

Cambridge **TECHNICALS LEVEL 2**

Cambridge
TECHNICALS
2016

RETAIL

Unit 5

E-commerce and retail technologies

A/615/5627

Guided learning hours: 60

Version 1 September 2018

PAYMENT

Swipe card to make payment

133.50

processing....

LEVEL 2

UNIT 5: E-commerce and retail technologies

A/615/5627

Guided learning hours: 60

Essential resources required for this unit: None

Assessment: This unit is internally assessed by the centre and externally moderated by OCR.

UNIT AIM

Have you ever considered all of the technology that is used in retail? This could be in physical retail outlets or in the ever growing world of e-commerce.

In this unit you will gain knowledge of e-commerce in the retail sector. You will also develop the skills to enable you to respond to customer queries using retail technologies, and to process payments and refunds in an e-commerce environment.

In addition, you will learn how to use electronic stock control systems effectively and will understand the impact of inadequate stock management on both the organisation and the customer.

As it is likely the use of technology is going to continue to grow, it is vital that anyone joining the retail sector has a good understanding of its use.

TEACHING CONTENT

The unit content describes what has to be taught to ensure that learners are able to access the highest grade.

Anything which follows an i.e. details what must be taught as part of that area of content.

Anything which follows an e.g. is illustrative, it should be noted that where e.g. is used, learners must know and be able to apply relevant examples to their work though these do not need to be the same ones specified in the unit content.

Learning outcomes	Teaching content
The Learner will:	Learners must be taught:
1. Know about e-commerce in the retail sector	1.1 Advantages of e-commerce i.e. <ul style="list-style-type: none"> • 24/7 trading • Potential global audience • Low start-up and running costs • Search facilities • Easy access to product catalogue • Potential for increased revenues • Customer information can be easily stored and reused • Operated from home • Easy accessibility for customers and consumers • Pricing opportunities (e.g. may be able to offer lower prices than stores) 1.2 Disadvantages of e-commerce i.e. <ul style="list-style-type: none"> • Lack of human contact/consumer trust • Delivery issues • Customers are not able to physically view/try the products • International legislation if trading internationally 1.3 The potential issues and risks to a retail business when implementing e-commerce i.e. <ul style="list-style-type: none"> • Operational issues i.e. <ul style="list-style-type: none"> ○ managing website updates ○ staffing levels (e.g. as it will be available 24/7) ○ internet connection and speed ○ payment methods (e.g. using secure software) ○ distribution (e.g. delivery availability) ○ managing returns • Financial issues i.e. <ul style="list-style-type: none"> ○ cost of IT equipment ○ set-up costs ○ website maintenance costs • Potential risks i.e. <ul style="list-style-type: none"> ○ security of data i.e. <ul style="list-style-type: none"> ▪ hacking ▪ viruses ▪ identity theft

Learning outcomes	Teaching content
The Learner will:	Learners must be taught:
	<ul style="list-style-type: none"> ○ loss of data ○ equipment and/or software failure ○ fraud ● Methods for overcoming risks i.e. <ul style="list-style-type: none"> ○ anti-virus software ○ firewalls ○ passwords ○ backup of data ○ set access rights to information (e.g. limit access rights to relevant people) <p>1.4 The main aspects of legislation that exists to govern e-commerce i.e.</p> <ul style="list-style-type: none"> ● The Electronic Commerce (EC Directive) Regulations 2002 ● The Data Protection Act 1998 ● The Distance Selling Act 2000 ● ICO Cookie Law
2. Be able to respond to customer queries using retail technologies	<p>2.1 Retail communication technologies i.e.</p> <ul style="list-style-type: none"> ● Telephone ● Telephone headsets ● VCC technology (Virtual Call Centre) ● Email ● Online chat ● SMS ● Social media <p>2.2 How to respond to customers using retail communication technologies i.e.</p> <ul style="list-style-type: none"> ● Confirming customer identity ● Identifying nature of customer query ● Adhering to organisational guidelines for use of each communication technology ● Only offering solutions in writing within own levels of authority ● Summarising customer query and confirming next steps
3. Be able to process payments and refunds in an e-commerce environment	<p>3.1 How to process payments i.e.</p> <ul style="list-style-type: none"> ● Confirm the identity of the customer ● Accurately calculate the payment amount required ● Accept relevant payment methods i.e. <ul style="list-style-type: none"> ○ credit card ○ debit card ○ direct debit mandate ○ e-vouchers ○ loyalty points

