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| **MODEL ANSWERS – KNOWLEDGE TEST** | |
| Qualification | 103150 OC: Retail chain store manager |
| Knowledge module | KM04 Concepts and principles of managing service standards  NQF5 2 credits |

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| Total possible marks | 94 | Minimum marks required (80%) | 75 |

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| **INTERNAL ASSESSMENT CRITERIA** | **QUESTION** | **GUIDELINES FOR ANSWER** | **MARKS** |
| KM04-IAC0101 | 1. What is the function and purpose of customer service? Explain the function then list 4 items relating to the purpose | **Function:**  Customer service is the provision of service to customers before, during and after the purchase of any product.”  Purpose: (4 points to be mentioned for 4 marks)   * To meet the expectations of the customers so that they are satisfied with the outcome. * To ensure that all of the questions and problems of the customers are answered and solved. * To understand the queries of the customers and ensure that they enjoy a cost-effective experience after purchasing any product from the respective company. * To gain a competitive advantage in the industry. Businesses who focus on engaging with customers in ways that the competition won't or can't, have a competitive edge. * To help grow the business. * To build customer loyalty. | 5 |
| KM04 IAC0102 | 1. Describe the relationship between customer satisfaction and competitiveness in the retail sector | Excellent customer service is in the current economy a very strong competitive edge | 2 |
| KM04 IAC0103 | 1. Explain customer service principles by giving 3 examples of customer service principles | One mark each for 3 examples:   * **Ensure customers leave with a great impression**. Promote a positive, helpful and friendly environment by greeting customers, being helpful and thanking them. * **Know what the store’s customers consider to be good customer service**. The store needs to at least meet expectations, but merely meeting expectations does not create a competitive advantage. Take time to find out what customer expectations are. * **Follow up on both positive and negative customer feedback**. Both positive and negative feedback are like “gifts” from customers; they care enough and take time to give feedback. Make sure that negative feedback is followed up and that corrective action is taken to the satisfaction of the customer. Thank customers for positive feedback. * **Ensure excellent customer service in all areas of the store’s operations**. Operational functions in the store support each other and each can have an impact on the customer experience. * **Continuously look for ways to improve the level of customer service you deliver**. Keep in mind that customer expectations never remain stagnant. | 3 |
| KM04 IAC0104 | 1. Describe the areas of customer service in a retail chain store: merchandising; sales; checkout; packing  |  |  | | --- | --- | | **Area (function)** | **Interaction with or the task that can impact on customer service** | | Merchandising |  | | Sales |  | | Checkout |  | | Packing |  | | |  |  | | --- | --- | | **Area (function)** | **Interaction with or the task that can impact on customer service** | | **Merchandising** | Display of products  Availability of products  Correct and clear pricing | | **Sales** | Friendliness and helpfulness  Product knowledge  Correct information on products  Offering products that meet customer needs  Offering after-sales service | | **Checkout** | Friendliness and helpfulness  Short waiting time  Fast checkout/recording of transactions  Accurate recording of transaction | | **Packing** | Fast packing  Packing according to product characteristics | | 10  (1 mark for each fact) |
| KM04 IAC0105 | 1. Explain what a moment of truth is | **Moments of truth** are encounters with customers which cause them to form a view of the organisation based on how they are engaged, particularly compared to their expectations. | 3 |
| KM04 IAC0105 | 1. List and explain the three types of moment of truth | **Moments of pleasure.** Customer expectations are succeeded.  **Moments of satisfaction**. Expectations and needs are met; nothing more and nothing less.  **Moments of disappointment**. Meets and expectations are not met. | 6 |
| KM04 IAC0106 | 1. Discuss how quality impacts on the customer’s perception of service | The total ***perception of service quality*** is the ***sum of the perceptions of the Moments of Truth*** added together.  Customers judge the value, integrity and quality of a business through their experiences with customer service | 2 |
| KM04 IAC0107 | 1. List 3 laws (Acts) that impact on customer service and describe the purpose of each. | **The Consumer Protection Act (68 of 2009)**   * Promote a fair, accessible and sustainable marketplace for consumer products and services; * Establish national norms and standards to ensure consumer protection; * Make provision for improved standards of consumer information, to prohibit certain unfair marketing and business practices; * Promote responsible consumer behaviour; * Promote a consistent legislative and enforcement framework, related to consumer transactions and agreements.   **National Credit Act**  The National Credit Act (NCA) was introduced “to promote and advance the social and economic welfare of South Africans, promote a fair, transparent, competitive, sustainable, responsible, efficient, effective and accessible **credit** market and industry, and to protect Consumers.” | 8  (1 each per name of the Act) plus 6 marks for facts relating to the Acts |

