Criteria for the Diploma Qualifications in Retail Business at Foundation, Higher and Advanced Levels

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Contents

The criteria

Introduction

1.   The purpose of this document is to record a full set of criteria for principal learning for the Diploma in Retail Business at foundation, higher and advanced levels. It also sets out the aims for the overall Diploma in Retail Business.

2.   This document should be read in conjunction with the Ofqual document *Criteria for Foundation, Higher and Advanced Diploma Qualifications*

Aims

3.   The general aims of the Diplomas are identified in Section 2 of the document *Criteria for Foundation, Higher and Advanced Diploma Qualifications*

4.   The purpose of the Diploma in Retail Business at foundation, higher and advanced levels is to introduce learners to the world of retail. It is for all learners and has particular relevance to those aged 14–19 who seek to acquire knowledge and develop skills in the broad context of the retail and supply chain industries.

Themes

5.   The Retail and Business Diploma development partnership has not specified the classification of topics under themes.

Structure

Structure of Diplomas in Retail Business			
Level	*Foundation*	*Higher*	*Advanced*
Total GLH	600	800	1,080
Principal learning (GLH)	240	420	540
Generic learning (GLH)	240	200	180
Additional/specialist learning	120	180	360

Foundation level

Summary of topic titles

Topic no.	Title	GLH
1.1	An introduction to retail	30
1.2	Exploring enterprise in retail businesses	60
1.3	Introducing the retail supply chain	30
1.4	Introducing the retail outlet	60
1.5	Introduction to customer service in retail businesses	30
1.6	Introduction to retail selling	30

Topic 1.1: An introduction to retail (30 GLH)

Purpose

6.   Retail businesses operate in different retail channels, from outlets in local shopping arcades to catalogues and online shopping. There are different types of retailers of different sizes and they can have a significant effect on individuals and communities. The purpose of this topic is to introduce learners to the wide range of retailers that operate in the UK and the effect they can have on individuals and communities. It will also allow learners to build on their own retail experiences to develop a broad overview of retail and its sub-sectors and channels. It should enable learners to explore how retail has affected their own lives and communities as well as those of others. Through this topic, learners should appreciate the range of employment opportunities that these retail businesses can present.

Learners must know and understand:

a) what retail is;

b) how to obtain and interpret simple data related to retail;

c) the key retail businesses regionally, nationally and internationally;

d) the sizes and locations of retail outlets;

e) the different sub-sectors in retail;

f) the benefits of different retail channels to different types of retailers;

g) how retail affects lives and communities socially and financially;

h) key current environmental and ethical issues in retail that concern customers;

i) how retail channels affect the customer;

j) the range of job roles in retail and how they are organised by different types of retailers;

k) sources of employment opportunities in retail and how to access them;

l) progression opportunities in retail;

m) employee rights and support systems;

n) employee responsibilities as an individual and a team member.

Learners must be able to:

a) interpret simple data related to retail;

b) propose a retail channel for a product.

In order to engage with this topic effectively, learners must use the following PLTS:

■ independent enquirers.

Topic 1.2: Exploring enterprise in retail businesses (60 GLH)

Purpose

7. Retail businesses operate in a competitive environment and must be enterprising in order to gain competitive advantage, constantly looking for new opportunities for their businesses. They expect their employees to be enterprising and adopt a 'can do' attitude to meeting challenging targets.

8. The purpose of this topic is to develop in learners an awareness of the principles of enterprise and its importance to retail businesses. The topic will allow learners to show their ability to be enterprising in developing creative ideas for retail in a local area. It will encourage learners to develop a 'can do' attitude when working as a member of a team and when setting themselves challenging targets.

Scope of content

Learners must know and understand:

a) what enterprise is;

b) the qualities that make inspirational entrepreneurs and successful leaders;

c) the importance of enterprise within a business and for an employee;

d) ways in which retail businesses develop and the support available;

e) what networking is and how can it can help to create new opportunities for retailers;

f) what a brand is, how it is developed and how important it is to different types of retail businesses;

g) the costs of running a business;

h) ways of costing profitable products for retail;

i)   ethical and social considerations involved in retail businesses and how retailers respond to these;

j)   how the retail environment in a local area meets local needs;

k)   how to investigate retail in a local area;

l)   the characteristics of an effective team member and an effective team;

m) the types of behaviour that can lead to conflict;

n)   how to set challenging individual goals and monitor progress.

Learners must be able to:

a)   suggest how retailers can develop a brand to meet local needs;

b)   work as a member of a team;

c)   set challenging individual goals;

d)   monitor progress in working towards individual goals.

In order to engage with this topic effectively, learners must use the following PLTS:

- creative thinkers;

- self-managers;

- effective participators;

- independent enquirers;

- reflective learners;

- team workers.

Topic 1.3: Introducing the retail supply chain (30 GLH)

Purpose

9.   The retail supply chain deals with the journey of products from their source, through transportation and storage, to disposal. At different stages in the chain, there may be problems that prevent a product from arriving with a retailer on time and this will affect sales and profitability. The purpose of this topic is to ensure that learners explore the stages of the retail supply chain and how they work together to deliver different types of product to a retailer or direct to the

customer. It will also allow learners to realise the common risks and problems in the retail supply chain. The topic will enable learners to consider topical, ethical and environmental issues associated with the supply of products to retailers, exploring how these affect local environments and communities.

