Food and Beverage Service
Level-II

Based on March 2022, Curriculum Version 2

Module Title: Apply Point –of –Sale Handling Procedures

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Prepared by: Ministry of Labour and Skills

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Acronyms

CCTV   Closed Circuit Television

EFTPOS   Electronic Funds Transfer Point of Sale

ILO   International Labour Organization

OECD   Organization for Economic Cooperation and Development

NETS   Network for Electronic Transfers

PDET   Portable Data Entry Terminal

PDT   Portable Data Terminal

PIN   Personal Identification Number

POS   Point of Sale

VIP   Very Important Person

Introduction to the Module

This module describes the knowledge, skills and attitude required to operate point-of-sale equipment, apply store policy and procedures to a range of transactions, interact with customers and package or wrap an item for transportation. It covers demonstration of the ability to operate a range of point-of-sale equipment in order to complete sales, returns and exchange transactions, and process a number of methods of payment, according to store policies

This module covers the units:

- Point-of-sale equipment
- Ensuring accuracy of transactions
- Point-of-sale transactions
- Completing sales
- Wrapping and packing goods

Learning Objectives of the Module

- Operate point-of-sale equipment
- Ensure accuracy of transactions.
- Perform point-of-sale transactions
- Complete sales.
- Wrap and pack goods

Module Instruction

For effective use of this module, trainees are expected to follow the following module instruction:

1. Read the information written in each unit
2. Accomplish the Self-Check Exercises at the end of each unit
3. Perform operation sheets provided at the end of each unit
4. Do the "LAP test" given at the end of each unit and
5. Read the identified reference book for further examples and exercises

Unit one: Operating Point-of-Sale Equipment

This learning guide is developed to provide you the necessary information regarding the following content coverage and topics:

- Opening and Closing point-of-sale equipment
- Handling Cash
- Maintaining adequate supplies change, vouchers and point-of-sale documents

This guide will also assist you to attain the learning outcomes stated in the cover page. Specifically, upon completion of this learning guide, you will be able to:

- Open and Close point-of-sale equipment
- Handle Cash
- Maintain adequate supplies change, vouchers and point-of-sale documents

1.1. Opening and Closing point-of-sale

The point of sale (POS) or point of purchase (POP) is the time and place at which a retail transaction is completed. At the point of sale, the merchant calculates the amount owed by the customer, indicates that amount, may prepare an invoice for the customer (which may be a cash register printout), and indicates the options for the customer to make payment. It is also the point at which a customer makes a payment to the merchant in exchange for goods or after provision of a service. After receiving payment, the merchant may issue a receipt for the transaction, which is usually printed but can also be dispensed with or sent electronically.

To calculate the amount owed by a customer, the merchant may use various devices such as weighing scales, barcode scanners, and cash registers (or the more advanced "POS cash registers", which are sometimes also called "POS systems". To make a payment, payment terminals, touch screens, and other hardware and software options are available.

The point of sale is often referred to as the point of service because it is not just a point of sale but also a point of return or customer order. POS terminal software may also include features for additional functionality, such as inventory management, CRM, financials, or warehousing.

Businesses are increasingly adopting POS systems, and one of the most obvious and compelling reasons is that a POS system eliminates the need for price tags. Selling prices are linked to the product code of an item when adding stock, so the cashier merely scans this code to process a sale. If there is a price change, this can also be easily done through the inventory window. Other advantages include the ability to implement various types of discounts, a loyalty scheme for customers, and more efficient stock control. These features are typical of almost all modern POS systems.

1..1.1. Open point of sale area for service

A point of sale (POS) is a place where a customer executes the payment for goods or services and where sales taxes may become payable. A POS transaction may occur in person or online, with receipts generated either in print or electronically.

Point of sale equipment, facilities and systems may include:

- **Cash registers:** These may be known as 'registers', 'tills' and 'POS terminals'.

They are used to process sales and contain money and certain non-cash payment options (cheques, vouchers, card sales

- **Scanners:** are used to read bar codes on products.

Scanners are commonly integrated into POS terminals and automatically register the products and the price

- **Electronic labelling equipment**: is not used in every outlet/organization.

It is equipment which produces price labels and/or bar codes for sticking on products. Price/bar code labelling may include the computer-based creation of in-house bar codes or the use of price markers/labelling guns to produce and attach self-adhesive labels to stock/shelves.

- **Electronic funds transfer point of sale (EFTPOS):** Most operators offer customers the ability to pay for goods and services using an electronic option rather than cash based on the use of payment cards, such as debit or credit cards, at payment terminals located at points of sale.

The name of the system can vary between countries (such as NETS, MEPS) but the principle stays constant in that a machine is required for customers to 'swipe' their card and/or enter a PIN to authorize payment .

- **Portable data entry equipment:** Some operations may use portable data entry units (or PDETs) which are hand-held items which can moved throughout a workplace to record stock-related data from (for example) shelves and the store room). We call it data capture mobile devices; sometimes we call it data capture equipment.
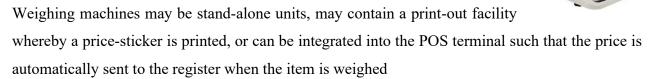
The data may be scanned in from bar codes and coupled with data entered by hand.

The information is then sent to a central stock-management system to provide the basis for monitoring sales, inventory and the need to order stock.

- **Internal cash transfer systems:** Large organizations with high cash flow may use an internal cash transfer system. It features a system of tubing using compressed air to move canisters between POS areas and a secure location where cash can be counted and secured

- **Weighing machine:** These are used to weigh product in order to allow the sales price to be calculated so the customer can determine/be told of the cost and the sale can then be processed.

Weighing machines may be stand-alone units, may contain a print-out facility whereby a price-sticker is printed, or can be integrated into the POS terminal such that the price is automatically sent to the register when the item is weighed

- **Internal communication systems**: Most operations (but not all) have some way POS staff can communicate with others in the workplace. The system may be a PA (Public Address) system or a hard-wired, telephone-based option.