Learning outcomes	Teaching content
The Learner will:	Learners must be taught:
	<ul style="list-style-type: none"> • Confirm to customer that payment has gone through (if the processing is for a payment) • Confirm to customer that bank mandate has been set up (if processing is for direct debit) • Ensure online records are accurately updated <p>3.2 How to process refunds i.e.</p> <ul style="list-style-type: none"> • Confirm identity of the customer • Access customer information • Calculate amount of refund (e.g. it may be a partial refund) • Refund customer (e.g. bank transfer to customer bank account, refund on specified customer card) • Update records to reflect refund <p>3.3 Potential payment issues i.e.</p> <ul style="list-style-type: none"> • Pricing discrepancies • Sales discounts offered by sales team but not recorded • Payment problems (e.g. cards not accepted) • Technology issues • Potential fraud (e.g. suspicion that the customer is not who they say they are) • Level of authority when dealing with payment issues
<p>4. Be able to use electronic stock control systems effectively and understand the impact of inadequate stock control management</p>	<p>4.1 How to check the stock levels of products for customers i.e.</p> <ul style="list-style-type: none"> • Access stock control system • Check current stock level • If product is out of stock or insufficient in quantity, check when sufficient stock will become available • Notify appropriate colleagues of stock shortages <p>4.2 How to update stock control system to reflect movement and disposal of stock (e.g. disposal of stock is stock that cannot be sold as it may be out-of-date, damaged etc.) i.e.</p> <ul style="list-style-type: none"> • Update stock control system to reflect i.e. <ul style="list-style-type: none"> ○ sales ○ goods received (includes stocks from suppliers and acceptable returns) ○ transfers between storage locations ○ disposal of stock items that cannot be sold ○ order replacement stock as appropriate

Learning outcomes	Teaching content
The Learner will:	Learners must be taught:
	<p>4.3 How to present accurate stock level information to support a stock audit i.e.</p> <ul style="list-style-type: none"> • Use stock control system to assess i.e. <ul style="list-style-type: none"> ○ current stock levels ○ stock levels required ○ shortfalls in stock • Timings/frequency for stock level checks • Review expected demand for stock • Establish lead time needed to order replacement stock • Follow business procedures to inform relevant colleagues that stock needs replacing <p>4.4 Impacts on the organisation and the customer of inadequate stock control management i.e.</p> <ul style="list-style-type: none"> • Impact on the organisation i.e. <ul style="list-style-type: none"> ○ insufficient stock levels ○ overstocking of products ○ cash flow ○ damage to reputation due to unavailability of products ○ loss of custom ○ loss of sales/profit • Impact on the customer i.e. <ul style="list-style-type: none"> ○ wasted journey due to unavailability of stock ○ frustration/annoyance due to unavailability of products ○ unable to carry out intended activity

GRADING CRITERIA

LO	Pass	Merit	Distinction
The learner will:	The assessment criteria are the Pass requirements for this unit.	To achieve a Merit the evidence must show that, in addition to the Pass criteria, the candidate is able to:	To achieve a Distinction the evidence must show that, in addition to the Pass and Merit criteria, the candidate is able to:
1. Know about e-commerce in the retail sector	P1: Describe the advantages and disadvantages of e-commerce		
	P2: Explain the legislation that relates to e-commerce		
	P3: Identify potential issues and risks to a retail business of implementing e-commerce	M1: Assess the options for a retail business for overcoming potential risks of implementing e-commerce	
2. Be able to respond to customer queries using retail technologies	P4: Use technology to answer customer queries in relation to product information, orders or returns		
3. Be able to process payments and refunds in an e-commerce environment	P5: Accept and process payments for goods	M2: Explain the issues that can occur when accepting payments from customers	D1: Demonstrate skills to overcome issues when accepting payments from customers
	P6: Process refunds for goods		
4. Be able to use electronic stock control systems effectively and understand the impact of inadequate stock control management	P7: Check the stock levels of products for customers	M3: Present accurate stock level information to support a stock audit	D2: Explain the impact of inadequate stock control management
	P8: Accurately update stock control system to reflect movement and disposal of stock		

ASSESSMENT GUIDANCE

It is important for learners to have the opportunity to learn and apply their knowledge and skills to meaningful substantial tasks, in order to successfully achieve the unit.

