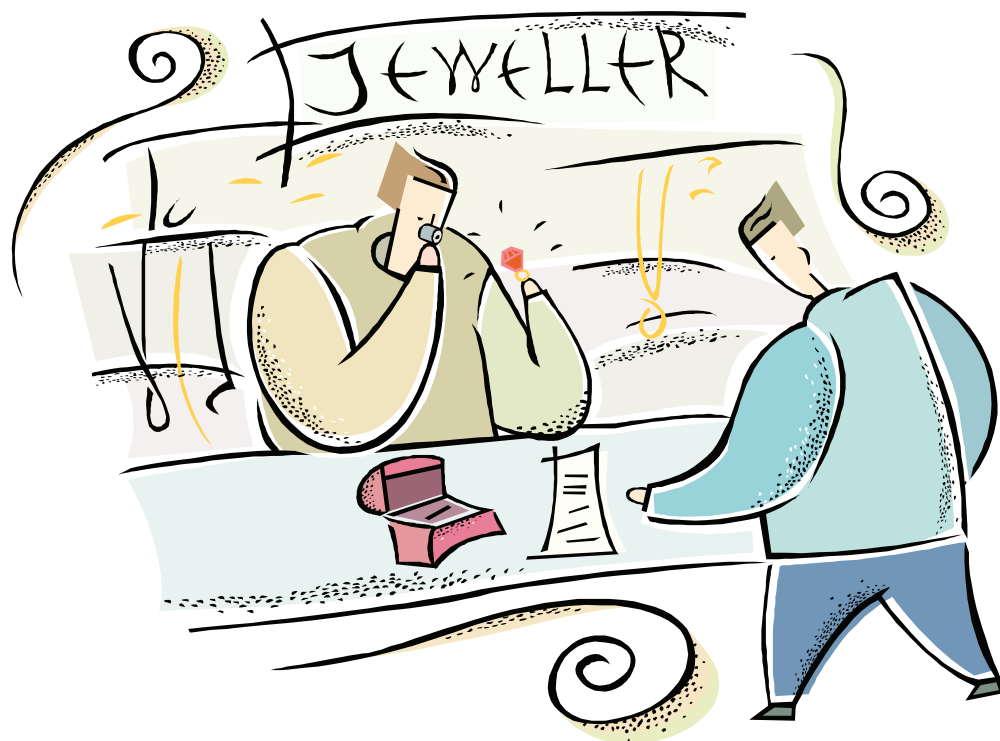




## Higher Level Retail Problem Solving Task



### Part 2: Features and Amenities

Name \_\_\_\_\_

Date: \_\_\_\_\_

# Features and Amenities of Retail Outlets

## Key words:

<b>Opening hours</b>	<b>Sunday trading</b>	<b>Range of products</b>	
<b>Methods of payment</b>	<b>Cash</b>	<b>Cheque</b>	<b>Credit</b>

Retail outlets need to provide what the customers want if they are going to be successful. Retailers must make choices about what to sell, how to sell and are faced with other important decisions.

## Discussion point: Opening Hours

Retail outlets traditional opening hours are from 9.00am until 5.30 or 6.00 pm and are still what you might find in many high street shops. Usually people who use or work in town and city centres will have left the area by this time. It would be pointless opening longer hours in a town centre where there were no customers. Out-of-town stores and supermarkets tend to stay open for longer, 8.00am until 7.00, 8.00 or 9.00pm; some supermarkets stay open on a 24-hour basis from Monday to Saturday. Many of these out-of-town stores tend to cater for people with busy lifestyles. This is often because people work and need to shop when they have finished work. Shops are continually trying to meet the needs of their customers and must meet the demand for greater flexibility with opening hours. Shift workers also need a convenient time to shop, which will fit in with their work pattern. Convenience or local shops tend to open at 7.00 or 7.30 am and do not close until 10pm.

## Activity 1: Answer the following questions

1. How do the opening hours of a high street shop (such as a clothes shop, travel agent, bank) and an out-of-town store (such as supermarkets and DIY stores) differ? Explain why the hours are different.

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**Discussion point: Sunday trading**

It used to be illegal for large supermarkets and stores to open on a Sunday until 1994. The Sunday Trading Act 1994 allows shops to open for a maximum of six consecutive hours on a Sunday between 10am and 6pm. For example Morrison’s supermarket opens at 10am and closes at 4pm on Sunday. Boots located in the Four Season’s shopping centre opens at 10.30am and closes at 4.30pm. Next on St Peter’s retail park open at 11am and close at 5pm on Sunday. Convenience stores are exempt from this law..

**Activity 2:**

Other than those listed above, list 3 retailing outlets and state their Sunday opening hours.

- 1. \_\_\_\_\_ Sunday hours: \_\_\_\_\_
- 2. \_\_\_\_\_ Sunday hours: \_\_\_\_\_
- 3. \_\_\_\_\_ Sunday hours: \_\_\_\_\_

What are the benefits to a retail outlet of opening on Sunday?