- **Security systems:** Security systems may exist for: Controlling access to rooms/sections of the business in this case a key, card or code number may be required to gain access to restricted areas. Unauthorized entry (or attempted entry) will usually trigger alarm. Standard practice may be the need to de-activate these Systems on arrival at the work station, and to activate them as part of closing procedure. When all equipment, facilities and systems have been prepared the POS area can be opened for sales/service.

Opening the POS area

Always note:

- The standard procedures of the workplace must be followed where they differ from what is presented in the notes – most workplaces have their own way of doing things.

- It is important to adhere the established sequence of events for opening – there is often a special order in which tasks are to be completed.

- There can be internal protocols about who is allowed to open the POS area – this duty may be restricted to designated staff only.

- It is important for the area to open 'on time' – there may be customers waiting and it is important to meet promises made about opening hours/times

Standard activities

The usual things which need doing at the start of business can include:

- Participating in staff meeting/briefing to:
  - ➢ Discuss and resolve issues
  - ➢ Determine focus/targets for the session
  - ➢ Share information
- Checking:
  - ➢ Personal appearance
  - ➢ Uniform
- Confirming readiness to open with supervisor – there may be a need to:
  - ➢ Check with person in-charge if all systems and equipment are fully operational
  - ➢ Obtain permission to proceed and obtain keys
  - ➢ Secure authority to commence processing sales
- Removing and storing barriers – which may have been in place to prevent unauthorised access to the area before the area was ready for trade
- Checking external areas to ensure they are clean/presentable – and cleaning or tidying, as required
- Turning on various items as required – this may include:
  - ➢ Music pre-setting volume and type of music
  - ➢ Air-conditioning if any

1.1.2 Closing the point of sale area

A primary task when closing the point-of-sale area is the need to close and reconcile the register/terminal. This section identifies and discusses the activities involved in this important activity.

Securing the area

When the business closes for the day the POS area needs to be secured to safeguard the takings.

Sometimes a screen may be drawn down around the point of sale area and any access such as doors locked. The takings are then prepared for reconciliation.

In other instances, cash drawers are removed from point of sale registers or terminals to a secure location and counted. A security staff member may accompany the cash drawer to a secure location.

All establishments will have their own security procedures to follow that usually relate to:

- Signing out or off from the point of sale register or terminal

- Timing of closure/reconciliation

- Staff members involved/authorized to perform reconciliation

- Where the takings are counted

- Documentation used to record the reconciliation.

Obtaining register/terminal reading

Once the point of sale area is secure and the cash drawer is ready to be counted, the process of reconciling takings can begin. A necessary step in balancing takings is to identify what the takings should be. Obtaining a reading from the terminal that is being reconciled does the following.

- **The reading of register**

    Every point of sale register or terminal offers the facility to calculate the total amount received from customers at that register or terminal at any given time. Sometimes keys are required to access the required function and sometimes a password or other form of secure ID will need to be used.

- **Summary reading**

    A summary reading provides a reading or report on all the financial transactions processed
    through the POS register or terminal during the day or shift.

It may also be a *cumulative* total showing the balance of all financial transactions over a period of days or shifts. Totals are never cleared from the register or terminal.
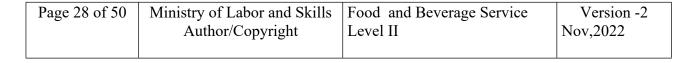
Sometimes point of sale registers or terminals call this

- An 'X' read or X report

- A terminal subtotal

- A cumulative total.

The purpose for the summary read is twofold. Total takings from sales for one day or shift are identified and documented. This forms part of the audit trail to track revenue. A cumulative total means staff cannot exactly identify the takings for any one day or shift so the temptation for theft or fraud is reduced.

For example, the takings for Day 1 may be an amount of 1,000. This would be left in the register or terminal memory and printed out on the audit roll at the end of trade.

At the end of Day 2 when the till is read, the total may be an amount of 2,000. In order to calculate the takings for Day 2 (1,000.00), you would need access to the reading from Day 1.

This reconciliation would be performed by accounts staff who will compare the final cash counted to the summary reading.

The register or terminal's memory is cleared of these transactions, leaving the register ready for the next day or shift's transactions.

The final report produced represents the actual financial sale transactions for that day or shift alone.

Imprinted on the report will also be an indication that the register or terminal has been reset to zero. Often this is shown as '0000.00' and will also be the first item imprinted when the register or terminal is opened the next day

- **Counting cash in register/terminal**

Counting cash must occur:

  ➢ In a secure location or a secure point of sale area

  ➢ Responsibly and with care

  ➢ In accordance with to record takings and the reconciliation process.

- **Using a Summary Sheet**

A Summary Sheet (or Takings Sheet) is used to record the cash takings and non-cash takings from each register or terminal every time it is balanced.

The basic process

A set of standard steps are always followed in the reconciliation process as outlined below even where specifics vary between businesses:

  ➢ Count the takings starting with counting the coins

  ➢ Beginning   with   the   lowest denomination

  ➢ Count the notes next – separating them by types denomination

  ➢ Once all notes have been counted and neatly secured, total amounts should then also be entered onto the Cash Summary Sheet

  ➢ Once all cash (notes and coins) has been counted, non-cash payments are addressed.

- **Calculating non-cash payments**

As well as notes and coins in the cash drawer, there is also documentation detailing the non-cash payments made for financial sales transactions in the day or shift.

The types of non-cash transactions that may be need to be balanced are:

- Bank card transactions
- Personal cheques

- Accounts
- Vouchers
- Traveller's cheques and foreign currency when accepted

Non-cash transactions of the same type are added together and the total entered into the appropriate space on the Cash Summary sheet.