Scope of content

Learners must know and understand:

a) common terminology used in the retail supply chain;

b) the stages of the retail supply chain and the types of businesses involved, including support businesses;

c) the main methods of transporting different types of goods between supplier and customer;

d) a range of warehousing and storage facilities and locations used for different types of products;

e) the main methods of handling and storing goods in the retail supply chain;

f) key ethical and environmental issues relating to the retail supply chain;

g) the technology used in the retail supply chain;

h) the methods of communication used in the retail supply chain and situations when these methods are used;

i) key health, safety and security legislation related to the retail supply chain;

j) common risks and problems relating to people and goods in the retail supply chain and how they are resolved by supply chain businesses and retailers.

Learners must be able to:

a) propose solutions to common problems in the retail supply chain;

b) communicate information across the retail supply chain;

c) use technology to order and track goods.

In order to engage with this topic effectively, learners must use the following PLTS:

- creative thinkers;
- independent enquirers;
- effective participators.

Topic 1.4: Introducing the retail outlet (60 GLH)

Purpose

10. A retail outlet is one retail channel and the way that many retailers present and sell their products. Retailers will attempt to create a positive retail environment in order to attract customers to enter and buy products. The operation and layout of a retail outlet is, therefore, critical to the success of a business. It is also where many learners may find employment.

11. The purpose of this topic is to provide learners with the opportunity to experience retail outlet activities by working in real or simulated environments. Through their experiences, they should learn about 'a day in the life' of retail outlets of different sizes across different sub-sectors. They will be able to use the experience of engaging in retail outlet activities to appreciate the importance of health, safety and security and the methods used to minimise risk.

Scope of content

Learners must know and understand:

a) the activities of a retail outlet and how they interrelate;

b) the job roles needed in different types of retail outlets to complete activities;

c) the technology used in retail outlets and how it affects activities;

d) what staff schedules are and how they work, including the effect of holidays, shifts and non-attendance;

e) the key principles of retail outlet layout;

f) how layouts differ between retailers of different types and sizes;

g) the creative ways in which retailers develop positive retail environments for their customers;

h) the health, safety and security measures used in retail outlets;

i) how to undertake a risk assessment;

j) potential risk to people and goods in retail outlets;

k) how retail outlets minimise risk.

Learners must be able to:

a) assess health and safety hazards in a retail outlet;

b) use technology to support stock control;

c) design a positive retail environment.

In order to engage with this topic effectively, learners must use the following PLTS:

- creative thinkers;
- self-managers.

Topic 1.5 Introduction to customer service in retail businesses (30 GLH)

Purpose

12. In a competitive environment, a retailer will need to provide excellent customer service in order to maintain customer loyalty. There are, therefore, many opportunities to gain customer-facing employment in retail. The purpose of this topic is to provide learners with the opportunity to engage with people through their exposure to different types of customers in retail settings. With practice, learners should be able to develop confidence in delivering customer service. The topic will allow learners to appreciate the importance of customer service in retail businesses and the standards expected as a result of their own experiences.

Scope of content

Learners must know and understand:

a) what customer service is and its purpose in retail;

b) customer service standards of different types of retail business;

c) the formats used to communicate customer service standards to customers and employees;

d) how retailers obtain information from customers on their standards of service;

e) the roles and responsibilities for delivering customer service in retail businesses;

f) customer service techniques used by retailers to retain existing and attract new customers;

g) how to identify the needs of a diverse range of customers;

h) how to communicate with customers;

i) how to handle complaints and compliments.

Learners must be able to:

a) build positive relationships with customers;

b) display sensitivity to customers;

c) communicate with customers.

In order to engage with this topic effectively, learners must use the following PLTS:

- self-managers;

- reflective learners.

Topic 1.6: Introduction to retail selling (30 GLH)

Purpose

13. Without the sales of its products, retail businesses would be unable to make a profit. Retailers expect their staff to be aware of the importance of sales to their profitability and to have the skills to meet sales targets. The purpose of this topic is to introduce learners to the importance of selling and sales targets to retail businesses. The topic will allow learners to use their own retail experiences to explore how the sales process varies across sub-sectors and retail channels.

14. This topic should provide learners with the opportunity to experience selling in a real or simulated environment so that they can reflect on the factors that affect buyer behaviour, including their own behaviour. With time to practise sales techniques, they will develop skills to influence buying decisions in different situations with different types of customer.

Scope of content

Learners must know and understand:

a) the importance of selling and sales targets to retail businesses;

b) factors that influence customers when buying, including the behaviour of the sales person;

c) the sales process and how it differs across different sub-sectors and retail channels;

d) key sales-related legislation and how it affects the sales process;

e) appropriate behaviour in sales situations;

f) how to identify features and benefits of products;

g) how product knowledge can assist in the sales process, particularly overcoming objections and upselling;

h) techniques for closing a sale;

i) different payment methods used across retail channels;

j) how retailers ensure secure payment.

Learners must be able to:

a) demonstrate the main features of a product;

b) sell a product;

c) process payments.

In order to engage with this topic effectively, learners must use the following PLTS:

- creative thinkers;
- independent enquirers;
- self-managers.

Higher level

Summary of topic titles

Topic no.	Title	GLH
2.1	Exploring retail	60
2.2	Exploring retail channels	60
2.3	Sourcing and buying for product ranges of retail businesses	60
2.4	Exploring the retail supply chain	60
2.5	Operating the retail outlet	30
2.6	Stock control in retail businesses	30
2.7	Customer service in retail businesses	30
2.8	Selling in retail businesses	60
2.9	Retail theatre	30

Topic 2.1: Exploring retail (60 GLH)

Purpose

15. The retail sector is a key part of everyday lives. Its impact on local and national environments and economies gives it a high profile in the media. Retail businesses operate in a changing, global environment where enterprise and innovation are key to successfully competing in changing local, national and international markets.