Feedback to learners: you can discuss work-in-progress towards summative assessment with learners to make sure it's being done in a planned and timely manner. It also provides an opportunity for you to check the authenticity of the work. You must intervene if you feel there's a health and safety risk.

Learners should use their own words when producing evidence of their knowledge and understanding. When learners use their own words it reduces the possibility of learners' work being identified as plagiarised. If a learner does use someone else's words and ideas in their work, they must acknowledge it, and this is done through referencing. Just quoting and referencing someone else's work will not show that the learner knows or understands it. It has to be clear in the work how the learner is using the material they have referenced **to inform their** thoughts, ideas or conclusions.

For more information about internal assessment, including feedback, authentication and plagiarism, see the centre handbook. Information about how to reference is in the OCR *Guide to Referencing* available on our website: <http://www.ocr.org.uk/i-want-to/skills-guides/>.

In order to meet Grading Criteria **P1**, learners must describe at **least three advantages and three disadvantages** of e-commerce.

In line with Teaching Content for 1.4, **P2** should be an explanation of the **main aspects** of relevant legislation. Please note: in relation to legislation, we mean the legislation specified, or its equivalent, should it be revised or differ, for example, in Northern Ireland.

To meet **P3**, learners should be able to identify potential issues and risks from each area of the Teaching Content for 1.3 (i.e. operational issues, financial issues and potential risks).

P4 requires learners to use **at least three different** communication technologies to respond to customers. In order to meet this Grading Criteria, learners' must also evidence that they can respond to customer queries using the types of skills detailed in the Teaching Content for 2.2.

In order to meet **P5**, learners must process **at least three different payment methods** and **at least one refund** to meet **P6**. **D1** may require the centre to introduce a payment issue for the learner to overcome, if one has not naturally occurred before the unit is complete.

Learners should check stock levels for customers on **at least two occasions** in order to meet **P7**.

In order to meet **D2**, learners should explain the impact of inadequate stock control management on both the organisation **and** the customer.

SYNOPTIC ASSESSMENT

Synoptic assessment is a feature of this qualification and it requires learners to use an appropriate selection of their skills, knowledge and understanding, acquired through all of the units that make up their qualification, in an integrated way and apply them to a key task or tasks.

This helps learners to develop their appreciation and understanding of the connections between the different elements of learning in this qualification to help make their curriculum meaningful and better prepare them for employment in the Retail sector, please see section 6 of the centre handbook for more detail.

Links between this unit and other units:

Specific LO from this unit	Name of other unit and related LO
LO1 Know about e-commerce in the retail sector	Unit 1 Principles of working in service sector organisations LO1, LO6 Unit 2 Understand customer expectations LO2 Unit 3 Social media in the workplace LO1
LO2 Be able to respond to customer queries using retail technologies	Unit 1 Principles of working in service sector organisations LO1 Unit 2 Understand customer expectations LO2 Unit 3 Social media in the workplace LO3 Unit 6 Enhancing the customer experience LO2 Unit 7 Selling techniques LO2
LO3 Be able to process payments and refunds in an e-commerce environment	Unit 1 Principles of working in service sector organisations LO4
LO4 Be able to use electronic stock control systems effectively and understand the impact of inadequate stock control management	Unit 1 Principles of working in service sector organisations LO5 Unit 4 Practical merchandising LO1

MEANINGFUL EMPLOYER INVOLVEMENT – A REQUIREMENT FOR TECHNICAL CERTIFICATE QUALIFICATIONS

The minimum amount of employer involvement must relate to at least one or more of the elements of the mandatory content. This unit is mandatory in the Level 2 Cambridge Technical Diploma in Retail.

This qualification has been designed to be recognised as a Technical Certificate in performance tables in England. It is a requirement of this qualification for centres to secure employer involvement through delivery and/or assessment of the qualification for every learner.

Eligible activities and suggestions/ideas that may help you in securing meaningful employer involvement for this unit are given in the table below.

Please refer to the Qualification Handbook for further information including a list of activities that are not considered to meet this requirement.

Meaningful employer involvement

It is recommended that learners undertake structured work-experience or work-placements that develop skills and knowledge relevant to this unit.

They may also benefit from industry professionals visiting the centre to act as guest speakers.

You can find further information on employer involvement in the delivery of qualifications in the following documents:

- [Employer involvement in the delivery and assessment of vocational qualifications](#)
- [DfE work experience guidance](#).

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