Payments Sometimes, during trading money may need to be taken out of the register to pay for a miscellaneous item. In such instances; documentation such as a Cash Out or Cash Paid Out slip is placed into the point of register or terminal.

- **Determining balance between register/terminal reading and cash and non-cash totals**
  Balancing the takings

Once all cash and non-cash payments have been calculated and the amounts entered on the Cash Summary Sheet, the next step is to compare these individual amounts with the figures as stated on the reading from the point of sale register or terminal.

The final reading will generally provide a comprehensive listing of the different cash and non-cash financial transactions processed and an overall total amount for all transactions for that shift or day's trading.

The aim is to determine whether or not the amount of cash and non-cash transactions actually counted matches that as stated on the final reading.

To balance the takings:

- Add the total of each group of cash and non-cash transactions on the Cash Summary Sheet to arrive at individual balances
- Add these individual balances to arrive at an overall

  Grand total for the register or terminal for the trading

  period.

The overall total as well as individual balances should be compared with the appropriate figures on the summary or final reading on the register tape or roll.

If the figures match, the takings are balanced.

Often however, the actual cash and non-cash received does not match the figures stated on the register reading.

There is always the chance operators have simply made a mistake when counting the money/reconciling the register so it is important to check.

- Checks commonly required to be made include:
- Recounting the coins and notes – to confirm their totals are correct
- Recounting the individual non-cash transactions – to verify their totals
- Recalculating figures as found on Summary/Takings Sheet – to ensure the problem is not an arithmetic one
- Checking for any over-rings – an over-ring happens when a staff member accidentally rings up an amount on a cash register, and no payment is received

Acceptable error

Most businesses have a 'margin for error' and accept variances of predetermined proportion. For example:

- Takings that are 2% or less, below printout figures may be seen as acceptable
- In other cases, it may be that takings that are within a certain money value of the readings are deemed to be acceptable

- **Shut down point of sale equipment**

  Standard closing procedures include the need to shut down designated items of POS equipment items behind the service counter/ comprising the POS service area, such as:

  - Registers/terminals
  - Printers
  - Weighing scales
  - Facilities

  ➢ Systems – including:

  - Management-related systems such as: Databases
  - Computerised reservation and information systems
  - Communication systems
  - Music/sound systems

1.2 Handling Cash

Cash handling refers to the process of receiving and giving money in a business. In a bank, this includes teller transactions and ATMs, just to name a couple of examples. In retail, cash handling ranges from the point of sale to the behind-the-scenes money management during the day.

Individuals should keep working cash funds to a minimum at all times. Excess funds should be in a locked device or deposited in the Cashier's Office. Cash received must not be used for making change, petty cash purposes, etc. Expenditures or refunds cannot be made from cash receipts

We outlined the Five Cash Handling and Control phases:

- Accept Cash and Checks.

- Prepare Deposits.

- Deposit Cash.

- Reconcile Deposits.

- Report Losses.

There are four internal control measures for cash. They are

- Employee background checks,

- Use of written protocols,

- Separation of duties, and securing assets and

- cash in safe locations

Most workplaces will provide basic cash handling skills to all new employees to ensure they are aware of and able to follow the security and service protocols required by the business.

State the value of the payment they offer in payment this confirms the amount they have given

- Avoids confusion about how much was tendered
- Register the payment leaving the money tendered out of the cash register
- Calculate and count the change required out of the register and count it aloud into
- Forward cash from point of sale registers to secure central office for processing
- A record of all cash taken from the register must be written out and kept in the cash drawer to assist with the reconciliation process at the end-of-trade.
- Set price per item for different items so prices charged reflect current operator requirements

  Read scales so that:
  ➢ Weight of the item can be determined
  ➢ The customer can be informed of the weight
  ➢ The price for the product can be calculated

Acceptable errors: most businesses have a 'margin for error' and accept variances of predetermined Proportions

5.1. Maintaining supplies of change, vouchers and point-of-sale documents

Change: is a coin or money to be returned for the buyer who brings big notes.

A voucher: is a form that includes all of the supporting documents showing the money owed and any payments to a supplier or vendor for an outstanding payable. The voucher and the necessary documents are recorded in the voucher register.

Payment voucher: is a way to record payments made to suppliers and maintain a history of payments that your business has made. Companies use vouchers to gather and file supporting documents that are required to approve and track payments of liabilities.

Voucher is a bond of the redeemable transaction type which is worth a certain monetary value and which may be spent only for specific reasons or on specific goods. Examples include travel, and food vouchers.

Self-check 1	Written Questions

Part I: **Choose the best answer**

1. Which one is data entry in to register/terminal
   - A. Alpha keys for entering selling price
   - B. Item keys
   - C. Tax keys for adding relevant host country taxes
   - D. Department keys
   - E. all

2. Which one of the following is true when advising customer in delays
   - A. Apologizing
   - B. explaining the cause of the delay
   - C. advising the anticipated length of delay

3. Which one are not the types of non-cash transactions
   - A. Bank card transactions
   - B. Personal cheques
   - C. Accounts
   - D. coins

4. Which POS equipment are hand-held items which can be moved throughout a workplace to record stock-related data?
   - **A.** scanner
   - B. Portable data entry equipment
   - C. cash register
   - D. none

5. POS is:
   - A. a combination of hard ware and soft ware
   - B. a system to accept payments from customer
   - C. payment processor
   - D. all

6. One is an example of POS equipment
   - a) cash register
   - b) electronic labelling equipment
   - c) scanner
   - d) all

Part: II Say true/false

1.   Processing sales may require the operator to perform activities like the selling prices of the items being scanned instruction.