16. The purpose of this topic is to enable learners to explore the external factors that lead to change. It will allow learners to use their own experiences of retail in their communities to reflect on how retailers respond to these factors and, in particular, how they have and could affect communities, including their economies and the individuals that live and work there. Through consideration of the different functions that operate in retail businesses, learners will be made aware of employment and progression opportunities as well as the nature of those opportunities.

Scope of content

Learners must know and understand:

a) the retail sector, its sub-sectors, channels, formats, businesses of different sizes and types of locations;

b) businesses that support the retail sector;

c) common business models used in retail and logistics;

d) how entrepreneurship has shaped developments in retail;

e) the relationship between the UK and international markets;

f) the relationship between retail and communities, economies and environments;

g) how aims, objectives and key performance indicators are developed and used by retail businesses;

h) external factors and how they affect the retail sector and communities;

i) the demographics and work patterns of retail employment, including culture and diversity, age, ethnicity, gender, disability, sexual orientation and religion/beliefs;

j) how change affects employees and the businesses that can provide support;

k) rights and responsibilities of employees;

l) the skills set sought in employees by retailers;

m) methods that retailers use to monitor the performance of staff and the progression and development opportunities that can result.

Learners must be able to:

a) analyse statistical data related to retail;

b) assess how change impacts on business aims and objectives;

c) recognise enterprise in retail business activities.

In order to engage with this topic effectively, learners must use the following PLTS:

■ independent enquirers.

Topic 2.2: Exploring retail channels (60 GLH)

Purpose

17. A retail channel is the retailer's route to market. The enterprising and competitive nature of retail has led to innovative ways of developing new business opportunities, including retail channels. The purpose of this topic is to develop in learners an appreciation of the relative merits of different retail channels to enable them to develop and operate their own retail channel. It will allow learners to gain real or realistic experience of the activities involved in operating different types of retail channels. Learners will gain, through this topic, awareness of different promotional activities of retailers across retail channels and be able to reflect on their own experience of what makes these successful.

Scope of content

Learners must know and understand:

a) different types of retail channels;

b) key activities involved in setting up retail channels and how these activities differ across retail channels;

c) how retail channels affect key operational functions and activities of retailers;

d) the key activities involved in trading;

e) how key activities involved in trading differ across retail channels;

f) the commercial potential of different retail trading locations;

g) the relationship between retail channels and retail sub-sectors;

h) how retailers use enterprise to gain competitive advantage;

i) the concept of branding and its importance to the retail sector;

j) the methods of branding and how they differ across retail channels;

k) how brand image is sustained across retail channels;

l) promotional activities used by retailers;

m) how to measure the effectiveness of promotional activities;

n) ethical and cultural considerations to be taken into account when planning promotional activities.

Learners must be able to:

a) develop promotional materials for a retail channel;

b) develop a brand for a retail channel.

In order to engage with this topic effectively, learners must use the following PLTS:

- creative thinkers;

- independent enquirers;

- self-managers;

- effective participators.

Topic 2.3: Sourcing and buying for product ranges of retail businesses (60 GLH)

Purpose

18. One of the key roles of the buyer, in retail, is to source products that would complement existing product ranges by developing relationships with suppliers. In order to do this, they must know their customers and deal with the challenge of meeting customers' needs while at the same time meeting organisational needs. At all times, the buyer must be aware of the cultural and ethical implications of their decisions.

19. This topic will encourage learners to appreciate the influence that customers can have on decision making within the context of product-range building. It will allow learners to reflect on their own and others' views on ethical buying while gaining an awareness of different cultures and the ethical issues that buyers have to take into account when making buying decisions. The topic should also develop in learners the skills needed to develop and maintain relationships with others, and give them the opportunity to build their own product range.

Scope of content

Learners must know and understand:

a) what product-range building is and why it is important to retail businesses;

b) the role and significance of the buyer and merchandiser in retail businesses;

c) the inter-relationship between consumers and product-range building;

d) how to obtain current information on customers and competitor trends;

e) what customer profiling is and how it is used in building a product range;

f) how to develop a customer profile;

g) factors to be considered in product-range building, including legislation and regulation;

h) key ethical issues for retailers to consider when sourcing and buying products for a product range, including their choice of supplier;

i) cultural customs and practices of countries supplying products to retail businesses;

j) how cultural customs affect the sourcing and buying process;

k) the role of networks and how networking supports retailers in the sourcing and buying process;

l) how to develop networks;

m) negotiation techniques.

Learners must be able to:

a) develop customer profiles;

b) develop a product for a product range to match customer profiles;

c) build positive working relationships.

In order to engage with this topic effectively, learners must use the following PLTS:

- creative thinkers;
- independent enquirers;
- self-managers;
- reflective learners.

Topic 2.4: Exploring the retail supply chain (60 GLH)

Purpose

20. The retail supply chain is involved with the journey of products from their source, through transportation and storage, to disposal, including recycling. Retailers are dependent upon an efficient supply chain to enable them to get the right product in the right location at the right time. Getting it wrong could

have serious consequences for their profit margins. They are dependent upon the supply chain to enable them to operate.