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### Discussion point: Range of products

Shops will need to strike a balance between offering customer a very limited range of products and offering a wide range of products. A limited range of products will reduce cost for a business but also may reduce the customer numbers because they do not offer what the customer wants. A wide range of products will offer the customer a good choice but the business will incur costs because it has to stock, display, advertise and store these products.

Shops such as those selling mobile phones have chosen to specialise in this type of product and will have a limited range of products. Some shops have very little space to stock a wide range of products. Some retailers also have limited capital to spend on stock so therefore will only have a small range of products. Many larger stores will sell their own brand products that can promote the company as well as the product. This helps keep costs down so therefore the products tend to be cheaper than branded goods. For example ASDA's own brand cola is cheaper than Coca-Cola; Sainsbury's own brand toilet roll is cheaper than Andrex.

### Activity 3:

**Many national multiple retailers produce their 'own brand' goods to sell alongside well-known, branded goods.**

- 1. Give the name of a national multiple retailer where you have seen 'own brand' goods for sale.**

- 2. Give one example of an 'own brand' product that you have seen and one example of its branded equivalent.**

**3. Explain why retailers sell 'own brand' goods.**

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**Activity 4:**

**Think about 2 different shops (selling different products) that you are familiar with and create a fact file by answering the following questions.**

1. What is the name of the shop
2. What type of products does the shop sell?
3. It is limited or wide ranging in the products that it sells
4. What are the advantages and disadvantages of its product range

The template for your fact file is on the next page

Name of shop 1: \_\_\_\_\_

Types of products: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Limited or wide range? \_\_\_\_\_

Advantages	Disadvantages

Name of shop 2: \_\_\_\_\_

Types of products: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Limited or wide range? \_\_\_\_\_

Advantages	Disadvantages

# Methods of Payment

## Cash

Is legal tender and all stores must accept it, with exception of large amounts of change.

## Cheques

These are orders from the customer telling the bank to pay the money from their account to the retailer's bank account. Many retailers insist that the customer uses a 'cheque guarantee card' when paying by cheque as this minimises the risk of the cheque not being honoured (bounced) if the person has no money in their account. The cheque is normally covered up to the value of £100 but some as much as £200.

## Credit Cards

Allows the customer to buy goods and services and pay for them when they receive their statement from the credit card company. They can choose whether to pay the amount in full or by instalments.

## Debit Cards

Like a credit card but more like using a cheque. Through electronic connections it tells the customer's bank to transfer the money to the retailer's bank. It usually takes between 1 to 3 days to get from the customer's account to the retailer's account.

## Customer Account

These are used by shops that have regular customers. The customer will buy products throughout the month and they settle the account at the end of the month.



## Hire Purchase

Used for buying products and paying for them over a period of time. Customers are usually asked for a deposit and then the rest is paid over a period of month sometimes years. Interest may or may not be added to this type of finance.

## Coupons, Vouchers, Tokens

These can be used to pay for goods or services in stores that accept them. Some workers are given luncheon vouchers to spend in certain pubs, and sandwich bars. Coupons are widely use in supermarkets which allow customer to get a product at a lower price or free. For example, coupons allowing of a packet of wash powder to be purchased at 50p cheaper or 20p off a loaf of bread. Many retailers have gift vouchers that can be exchanged for products in store. For example, HMV, Marks and Spencer, WHSmith

### Activity 4:

Answer the following questions

1. Give examples of the variety of payment methods accepted by a store of your choice.

**Name of store:**

**All Payment methods accepted:**

2. Which method of payment allows the customer to buy goods now and pay only a part of what is owed at the end of the month?

**Answer:**

3. Which method of payment must be accepted in all retail outlets?

**Answer:**

Just for fun . . .

Have a go at writing out the following cheque to pay for items of clothing you have purchased at Next. The total cost of your purchase is £27.99.

Write the name of the shop here

Write the date here

Write the amount in words here

Don't forget to sign here

Date	<b>ANY BANK</b>		50-69-81
Payee	PO BOX 876, LEICESTER, LE76 7JH		46581351
	Pay	Only	
Old Balance			£
Deposits			MR J H SMITH
Total			
£			
New balance	164810 50*6981 46581351		

Have another go

You have purchased a new lawnmower from B & Q. The total cost of your purchase is £124.49

Date	<b>ANY BANK</b>		50-69-81
Payee	PO BOX 876, LEICESTER, LE76 7JH		46581351
	Pay	Only	
Old Balance			£
Deposits			MR J H SMITH
Total			
£			
New balance	164810 50*6981 46581351		

# Customer Service

Definition: Customer service is all about providing for the customer wants and needs. In a retail environment this might include: -

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## Activity 5:

What type of facilities and services might be provided by a customer service desk? Complete the mind map listing as many services as you can.