2. Bank card transactions, Personal cheques are types of non-cash transactions that may be need to balance.

Part III: Write the short answers based on the given questions

1.   List POS equipment

2.   Explain the difference between cash register and electronic labelling equipment

Unit Two: Ensure Accuracy of Transactions

This unit to provide you the necessary information regarding the following content coverage and topics:

- Numerical calculations and pricing
- Numerical information

This guide will also assist you to attain the learning outcomes stated in the cover page. Specifically, upon completion of this learning guide, you will be able to:

- Perform Numerical calculations and pricing
- Collect numerical information

2.1. Numerical calculations and pricing

Numerical Calculations (numerical methods, computational methods): The process of taking a complex problem and breaking it into many smaller and simpler problems. Typically, these many simple problems are calculated using mathematical formula. Perhaps it is useful to also define analytic calculations

Activate the receipt function in order to provide the buyer with a printed receipt for the transaction/money they have paid. Some operators insist that a receipt is issued for every transaction, and some operators only issue a receipt for certain purchases or amounts over a given value

- Perform item enquiries also known as a 'Price Inquiry' which provides a limited range of information about products
- Calculate discounts these are pre-programmed into the terminal. Discounts:
- Must only be given to those who are legitimately entitled to them
- Are limited to the amounts entered into the machine/system

Enter 'reduced to clear' items this means programming discounted prices for nominated items into the system/machine so the lower selling price acts as an inducement for customers to make a purchase. Change prices/system to accommodate 'happy hours' – there can be a need to update the system such that selling prices for designated items (or all items) are reduced by a given amount/percentage between certain hours on given days.

Numerical calculation is done using:

- Addition and subtraction
- Calculations of cash amounts and change
- Calculations of discount amounts
- Estimation of quantities
- Measurement
- Multiplication and division
- Percentages.

Process transactions – which may include accepting payment using such as gift vouchers, cheques, cash, credit card/debit card, and EFTPOS to calculate selling price of a product formula

- ✓ Cost price = Raw Materials + Direct Labour + Allocated Manufacturing Overhead.
- ✓ Selling price = Cost price x 1.25 SP = 50 x 1.25.
- ✓ Gross Profit = Total Revenue – Cost of Goods Sold Gross Profit Margin = Gross Profit / Revenue.

2.2.   Numerical information

The numerical information is collected from various source and equipment such as

- Using registers/terminals
- Electronic labelling equipment
- EFTPOS terminal
- Electronic scales
- Numerical display board
- Scanner
- Security tagging

Keys in operating a POS register/terminal are how to open register ready for use.

This may involve/require:

- Counting/checking the float
- Using a key to turn the register to designated operating position'
- Flicking a switch to turn the item 'on'
- Keying in user identification
- Checking time and date

Perform price/product looks ups for items – using bar code/scanner and function/alpha- numeric keys

Self-check II	Written questions

Part I says true/false

1. Numerical information is gain from Electronic labelling equipment
2. Process transactions include accepting payment using gift vouchers, cheques, cash, credit card/debit card, and EFTPOS

Part II choose the best answer

1. Accepting payment using such as gift vouchers, cheques, cash, credit card/debit card, and EFTPOS

   A. Process transactions
   B. Registers
   C. Cost price
   D. Cost price

2. Where we get numerical information?

   A. From cash register
   B. From scanner
   C. From EFTPOS
   D. All

Part III: Write the short answers based on the given questions

1. How is a numerical calculation for 15% VAT done?
2. Define security tags

Unit Three: Point-of-Sale Transactions

This learning guide is developed to provide you the necessary information regarding the following content coverage and topics:

- Point-of-sale transactions
- Cash and non-cash transactions.
- Exchanges and returns
- Entering information into point-of-sale equipment.
- Price or total amount of cash received is stated verbally to customer.

This guide will also assist you to attain the learning outcomes stated in the cover page. Specifically, upon completion of this learning guide, you will be able to:

- Operate point-of-sale transactions
- Identify cash and non-cash transactions
- Processing exchanges and returns
- Enter information into point-of-sale equipment
- State price or total amount of cash received verbally

3.1. Point-of-sale transaction

There are different definitions of sale transaction, some them are listed below

- Sales transaction means a sale, lease, assignment, award by chance, or other written or oral transfer or disposition of goods, services, or other property, both tangible and intangible.

- Buying something either from an online store or the store near to your house is an example of a sale. Where you ask for something, the seller provides you the answer. If you pay for the product and buy it, this is sale transaction

POS transactions usually occur whenever a buyer pays a certain amount offline or online to purchase goods from a seller. The purpose of POS is to monitor and record all transactions between a buyer and a seller.

There are four categories that a transaction can be categorized as:

- sales,
- purchases,
- receipts, and
- Payments

3.2. Cash and non-cash transactions

Cash payment systems use paper-based money and coins as a means of payment. Meanwhile, in non-cash systems, payment instruments no longer use money in physical form. An example of a cash transaction is you walking into a store, buying clothes, and paying using a debit card. A debit card payment is the same as an immediate payment of cash as the amount gets instantly debited from your bank account. However, credit card payments are not the same in effect for the purchaser.

A cash transaction is the immediate payment of cash for the purchase of an asset. Some market stock transactions are considered cash transactions although the trade may not settle for a few days. A futures contract is not considered a cash transaction.

Cash should be placed into the cash drawer after the transaction is completed. Each transaction should be completed one at a time. The numerical amount on the check should be always verified against the written amount. All payments made by check are required to be made out for the exact amount due.

Examples of financial transactions include:

- Cash receipts,
- Deposits

- Corrections,
- Requisitions,
- Purchase orders,

.