21. The purpose of this topic is to introduce learners to the retail supply chain and its constituent parts. It will allow them to explore the processes followed by businesses that ensure effective supply of products to retailers and direct to the customer. Learners will be able to explore how these processes differ across different retail sub-sectors. Through this topic, learners should be aware of risks to the process and the measures supply chain businesses take to minimise risk. This topic should allow learners to consider a range of real or realistic problems to which they can develop their own practical solutions.

Scope of content

Learners must know and understand:

a) what the retail supply chain is;

b) the roles of the constituent parts of and the businesses involved in the retail supply chain;

c) the inter-relationships between the constituent parts of the retail supply chain across a range of sub-sectors;

d) the location of retail supply chain businesses and how this affects their operations;

e) the impact of external factors on retail supply chain businesses;

f) the impact of retail supply chain businesses on the environment;

g) the processes involved in different stages of the retail supply chain for different types of products;

h) how stock flows are managed through the supply chain for different types of product;

i) how quality systems and technology are used in the retail supply chain to ensure efficiency and productivity;

j) the most appropriate method of transport to use for different types of products;

k) the risks to effective flow of goods through the supply chain and how they are minimised;

l) legislation relating to health, safety and security in the retail supply chain;

m) the concept of space management.

Learners must be able to:

a) assess risks within the retail supply chain;

b) propose practical solutions to logistics storage problems;

c) solve supply chain problems;

d) develop delivery schedules.

In order to engage with this topic effectively, learners must use the following PLTS:

- independent enquirers;
- creative thinkers;
- effective participators.

Topic 2.5: Operating the retail outlet (30 GLH)

Purpose

22.   The retail outlet is the place where most retailers present and sell their products. It is essential, therefore, that it operates efficiently and is presented in a way that encourages customers to enter. The purpose of this topic is to introduce learners to experience a 'day in the life' of retail outlets and the functions and activities that take place on a daily basis. As retail outlets operate with their employees, working in teams to carry out these activities, this topic will allow learners the time to develop team-working skills within a real or realistic retail environment. It will also introduce them to effective leadership in retail.

Scope of content

Learners must know and understand:

a) the different functions and activities of the retail outlet and how they inter-relate in retailers of different sizes and in different retail sub-sectors;

b) the different roles and responsibilities of retail outlet staff, including supervisory and management, and how they inter-relate;

c) staff scheduling and how it affects retail outlet operations;

d) how legislation and regulations affect the operation of a retail outlet;

e) the principles of the layout of the retail outlet;

f) how the layout of a retail outlet affects profitability;

g) characteristics of effective team-working;

h) characteristics of an effective team member;

i) what motivates individuals and teams;

j) qualities of inspirational and effective leadership.

Learners must be able to:

a) work as a member of a retail team;

b) plan and adapt staff schedules;

c) plan the layout of a retail outlet.

In order to engage with this topic effectively, learners must use the following PLTS:

- team workers;
- self-managers;
- reflective learners;
- creative thinkers.

Topic 2.6: Stock control in retail businesses (30 GLH)

Purpose

23. Stock control brings together different functional areas of retailers. It is essential to the profitability of a retailer. Without clear procedures for the flow of stock and accurate data on its availability, retailers are at risk of not meeting key business objectives and customer needs.

24. The purpose of this topic is to introduce learners to the critical role of stock control in retailers' operations and how it interacts with other functions in the retail supply chain. It will provide learners with an overview of the systems and processes involved in controlling stock, and enable them to appreciate the significance of stock control to the profitability of retailers. By allowing learners to engage with real or realistic stock control problems that have arisen in retail businesses, the topic also allows learners to develop and discuss their own practical solutions.

Scope of content

Learners must know and understand:

a) the links between stock control, merchandising, the buying functions and the supply chain in retailers of different sizes and in different retail sub-sectors;

b) the stock control systems used by retailers and how they affect profitability;

c) information and communication flows used for stock control;

d) how technology is used in stock control;

e) procedures used by retailers to ensure the security of stock;

f) how retailers deal with the removal and wastage of stock;

g) techniques and methods used for handling, moving and storing different types of stock;

h) legal requirements for receipt, storage and movement of different types of stock;

i) the concepts of inventory and audit and why they are important in stock control;

j) the problems that arise in stock control and ways in which retailers deal with these.

Learners must be able to:

- design a simple stock control system;

- resolve common stock control problems.

In order to engage with this topic effectively, learners must use the following PLTS:

- creative thinkers;

- reflective learners.

Topic 2.7: Customer service in retail businesses (30 GLH)

Purpose

25. In a competitive environment, a retailer will need to provide excellent customer service in order to maintain customer loyalty. There are, therefore, many opportunities to gain customer-facing employment in retail. The purpose of this topic is to provide learners with the opportunity to engage with people through their exposure to different types of customers in retail settings. With practice,

learners should be able to develop confidence in delivering customer service. The topic will allow learners to appreciate the importance of customer service in retail businesses as a result of their own experiences

Scope of content

Learners must know and understand:

a) the principles of customer service;

b) standards of customer service;

c) how customer service delivery differs across retail channels;

d) the diverse needs of different types of customers;

e) techniques for delivering customer service, including to demanding customers;

f) how to use different methods of communication;

g) how to communicate with different types of customers;

h) how different behaviours are manifested;

i) how to determine appropriate behaviour for different customers in different situations;

j) the methods that retailers use to monitor customer service experience;

k) the methods that retailers use to improve customer service experience.

