



Australian Government

**Assessment Requirements for
SIRRM001 Plan merchandise buying
strategy**

Release: 1

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Modification History

Not applicable.

Performance Evidence

Evidence of the ability to complete tasks outlined in elements and performance criteria of this unit in the context of the job role, and:

- conduct a post trade analysis for one merchandise range or department
- determine and document the following details of the merchandise strategy based on the above post trade analysis, for the next trading period:
 - price strategy
 - marketing strategy
 - product mix
- develop a merchandise plan, for a specified trading period, based on the above post trade analysis and strategy that includes the following:
 - base line sales and gross margin requirements
 - buying margin, markdowns, shrinkage and other reductions
 - open to buy, weeks cover or other stock measures
 - width and depth of range
- take the appropriate action to respond to sales across the specified trading period.

Knowledge Evidence

Demonstrated knowledge required to complete the tasks outlined in elements and performance criteria of this unit:

- organisational:
 - post trade results:
 - sales
 - Gross Profit
 - Gross Margin Return on Investment
 - sell through (or relevant measure)
 - rate of sale
 - average sale price
 - unit sales
 - purchase margin
 - markdown percentage
 - sales plan

- previous trading period data
- sales and gross margin requirements
- marketing calendar
- for the particular industry sector:
 - consumer buying patterns
 - competitor activity
 - customer needs
 - sales trends
 - trading periods
- merchandise strategy:
 - gross margin
 - production opportunities:
 - speed to market
 - purchase margin
 - markdown reduction
- management of stock in response to sales
 - forward cover
 - markdowns
 - purchases
 - aged stock.

Assessment Conditions

Skills must be demonstrated in a retail environment. This can be:

- an industry workplace
- a simulated industry environment.

Assessment must ensure access to:

- past performance data
- organisational marketing calendar
- store opening and closing information
- sales data
- stakeholders and suppliers with whom the individual can interact; these can be:
 - stakeholders and suppliers in an industry workplace, or
 - people who participate in role plays or simulated activities, set up for the purpose of assessment, in a simulated industry environment.

Assessors must satisfy the Standards for Registered Training Organisations' requirements for assessors.

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=ca051b1b-5101-4ec2-ac1c-49699303188d>