- invoices,
- travel expense reports, and
- Journal entries

Examples of major cash payments in a business that may be recorded in the cash payment journal are:

- Payments to creditors.
- Cash purchases of merchandise, supplies, equipment, or any other asset.
- Cash payments for expenses such as salaries, rent, insurance, and taxes

A cash payment is bills or coins paid by the recipient of goods or services to the provider. Payments made in hard currency are preferred

An example of a cash payment can include paying a creditor or commission fee, making an interest payment, or withdrawing cash is you walking into a store, buying clothes, and paying using a debit card. A debit card payment is the same as an immediate payment of cash as the amount gets instantly debited from your bank account. However, credit card payments are not the same in effect for the purchaser

Types of cash and cash equivalents

- Cash in checking accounts
- Cash in savings accounts

- Bank drafts
- Money order

.The truth is that debit cards are the same as cash. These days, "cash" refers to any money already in your possession, such as the money in a checking or savings account.

Main methods of payment: A payment can be made in the form of

- cash,
- check,
- wire transfer,
- Credit card, or debit card.

A non-cash item is an item deposited to an account but not credited until it clears, or an item on a financial statement that doesn't affect cash flow. Noncash expenses are those expenses that are recorded in the income statement but do not involve an actual cash transaction.

Non-cash payment instruments can be divided into three categories:

- paper-based,
- card-based, and
- electronic-based

 Non -cash transactions are

- ✓ Credit card and debit cards
- ✓ Cheques, and
- ✓ the electronic payment system
- ✓ Voucher
- ✓ Direct bill to companies
- ✓ Barter e.g. service may be given in hotels in exchange for a promotional activity by advertising companies.

3.3. Exchanges and returns

When processing exchanges and returns it is vital to know:

- Organisational policy as applicable to each situation. The specifics of each situation can vary and all must be handed correctly
- Personal authority to use discretion generally there is a need to be an advocate for the customer but it is important to never take any action on behalf of the customer that is outside the individual specified discretionary authority.

Businesses commonly allow sales staff who deal with exchanges, refunds and returns should be careful to achieve a successful outcome for the customer and the organisation. So it is imperative to exercise this discretion but not exceed it. Processing these items can involve:

- Apologising- this is a standard requirement even in situations where an apology may not be genuinely warranted: it is expected by customers as part of standard customer service protocol
- Explaining situations where a return, refund or exchange cannot be processed - and giving reasons for same in accordance with:
  - ✓ House policies
  - ✓ Stated organisational codes of practice
  - ✓ Legal obligations

✓ Formal internal training

- Verifying proof of purchase, or proof of ownership, for return, refund or exchange transactions - this may not be required (legally or by the business) but is an increasingly common requirement to:

  ✓ Foil people who steal from businesses and return products for a cash refund

  ✓ Ensure the items presented for processing were, in fact, bought from the business and not purchased elsewhere

- Completing the appropriate documentation to record the transaction this will be purpose-specific form. Contacting supervisor - as required:

  ✓ For advice and guidance

  ✓ For permission to act outside scope of authority

  ✓ For authority to give cash refunds many organisations insist supervisors/managers are the only personnel able to give customers cash from a register/terminal

- Recording the process, as appropriate, through the point of sale register/terminal making sure:

  ✓ The appropriate transaction key is used

  ✓ Other relevant keys are used/data is entered.

A retail return occurs when a customer brings purchased items back to a retailer in exchange for refund, store credit, or similar item. For example, a customer might return a shirt because it's too large or a pair of shoes because they are too tight. A POS user can either refund the complete amount or partial amount, as per the requirement. It generates invoices for the orders which the POS user refunds. A refund can be generated for order only once. The product inventory is updated automatically, as the POS user generates a refund for an order.

There are some common return policies in most organizations

- Know your buyers: First and foremost, it's important to create a return policy that doesn't just make sense for the products you sell, but also the customers you target

- Choose a reasonable return period

Consumers have multiple retailers to choose from when making their purchasing decision, and one of the factors they will consider is an item's return ability if it doesn't meet their needs. Crafting a return policy that consumers are comfortable with will help put shoppers at ease about buying from your store.

3.4. Entering information into point-of-sale equipment

When the POS area has been opened the equipment, facilities and systems will seek information to be operated. These are

- Record/register sales information
- Perform price/product look ups for items
- Cancel items that is, removing (or 'voiding') registered items from 'sale' so the customer is not charged for them
- Perform item enquiries - also known as a 'Price Inquiry' which provides a limited range of information about products
- Calculate discounts - these are pre-programmed into the terminal.
- Enter 'reduced to clear' items
- Change prices/system to accommodate
- Process transactions - which may include accepting payment using such as gift vouchers, cheques, cash, credit card/debit card, and EFTPOS
- Register items their type, price and quantity into the POS /system

3.5. State price or total amount of cash received

Cash receipts are the collection of money (cash) from your customers. This increases the cash balance recognized on a company's balance sheet. They can be generated by either sales or collections.

To calculate the original price of a discounted or sale item, you need to know the sale price and the discount percentage.

Original cost is the total price associated with the purchase of an item. The original cost of an item takes into consideration all of the items that can be attributed to its purchase and to putting the item to use.

A product's price sets a signal to consumers and determines the value that they associate with it. Using an initial price that is imperfect can thus negatively impact your future sales.

Pricing strategies are the processes and methodologies businesses use to set prices for their products and services. Pricing Strategies are:

- Cost-plus Pricing.
- Limit Pricing.
- Penetration Pricing.
- Price Discrimination.
- Psychological Pricing.
- Dynamic Pricing.
- Price Leadership.
- Target Pricing.

Self-check III	Written Questions

Part I: Say true /false for the following statements

1. Tendering mean showing gentleness, kindness, and affection
2. Competition based price is one major pricing strategies
3. To calculate the original price of a discounted or sale item, you need to know the sale price and the discount percentage
4. Protection Identification Convenience &Containment are the functions of packaging
5. Non cash transactions are recorded in the income statement
6. ATM card credit card and Non -cash transactions are
7. Sale Transaction means a transaction or series of related transactions involving the consolidation or merger of Company with another Person
8. Buying something either from an online store or the store near to your house is an example of a sale.
9. Cash receipts Examples of financial transactions.