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| KM04 IAC0107 | 1. List 5 rights of consumers as set in the Consumer protection Act | 5 of the following:   * Right to equality in the consumer market and protection against discriminatory marketing practices * Right to privacy (protecting personal information) * Right to choose * Right to disclosure of information * Right to fair and responsible marketing * Right to fair and honest dealings * Right to fair, just and reasonable terms and conditions * Right to fair value, good quality and safety * Right to accountability from suppliers | 5 |
| KM04 IAC0108 | 1. Describe the principles of dealing with dissatisfied customers | |  |  | | --- | --- | | **Listen to the complaint** | Thank the customer for bringing the matter to your attention.  Apologise and accept ownership; don’t blame others.  Remain courteous. | | **Record details of the complaint** | Go through the complaint in detail so you can understand exactly what the problem is.  Keep records of all complaints in one central place or register. This will help with follow-up and for identifying trends. | | **Get all the facts** | Check that you have understood and recorded the details of the complaint correctly. Ask questions if necessary. | | **Discuss options for fixing the problem** | Ask the customer what response they are seeking: It could be repair, replacement, refund or apology.  Decide if the request is reasonable. | | **Act quickly** | Aim to resolve the complaint quickly. If you take a long time, problems tend to escalate. | | **Escalate if you cannot resolve** | If you cannot answer the query or resolve the complaint, escalate to the next level. | | **Follow up** | Contact the customer to find out if they were satisfied with how their complaint was handled. Let them know what you are doing to avoid the problem in the future. | | 14 |
| KM04 IAC0108 | 1. Describe the impact of the store does not deal effectively with dissatisfied customers | If customer complaints are not dealt with correctly, customers will take *their business elsewhere*. This results in *loss of potential income* which, in turn, has a *negative impact on the financial bottom line* – the *profits* – of the *store* and the *brand*. | 6 |
| KM04 IAC0201 | 1. Explain health and safety in retail | To ensure a safe and healthy work environment in the wholesale and retail sector, everyone involved has health and safety duties and responsibilities, as clearly outlines in Sections 8, 13 and 14 of the Occupational Health and safety Act (85 of 1999, as amended).  Workers in the retail industry face as many health hazards as people employed in jobs that are generally believed to be more dangerous. Retail jobs require repetitive motions, heavy lifting, long periods of standing, to name but a few of the hazards retail staff face.  It is important to comply with the Occupational Health and Safety Act to ensure compliance and evade the consequences of non-compliance. | 3 |
| KM04 IAC0202 | 1. Explain the consequences of not adhering to the Occupational Health and Safety Act | Non-compliance can have two types of negative legal consequences:   * + 1. It can have legal consequences and lead to fines or even the shutting-down of a workplace.     2. It can have a negative impact on the employer, employees and other people. | 2 |
| KM04 IAC0202 | 1. Explain the objective of the Occupational Health and Safety Act | The ***objective*** of the Occupational Health and Safety Act (OHSA) is to provide for the health and safety of persons at work and for the health and safety of persons in connection with the use of plant and machinery.  The Act aims to protect employees as well as other stakeholders such as customers and contractors working for the employer. | 2 |
| KM04 IAC0202 | 1. List 5 duties of employers in terms of the Occupational Health and Safety Act | 5 of the following:  Employers should ideally have a written policy concerning the protection of the health and safety of employees at work.  Every employer should maintain, as far as is reasonably practical, a working environment that is safe and without risk to the health and safety of his employees.  Every employer shall provide and maintain a working environment that is safe and without risk to the health of his employees.  The employer shall provide and maintain safe work systems, plant and machinery. These must be reasonably ***practicable***, be ***safe*** and ***without risks to health***.  The employer must establish what are the hazards exist in the workplace. The employer shall then implement the necessary precautions to protect the health and safety of employees and other persons.  The employer must take steps to eliminate or mitigate (lessen) any hazard or potential hazard to the safety or health of employees, before resorting to personal protective equipment.  *This means that Personal Protection Equipment (PPE) such as goggles, ear protectors, etc. must be the last resort. The employer must first try to eliminate the hazard or risk*  The employer must make arrangements for ensuring the safety and absence of risks to health in connection with the production, processing, use, handling, storage or transport of articles or substances  The employer must provide such information, instructions, training and supervision as may be necessary to ensure the health and safety at work of his employees.   * The employer must not permit any employee to do any work or to produce, process, use, handle, store or transport any article or substance or to operate any plant or machinery, unless the necessary precautions have been taken. * The employer must take all necessary measures to ensure that the requirements of this Act are complied with by every person in his employment or on premises under his control where plant or machinery is used. * The employer must enforce such measures as may be necessary in the interest of health and safety. * The employer must ensure that work is performed and that plant or machinery is used under the general supervision of a person trained to understand the hazards associated with it and who have the authority to ensure that precautionary measures taken by the employer are implemented. | 5 |
| KM04 IAC0203 | 1. List and explain 5 standards of cleanliness for retail stores | **Neat and clean sidewalks or passages in front of the store**. Before they even enter a store, customers want to see clean sidewalks and steps. This is why so many freestanding grocery store cleaning companies frequently power wash sidewalk zones. In shopping malls, this responsibility is usually taken over by centre management.  **A pristine entrance**. The entrance should be squeaky clean, from the floor mats to the windows. Consumers are particularly annoyed by debris like such as mysterious stains, which can indicate a lack of frequent cleaning.  **Sanitiser**. Consumers want to see clear indications that the company cares about cleanliness, like hand sanitiser and hand wipes. This is particularly true of stores that offer shopping carts and baskets, which hold germs. The recent pandemic of COVID-19 has made this even more important.  **Perfectly clean shopping trolleys**. Few things are as revolting as dirty shopping trolleys.  **Sparkling floors**. When floors and gleaming, the customer is given the immediate impression of a clean environment. In the same way, a scuffed and dirty floor makes them wonder what else is grimy throughout the store.  **Clean fitting rooms**. The fitting rooms must be bright and perfectly clean.  **No spills**. Customers judge a store harshly if the store fails to address spills quickly – ideally, within minutes. | 10 |
| KM04 IAC0204 | 1. Explain 4 principles of cleanliness | |  |  | | --- | --- | | **Meet standards consistently** | Cleaning standards must be met consistently, that is not only now and then. | | **Achieve consistent results** | The results of cleaning must always be the same. This is achieved by making sure cleaning procedures are in place and are followed. | | **Continuous improvement** | Continuous improvement is implemented by using monitoring results to identify areas for improvement. | | **“Green” cleaning practices** | Environmental legislation requires that “green” cleaning practices be implemented, for example, use of environmentally cleaning materials and management of waste. | | 8 |