Learners must be able to:

a) communicate with customers;

b) build positive relationships with customers;

c) adapt behaviour to meet the diverse needs of customers;

d) deliver customer service;

e) propose solutions to improve customer service.

In order to engage with this topic effectively, learners must use the following PLTS:

- self-managers;
- reflective learners.

Topic 2.8: Selling in retail businesses (60 GLH)

Purpose

26.   The main role of a retailer is to sell its products. Without sales a retailer will be unable to achieve one of its key objectives: to make a profit. The purpose of this topic is to enable learners to have the time to practise and develop the skills to confidently sell products in a real or realistic retail environment. The topic will allow learners to use their experiences to appreciate the different sales situations that may arise in retail environments and how customer behaviour differs across these situations. This experience should also enable learners to realise the impact of fraudulent sales and the measures available to minimise risk.

Scope of content

Learners must know and understand:

a) the different types of sales situations across retail businesses;

b) the role of the sales person in maintaining the brand;

c) the role of sales targets, how they are calculated and their effect on profitability;

d) consumer behaviour and the buying process;

e) factors that affect consumer behaviour;

f)   the need to balance ethical considerations with the need to achieve sales targets;

g) the stages of the sales process;

h) questioning techniques that can be used in the sales process to identify customer needs;

i)   the features of products that are sold by retailers in different sub-sectors;

j)   how to present features and benefits of products during the sales process;

k) what behaviour to adopt in different sales situations and how to adapt behaviour to respond to consumer behaviour;

l)   sales-related legislation and how it affects the customer and the sales process;

m) the range of payment methods accepted by retailers and how these are processed;

n) the fraudulent practices of customers and how they affect retail businesses;

o) measures that retailers take to minimise the risk of fraud.

Learners must be able to:

a) apply a range of questioning techniques to establish customer needs;

b) demonstrate the features and benefits of products to customers;

c) sell products in a retail environment;

d) adapt behaviour to different types of customers.

In order to engage with this topic effectively, learners must use the following PLTS:

- independent enquirers;
- self-managers;
- reflective learners.

Topic 2.9: Retail theatre (30 GLH)

Purpose

27. Many retailers create a 'theatrical environment' in order to appeal to the senses of customers and encourage them to buy their products. Visual merchandising is one way of creating that environment in a retail outlet. The purpose of this topic is to allow learners to explore and observe a range of different approaches by retailers to presenting their products. It will encourage learners to reflect on their own retail experiences to appreciate how retailers appeal to the senses of customers to entice customers to purchase their products. The topic will enable learners to use the principles of design and develop creativity that can be applied to the design of a retail environment.

Scope of content

Learners must know and understand:

a) the techniques and technologies used by retailers to design the retail environment in order to enhance the customer experience;

b) how the design of the retail environment affects the customer;

c) the roles and responsibilities of visual merchandisers from concept to installation;

d) how visual merchandising varies across retailers of different sizes and in different retail sub-sectors;

e) aspects that contribute to visual product presentation;

f) how retailers can use different forms of product presentation to reach diverse audiences.

Learners must be able to:

a) present a concept for product presentation in a retail environment;

b) design a positive retail environment.

In order to engage with this topic effectively, learners must use the following PLTS:

- creative thinkers;
- self-managers.

Advanced level

Summary of topic titles

Topic no.	Title	GLH
3.1	Examining the world of retail	60
3.2	Developing retail channels	90
3.3	Buying practices of retail businesses	60
3.4	Retail supply chain management and logistics	90
3.5	Marketing in retail businesses	60
3.6	Merchandising in retail businesses	60
3.7	Management of sales in retail	60
3.8	Visual merchandising	60

Topic 3.1: Examining the world of retail (60 GLH)

Purpose

28.   Retail businesses have been innovative and enterprising in the way that they have developed, not always successfully. Whether a retail business is part of a franchise, an international chain or operating an online store, they must be aware of the emerging trends that are driving the sector and how they must adapt to respond to these trends.

29.   The purpose of this topic is to allow learners to engage with retail businesses in order to explore how they have used innovation and enterprise to develop within a global market. This topic should enable learners to experience how business functions and activities of different types of retailers and supply chain businesses adapt as a result of innovation and enterprise. This experience should enable them to explore employment opportunities in the sector and how employee rights and responsibilities are applied in a changing retail sector and supply chain businesses.

Scope of content

Learners must know and understand:

a)   the sub-sectors, channels and formats in retail and how they form the structure of the sector;

b)   different business models in retail and the retail supply chain, and how they operate;

c)   the relationship between retail and wider social issues;

d)   the contribution of retail and its supply chain to the global economy;

e)   the influence of entrepreneurs and innovation in shaping the global retail market;

f)   emerging trends and gaps within local, national and global retail markets and how they are shaping the global retail market;

g)   the purpose of the different business functions and activities within retail and supply chain businesses, and how they contribute to profitability in businesses of different sizes;

h)   how business functions and activities interact in different types of retail businesses;

i)   the tensions and competing priorities of different business functions and activities of different types of retail and supply chain businesses;

j) the range of job roles, entry points and progression opportunities in retail and the supply chain;

k) the roles and responsibilities of employees and how they cooperate and resolve tensions;

l) employer and employee rights and responsibilities and how these are applied.

Learners must be able to:

a) analyse trends in retail;

b) organise business functions in response to changing circumstances.

In order to engage with this topic effectively, learners must use the following PLTS:

■   creative thinkers.