Part II: Choose the best answer

1. Which one of the following is a major pricing strategy?
   A. Value-based,
   B. Competition-based,
   C. Cost-plus
   D. All

2. Which one of the following is the function of packaging?
   A. Protection   B. Identification   C. Convenience   D. All

3. _____is the science, art and technology of enclosing or protecting products for distribution, storage, sale, and use
   A. Transaction B. Sale C. Sale transaction D. Packaging

4. Non -cash transactions are recorded in
   A. Income statements B. Depreciation C. Transaction D. all

5. The collection of money (cash) from your customers is
   a)   cash receipt   b) depreciation c) transaction d) none

6. _____ is one of the most vital elements in the survival of a business
   A) Cash flow B) depreciation C) income statements D) none

Part III: Give short and precise answers for the following questions

1. List the four categories of a transaction

2. Give Examples of non-cash items

Unit Four: Completing Sales

This unit to provide you the necessary information regarding the following content coverage and topics:

- Completing customer order forms, invoices and receipts, and processing loyalty card transactions
- Identifying and processing customer delivery requirements
- Processing sales transactions
- Acknowledging customers

This guide will also assist you to attain the learning outcomes stated in the cover page. Specifically, upon completion of this learning guide, you will be able to:

- Complete customer order forms, invoices and receipts, and processing loyalty card transactions
- Identify and process customer delivery requirements
- Process sales transactions
- Acknowledge customers

4.1. Customer order forms, invoices and receipts, and processing loyalty card transactions

Order form

An order form is a document that records one or more business transactions between a buyer and a seller. It may also be called a business order form, sales order form, online order form, procurement order form, inventory order form, or service order form.

An order form, also known as a purchase order, is a document that buyers submit to sellers when requesting products or services. They are typically used for all service businesses and on high-priced products. An order form also shows a quoted price for products or services to be rendered by the seller.

A purchase order form is an official contract document in which a buyer agrees to purchase goods or services from a vendor. Purchase order forms are crucial because they standardize the business' procurement process

Purchase order form includes

- Your company's legal name and physical address.

- Your company's delivery address.

- A purchaser section.

- Billing information for suppliers to send invoices.

- A space for agreed-upon pricing, quantities and specific order details.

- Requested delivery date.

- Payment terms.

Invoices an invoice is a 'bill' for items/services which have been purchased and forms the basis on which the customer may make payment.

Administration is usually responsible for preparing invoices but there may be a *pro forma* invoice book at POS which staff is required to complete, by:

- Describing type and quantity of items bought

- Listing prices of individual items

- Calculating extensions and totals

- Incorporating relevant taxes

- Writing name and address of organisation and customer

Receipts: where the cash register does not issue a receipt for money paid there can be a pro forma receipt book at POS which staff are required to complete,

Paperwork related to non-cash transactions – where sales are processed using a non- cash option documents will need to be completed to record the sales and provide the basis for further processing and redeeming of the cash.

The exact nature of the documents and the detail which needs to be completed will depend on the system being used, as many systems automatically generate much of the required detail.

Special requests: if the organization is prepared to take special orders from customers there can be a need to compete a special request form detailing:

- Name of customer
- Their contact details
- Name and quantity of special order/request
- Price quoted, if applicable
- Action the customer was told would be taken

Loyalty card: The more customers spend, the more loyalty points they earn. These loyalty rewards are then redeemed for free products, discounts, insider perks or other custom loyalty rewards. The goal of using a loyalty card is to encourage new customers to become loyal customers. It also builds trust between brand and consume. The card is issued or given to the customer at the business location. The card is then presented each time the customer visits and points, dollars or % amounts are added to the card based on predetermined reward levels that the merchant sets upfront.

Other name for loyalty card: A loyalty program typically involves the operator of a particular program set up an account for a customer of a business associated with the scheme, and then issue to the customer a loyalty card (variously called rewards card, point's card, advantage card, club card, or some other name) which may be a plastic or paper

Advantage

- Customer retention. The primary motive behind a loyalty program is to retain customers by rewarding them for their repeat purchase behaviour.
- Relevant customer data and consumer trends.
- Higher cart value.
- Reducing unprofitable customers.
- Better customer communication.
- Market saturation.

- Many businesses are using loyalty programs, and sometimes it may be identical.
- Difficult to identify loyal customers. Many times, it is difficult to differentiate brand-loyal customers from repeat buyers.

Companies use loyalty card: the entire reason a company creates a loyalty program is to improve their customer's loyalty. Offering discounts or free products to customers ensures that they will continue to do business with you if they're happy with your products and services

Payment processing is how businesses complete credit card and debit card transactions. Payment processing services expedite card transactions, and payment gateways securely transmit data so money from a customer's issuing bank can be transferred to a merchant's account. All of this happens in seconds

4.2.Customer delivery requirements

Identify customers' requirements

Correctly identifying customers' needs is essential for ensuring customer satisfaction and loyalty. If you fail to properly identify customers' needs, or if you are indifferent to their needs, they will take their business elsewhere.

Providing the delivery options your customers want increases sales

You are sure to have a website or other means where customers can place orders, regardless of whether you have a brick-and-mortar shop or you only operate within the digital sphere. So, you need to look at ways of improving the order process for the customer.

Firstly, you need to make the process as straightforward and simple as possible. Secondly, you need to provide several delivery options.

By doing so, you will attain new customers and get repeat customers, and therefore your business will grow because customer demand is changing. Consumers want to be able to place same-day and next-day orders, choose morning or afternoon slots, and have the option of doing click-and-collect at shops

Other customer requirements:

Price: The price of a product or service can affect customers' purchasing decisions, as each customer has unique budget allowances or constraints. They may compare prices between competitors to determine which offers the best deal or decide whether they are willing to pay for quality versus convenience.

Quality: The quality of a product or the materials used to manufacture it can impact purchasing decisions. The definition of quality can vary but may refer to its durability

Functionality: Every product or service has a purpose, which is its function. Often, customers require products and services that solve specific problems or meet specific goals or desires

Reliability: When customers purchase something, they want the ability to rely on it to perform its intended function. Along with reliability, customers seek durability

Sustainability: Some customers seek products that do not have negative environmental impacts. In response, companies launch products that use less energy to manufacture or recycled materials. Or they may sell products that promote sustainability

Transparency: Customers require transparency, which means they want to know what to expect when purchasing a product or service. To enable transparency, companies must avoid hiding information, such as fees or ingredients.

Convenience: Customers seek products and services that can save them time and effort. Companies can meet these requirements by understanding how customers use their offerings and determine ways to make them even easier to use. Some, for example, provide convenience by offering same-day delivery

Safety: Safety can be an important consideration for customers, as they want to ensure the product does not cause harm to them or those around them. Companies can promote products by confirming they meet relevant safety regulations or standards

Options: Every customer is unique, so they require options when making purchases. Multiple options allow companies to meet the needs of various customers rather than one specific type.

4.3. Processing sales transactions

Processing sales transactions: the cash method and accrual method are two ways to process sales transactions. The cash method records a sale when cash exchanges hands. The accrual method processes a sale without receiving money, generating an accounts receivable.

Sales transaction: Sales transaction means a sale, lease, assignment, award by chance, or other written or oral transfer or disposition of goods, services, or other property, both tangible and intangible.

The steps required for individual transactions in the accounting process are noted below.

- Identify the Transaction.

- Prepare a Document.

- Identify the Relevant Accounts.

- Record the Transaction.

- Prepare Financial Statements.

Processing sales may also require the operator to perform activities as follows:

- Scan each item the customer wants to purchase - it should be common practice to:

- Know the selling prices of the items being scanned

- Check the price shown on the register when the item is scanned to ensure correct prices are being levied

- Adjust any selling price when it is seen to be incorrect

- Help the customer with scanning their items - meaning the operator should be proactive in scanning items as opposed to waiting for the customer to do so/offer items for scanning

- Accompany the essentially impersonal action with positive customer relations - such as a smile and/or a brief verbal exchange

- Use product look up function - this is an alternative to scanning an item into the register/terminal.

4.4. Acknowledging customers

Effective acknowledgments let a customer know we heard them, and what they said is important. Sales professionals have great hearts and truly want to help customers. Our human nature is to want to quickly solve problems, and the result is we sometimes jump into solutions too quickly.

an example of an Acknowledgement I am grateful to all of those with whom I have had the pleasure to work during this and other related projects. Each of the members of my Dissertation Committee has provided me extensive personal and professional guidance and taught me a great deal about both scientific research and life in general.

The purpose of acknowledgement statements in customer service is to acknowledge the customer and to let them know that their issue has been resolved. It is important for companies to have CSAs because it makes the customer feel like they are being heard and that they matter to your business

A customer should be greeted within 30 seconds of entering your hotel or store Stand up from your task and offer a smile and words of greeting. After offering assistance, you can return to the shelves

- Requesting adequate supplies
- appropriate wrapping or packaging materials
- Wrapping merchandise neatly and effectively where required
- Packing items safely to avoid damage in transit and attaching levels
- Arranging transfer of merchandise or other delivery methods

Part I Say true if the statement is correct/False if the statement is incorrect

1. Many transactions will be straight-forward 'cash sales' meaning no paperwork needs to be

2. The purpose of acknowledgement statements in customer service is to acknowledge the customer and to let them know that their issue has been resolved.

3. Poor management can doom any customer service operation

4. Successful small business owners understand the need for good customer service

5. Good customer service is critical to business success,

6. A customer should be greeted within 30 seconds of entering your store

7. Packing items safely to avoid damage in transit and attaching levels

8. Advance deposits documentation – which records deposits paid (and acts as proof money has been paid) by customers detailing

9. Transaction the cash method and accrual method are two ways to process sales transactions.

10. Wrapping merchandise neatly and effectively where required

Part II: Choose the best answer

1. Customer service is

A. The direct one-on-one interaction between a consumer making a purchase and a representative of the company that is selling it.

B. Advance deposits documentation

C. All

D. None

Part III: Essay

1. List the Key Components of Good Customer Service

2. Define the term Invoices

Unit Five: Wrap and Pack Goods

This unit to provide you the necessary information regarding the following content coverage and topics:

- Appropriate wrapping or packaging materials
- Wrapping merchandise neatly and effectively
- Packing safely to avoid damage in transit
- Arranging transfer of merchandise or other delivery methods

This guide will also assist you to attain the learning outcomes stated in the cover page. Specifically, upon completion of this learning guide, you will be able to:

- Select appropriate wrapping and packing materials
- Wrap merchandise neatly and effectively where required
- Pack items safely to avoid damage in transit
- Arrange transfer of merchandise or other delivery methods

5.1. Appropriate wrapping or packaging materials

Where the organization uses packing and wrapping equipment at its POS area there is a need to be able to operate it efficiently and effectively. Wrapping and packing equipment include:

- Adhesive tape
- Bags
- Boxes

- Bubble wrap
- Gift wrapping
- Paper

- Ribbon
- String

It is possible the workplace may feature one or more of the following items which need to be used for wrapping and packing items which have been sold:

a. **Paper wrapping – which may involve:**

- Paper rollers/counter roll holders
- Paper
- Single sheets of tissue paper
- Sheets of store-branded wrapping paper

b. **Plastic wrapping :which may involve:**

- Shrink-wrapping facilities
- Heat-sealing of items
- Rollers and cutters

Wrapping and packing materials used will always reflect the products sold. A wide selection of wrapping materials such as:

- Paper

- Bubble wrap

- Tissue paper

- Plastic film

- Gift wrapping items such as:

    ✓ ribbons and

    ✓ bows

- Styrofoam spacers: used to create a safe/soft surface between layers of packed item

- Pre-used cartons, boxes and crates: this option Features the re-cycling of boxes/cartons which have brought stock into the business

- Built boxes and containers: these are 'flat pack' boxes which are constructed on an 'as needed' basis in the workplace to house items for transportation

- Bags and pouches: often/usually bearing the name of the business and available in a range of sizes to contain goods of different types and/or quantities. Bags (paper or plastic) are the most common form of wrapping/packing used

- Tubing, hat boxes and suit bags: used for speciality wrapping of certain items

- Bottle bags: used to wrap bottled: available in single, double-bottle and other size alternatives

- Envelopes and mailers for sending items by post

5.2. Wrapping merchandise

The range of items and materials employed is usually quite simple and basic but each workplace carries the potential for different things to be used. In the majority of cases:

- Merchandise sold is placed into a store bag that is, the item is placed inside a carrier bag bearing the name of the operator without being wrapped

- Items sold are pre-wrapped : meaning there is no need for further wrapping and packaging

- Customers are happy to take the item 'as is' without it needing to be wrapped or packed in any way

- Tickets are placed into dedicated ticket wallets which also contain associated items such as itineraries and vouchers/coupon
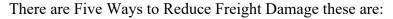
5.3.   Packing items safely to avoid damage in transit

Need to protect items from damage especially fragile items and

those which can be expected to be easily damaged

Damaged in transit means damage that affects the integrity of a

structural design or any of the systems

There are Five Ways to Reduce Freight Damage these are:

- Select the right packaging type and size.

- Use only quality pallets.

- Stack products correctly on the pallet.

- Shift from LTL to truckload.

- Load the trailer properly.

➢ Product damage in distribution usually results from three sources

- failure of packaging,

- mishandling in transportation, or

- Dam- age done in the warehouse.

Ensure safety of product during delivery or transport It is important that you

- Use proper packing materials, such as bubble wrap or recycled cardboard or even newspapers to ensure that products are not damaged during transit.

- You can also use shrink-wrap to complete the final wrapping, so that products are not damaged if they somehow come in contact with water

- Organizational policies there may be certain requirements which need to be accommodated such as those relating to:
  - ✓ Safety
  - ✓ Maintaining the image of the business
  - ✓ Use of preferred wrapping materials

- Label the Box as Fragile: Use a "Fragile" shipping label and notify package handlers of the product's fragility. To make sure people don't miss the label,

Requirement of Good packaging

- It should protect the contents.

- It should be attractive.

- It should bestow convenience.

- It should guarantee economy.

- It should assure adjustability.

- It should be pollution free.

- It should be informative

5.4. Arranging transfer of merchandise

Forwarding' or 'transferring' goods means sending them somewhere, as opposed to the

customer taking the items with them.

Items may need to be forwarded or transferred when:

- The customer is an international traveller

- They are ordered via mail order

- A phone order is taken

- It is an internet sale

- A home delivery has to be made

- It is an order for delivery to another store/business house.

Forwarding/transferring goods Activities involved in forwarding/transferring goods can include:

- Obtaining forwarding/delivery details from customer this will/may require

  asking questions of the customer and:

- Identifying delivery address

- Determining best time for delivery
- Arranging for alternate collection if person is not home
- Recording delivery details on a special form used for this purpose
- Contacting agents for transportation on behalf of the customer which is usually done:
  - ✓ By telephone
  - ✓ Via the internet

SELF CHECK -5	*Instruction I*

Part I say true or false

1. Write the three sources that Product damage in distribution usually occurs?
2. Styrofoam spacers used to create a safe/soft surface between layers of packed item
3. Packaging is the science, art and technology of enclosing or protecting products for distribution, storage and sale.
4. Contacting agents for transportation on behalf of the customer which is usually done By telephone
5. Forwarding' or 'transferring' goods means sending them somewhere, as opposed to the Customer taking the items with them
5 Bags and pouches – often/usually bearing the name of the business and available in a range of sizes to contain goods of different types and/or quantities. Bags (paper or plastic) are the most Common form of wrapping/packing used.

Part II Read the following questions and choose your best answer accordingly. (10points)

1_____means sending them somewhere, as opposed to the customer taking the items with them.

   a. Forwarding' or 'transferring' goods
   b. Wrapping of goods
   c. Packaging
   d. All

2. Product damage in distribution usually results from
   a. failure of packaging,
   b. mishandling in transportation, or
   c. dam- age done in the warehouse
   d. all

3. ……… is the placing of a foodstuff in a wrapper or container in direct contact with the foodstuff concerned and the wrapper or container itself. '
   a. Packaging
   b. Wrapping
   c. Forward transfer   D.all

4. …………… is the placing of one or more wrapped foodstuffs in a second container, and the second container itself
   a. Wrapping
   b. Forward transfer
   c. Packaging
   d. All
5. Bottle bags – used to
   a. wrap bottled
   b. wrap plastic
   c. wrap wood
   d. none

6. Items may need to be forwarded or transferred when:

    a. The customer is an international traveller

    b. They are ordered via mail order
    c. A phone order is taken

    d. It is an internet sale
    e. All

7. Which one of the following is proper packing materials, that products are not damaged during transit
    a. bubble wrap or recycled cardboard
    b. newspapers
    c. All
    d. none

8. …………used to create a safe/soft surface between layers of packed item
    a. Styrofoam spacers
    b. newspapers
    c. bubble wrap or recycled cardboard
    d. all

9. Paper wrapping – which may involve:
    a. Paper rollers/counter roll holders
    b. Paper
    c. Single sheets of tissue paper
    d. Sheets of store-branded wrapping paper
    e. All

Instruction III give short answer (1point each)
1. List the five separate stages of a brand's packaging
2. Mention the ways to reduce freight damage
3. List wrapping materials
4. List the functions of packaging

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