Topic 3.2: Developing retail channels (90 GLH)

Purpose

30.   There are many methods that retailers use to channel their products to their customers, as reflected in the patterns of retail channels that exist in the sector. Each channel presents different challenges and opportunities to the retailer, particularly with its potential to enable profit objectives and return on investment to be achieved.

31.   The purpose of this topic is to allow learners to set up and operate a retail channel and use that experience to examine the different activities involved across different sub-sectors. This topic also gives a focus to the management of the individual, and as a result, should allow learners the opportunity to practise and develop leadership skills in real or realistic situations, for example through the operation of a retail channel.

Scope of content

Learners must know and understand:

a) the channels used by retailers to sell their products and the factors that influence their choice across different sub-sectors;

b) the changing patterns of use of different retail channels;

c) the factors influencing changing patterns of use of different retail channels by consumers and retailers;

d) the procedures and activities involved in setting up retail channels and moving into or between retail channels;

e) financial implications of setting up and operating a profitable retail channel, including start-up costs, cash-flow forecasts and return on investment;

f) decision-making models that can be applied;

g) the differences in the key activities involved in setting up and operating retail channels;

h) how location affects key activities;

i) the economic, social and environmental implications affecting decisions to locate in a given geographic area across different retail channels;

j) how retailers ensure the consistency of the brand across different retail channels;

k) the management activities of different functions in retail channels, how they inter-relate and the level of autonomy within retailers of different sizes;

l) the practical implications of legislation and regulations for the operation of different retail channels;

m) the qualities, skills and styles associated with effective leadership;

n) how to motivate individuals to work towards an objective;

o) methods of assessing risk of financial loss;

p) how the risk of fraud from different payment methods is minimised;

q) methods and procedures used to develop individuals;

r) techniques used to train and coach others.

Learners must be able to:

a) make a costed proposition for a profitable retail channel;

b) design a retail channel;

c) reflect on attempts to motivate individuals to achieve agreed objectives;

d) plan and adjust staff schedules;

e) plan how to fill the skills gaps of individuals;

f)   reflect on attempts to develop skills in others.

In order to engage with this topic effectively, learners must use the following PLTS:

- creative thinkers;

- independent enquirers;

- reflective learners;

- effective participators.

Topic 3.3: Buying practices of retail businesses (60 GLH)

Purpose

32.   The buyer has two key roles in a retail business: to source and buy products that meet customer and organisation needs, and to develop and maintain relationships with suppliers. The challenge of the buyer is to fulfil these two roles by adopting practices that are ethical and take account of cultural differences while extracting the lowest costs to enable their business to meet their profit objectives.

33.   The purpose of this topic is to enable learners to have the time to develop and use a range of research skills and techniques to obtain information on customers and retailers. It will allow learners to examine the product ranges of retailers in different sectors and the factors that were considered in building those product ranges. In particular, it will allow them to engage with employers to explore the cultural and ethical issues that affected the sourcing and buying process and practices. As such, learners should appreciate the importance of developing and maintaining relationships when sourcing and buying products to build a product range.

Scope of content

Learners must know and understand:

a) the buying practices of retailers and the impact of these on suppliers;

b) features and benefits of different types of buying processes;

c) quality standards and quality assurance principles in sourcing and buying, and how they are affected by retailer buying practices and processes;

d) how to develop positive relationships with suppliers;

e) the role of networks and networking in the sourcing and buying process;

f) how networks are created, developed and maintained;

g) the significant cultural aspects of supplier generating countries and how cultural differences influence buying practices;

h) ethical issues and how these affect sourcing and buying across sub-sectors and different types of retailers;

i) basic principles of contract law, including unfair contract terms;

j) options available when negotiating contracts with suppliers;

k) negotiation techniques;

l) how contract terms affect negotiations with suppliers;

m) market research techniques and principles to obtain qualitative and quantitative data;

n) techniques for analysing quantitative and qualitative market research data;

o) methods for ensuring the validity and reliability of qualitative and quantitative research data;

p) how customer profiles are developed;

q) how customer profiles are used to build a product range;

r) what product ranges and range building are and their significance to the profitability of retail businesses in different sectors;

s) the factors to be considered in product range building;

t) the costs involved in building and supplying a product range.

Learners must be able to:

a) review their own networking skills;

b) analyse quantitative and qualitative data;

c) check the validity and reliability of data;

d) develop customer profiles;

e) build a product range to match customer profiles;

f) assess the quality of a range of products.

In order to engage with this topic effectively, learners must use the following PLTS:

- creative thinkers;

- independent enquirers;

- reflective learners.

Topic 3.4: Retail supply chain management and logistics (90 GLH)

Purpose

34. The retail supply chain is involved with the journey of products from their source, through transportation and storage, to disposal, including recycling. The supply chain relies on a range of businesses that inter-relate and are interdependent. This complex nature of the supply chain needs careful planning to anticipate risk and deal with problems that arise, ensuring the chain flows efficiently and profitably.

35. The purpose of this topic is to enable learners to explore the critical inter-relationships and interdependencies of the retail supply chain. The topic will allow learners to engage with retail supply chain businesses in order to explore the operation of the constituent parts of the global retail supply chain and how it differs across retail sub-sectors.

36. Learners should be encouraged to engage with problems encountered by retail supply chain businesses. The topic should enable learners to examine the factors likely to affect the flow of goods, and the strategies adopted to deal with problems and manage risk so that they can plan a critical path.

Scope of content

Learners must know and understand:

a) the constituent parts of the retail supply chain and their inter-relationships and interdependencies;

b) the competing pressures and demands that exist within and between the supply chain across a range of sub-sectors;

c) the communication and information flows needed to maintain the inter-relationships and interdependencies of the retail supply chain;

d) the range of technology used within the retail supply chain and how it contributes to improving competitiveness;

e) principles of critical path management and how it is used to manage stock flows through the supply chain;

f) how calendar management affects profitability;

g) how to plan contingencies to manage risk across the critical path;

h) problems likely to arise within the retail supply chain and ways in which these are resolved;

i) cost–benefit analysis methods and procedures;

j) how to cost the most effective methods of distribution and storage for different product types;

k) delivery scheduling systems and how they contribute to efficiency and profitability of a business;

l) how warehouse design affects profitability;

m) legislation and regulations relating to the retail supply chain and the implications of non-compliance;

n) how to conduct and present a health and safety risk assessment;

o) the range of quality systems used within the retail supply chain;

p) how key performance indicators are used in the retail supply chain to increase productivity and competitiveness;

q) the economic, social and environmental implications behind the decision to locate supply chain facilities in a given geographic area;

r) the impact of retail supply chain operations on the environment and how businesses minimise negative impacts.

Learners must be able to:

a) use ICT software to plan a critical path;

b) solve complex problems that arise throughout the retail supply chain;

c) forecast demand for storage space allocation;

d) apply cost–benefit analysis methods to transport choices;

e) undertake a health and safety risk assessment.

In order to engage with this topic effectively, learners must use the following PLTS:

- creative thinkers;
- independent enquirers.

Topic 3.5: Marketing in retail businesses (60 GLH)

Purpose

37. Wherever a retail business is located, in a shopping centre, a rural location or operated from a home, the most enterprising businesses are able to find innovative ways of developing their marketing mix to expand their market share. This topic should enable learners to engage with the enterprising and competitive nature of the industry and how this affects marketing activities of different retail businesses dependent upon the level of competition that exists. By engaging learners with marketing strategies of retail businesses, they should come to appreciate how they are developed in relation to businesses objectives and how to adapt them in light of external factors.

Scope of content

Learners must know and understand:

a) marketing and its importance to retail businesses;

b) the marketing mix and how its components are applied in different types of retail businesses;

c) the ethical and cultural considerations taken into account by different types of retailers when developing and promoting their goods;

d) what competitive advantage is;

e) the external factors that can affect retailers and their supply chain, and how retailers can and do respond to gain competitive advantage;

f) what situational analysis is and how it is used to make marketing decisions;

g) how retailers obtain marketing intelligence, including the use of technology;

h) how retail businesses use aims, objectives and key performance indicators to measure performance;

i) marketing activities used by retailers to meet aims, objectives and key performance indicators relating to profitability, productivity and competitiveness;

j) what a marketing strategy is and how it differs across different types of retailers;

k) internal and external factors that can affect the implementation of a marketing strategy;

l) how marketing strategies are reviewed and adapted in response to internal and external factors;

m) how marketing strategies link to the overall business planning process and to the stages in the retail supply chain.

Learners must be able to:

a) use marketing intelligence to make marketing decisions;

b) review a marketing strategy;

c) propose a solution for dealing with change.

In order to engage with this topic effectively, learners must use the following PLTS:

- ■ creative thinkers;
- ■ independent enquirers.

Topic 3.6: Merchandising in retail businesses (60 GLH)

Purpose

38. The role of the merchandiser is pivotal to the success of a retail business. The merchandiser must be forward thinking, predicting performance, anticipating risk and introducing measures to minimise risk. The purpose of this topic is to enable learners to appreciate this pivotal role by engaging with retail businesses to explore how merchandisers inter-relate with other roles.

39. The topic will allow learners to engage with real or simulated data that enables them to develop analysis skills and appreciate the importance of monitoring data and forecasting sales to the role of the merchandiser. Through this topic, learners will examine how stock is managed, the problems that may ensue and how retailers deal with these problems, so that they are able to propose their own solutions to problems.

Scope of content

Learners must know and understand:

a) the merchandising function in retail and the key retail personnel involved in stock management, their roles and their inter-relationships;

b) what a sales forecasting plan is and how it is constructed;

c) risks and benefits to the business of sales forecasting and contingencies to minimise risk;

d) how sales forecasting plans affect businesses meeting their targets and actions that can be taken to enable targets to be achieved;

e) sales forecasting techniques;

f) sources of data and methods of using data to forecast sales;

g) how to monitor supplier performance using key performance indicators and actions that can be taken when suppliers fail to meet performance standards;

h) how stock is managed, documented and audited;

i) how retailers monitor and assess risk of loss of stock, and measures used to minimise risk;

j) the relationship between stock management and profitability and other business objectives;

k) the factors that affect stock control systems used by retailers of different sizes across different sub-sectors;

l) stock control problems that occur and how they are resolved by retailers across different sub-sectors.

Learners must be able to:

a) analyse sales performance;

b) use spreadsheet software to plan and allocate stock;

c) recommend improvements to a stock control system;

d) assess the risk of loss of stock;

e) solve common stock management problems.

In order to engage with this topic effectively, learners must use the following PLTS:

- independent enquirers;

■   creative thinkers.

Topic 3.7: Management of sales in retail (60 GLH)

Purpose

40.   A retailer needs to sell their goods in order to make a profit and will need to find ways of ensuring that the customer experience encourages the customer to buy. This topic should allow learners to use their own experiences to explore the relationship between customer service, the retail environment and sales. The topic should encourage learners to engage with retail businesses in order to examine how they develop strategies to profitably enhance the customer experience and maximise sales. The topic should allow learners time to practise and develop high levels of their own customer service and sales skills.

Scope of content

Learners must know and understand:

a)   the relationship between sales, customer service, the retailer's environment and the customer experience in retail;

b)   the psychology of the customer, how this affects their retail experience, including buying patterns, and how different types of retailers respond to this;

c)   the concept of the internal and external customer in retail and across all stages of the retail supply chain;

d)   the role of sales targets, how they are calculated and their effect on profitability;

e)   how retailers and sales managers maximise sales opportunities;

f)   what a customer service proposition is and how it sets standards for customer service and the customer experience;

g)   how a customer service proposition affects competitiveness and productivity;

h)   how the customer service proposition reflects the needs of a diverse range of customers;

i)   methods used to monitor, evaluate and improve the customer experience, including the use of technology;

j)   the stages in the sales process, including after-sales, and how they differ across different retail channels;

k) questioning techniques used by sales staff to determine customer needs;

l) where to find product information;

m) how to demonstrate features and benefits of complex products and how this affects sales;

n) the policies adopted by retailers related to negotiating price;

o) how to negotiate with a customer on price;

p) how behaviour of the sales person and the customer affects the sales process;

q) methods of setting and managing budgets.

Learners must be able to:

a) adapt behaviour to the needs of a diverse range of customers;

b) demonstrate features and benefits of complex products;

c) negotiate a selling price;

d) propose solutions to increase sales;

e) evaluate customer service;

f) propose the allocation of resources to a budget.

In order to engage with this topic effectively, learners must use the following PLTS:

- independent enquirers;
- creative thinkers;
- self-managers;
- reflective learners.

Topic 3.8: Visual merchandising (60 GLH)

Purpose

41. The visual merchandiser must be creative but must also work closely with others in order to design and install a visual merchandising installation. The visual merchandiser must, therefore, see themselves as a team worker and not an individual. The purpose of this topic is to allow learners to observe how retail businesses display their products and use visual merchandising, and reflect on

how they meet a design brief. The topic should enable learners to engage with visual merchandisers to ensure that they are aware of the skills and resources, including technology, needed to develop a visual merchandising installation, from concept to installation. It should provide them with opportunities to develop creativity that can be used in developing a visual merchandise installation. As the merchandiser must work as a member of a team, the topic will introduce learners to theories and models of team dynamics while providing them with opportunities to apply these to practical situations and develop their own team-working skills.

Scope of content

Learners must know and understand:

a) the role of the visual merchandiser in retail businesses across different subsectors and retail channels and in different sizes;

b) how visual merchandisers liaise with other functions in retail;

c) the principles of visual merchandising;

d) the visual merchandising design process;

e) what a concept brief is;

f) how to assess the effectiveness of a visual merchandising installation;

g) the factors that influence change;

h) how visual merchandisers can adapt to changing circumstances;

i) the external agents that can support visual merchandisers;

j) how relationships with external agents are managed;

k) other promotional activities used by retailers;

l) methods of monitoring the impact of visual merchandising and promotional activities on the customer and sales performance;

m) current theories and models of team dynamics, including team leadership;

n) how different leadership styles affect team performance;

o) how to measure the performance of a team through different stages;

p) how to set success criteria for a team.

Learners must be able to:

a) design a visual merchandising installation to meet a design brief;

b) install a visual merchandising design;

c) assess a visual merchandising installation;

d) adapt a concept brief in line with changing circumstances;

e) respond positively to constructive criticism;

f) reflect on their ability to motivate team members to achieve agreed objectives;

g) measure team performance through different stages of activity.

In order to engage with this topic effectively, learners must use the following PLTS:
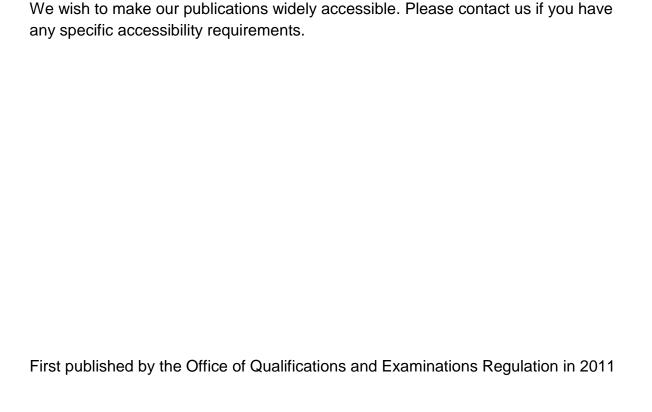
- independent enquirers;
- creative thinkers;
- self-managers;
- reflective learners.

Personal, learning and thinking skills

42. Awarding organisations must design learning outcomes and assessment criteria that clearly include opportunities for the development of PLTS. All levels of the Diploma principal learning must include all six PLTs. These should be integrated as a minimum within the assessment criteria for principal learning to explicitly recognise the application of these skills within sector-relevant contexts.

43. Awarding organisations must also provide a clear mapping of the coverage of PLTS within their submission. This should be at the level requested under each topic within the criteria such as 'independent enquirers', 'creative thinkers' and so on.

Advanced level: external assessment

At advanced level Diploma development partnerships are required to select either 120 or 180 GLH of external assessment for principal learning. Retail Business will have 120 GLH of external assessment at advanced level.

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