

Specification of Competency Standards
for the Retail Industry
Unit of Competency

Functional Area - Merchandising / E-commerce Merchandising

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| Title | Purchase goods |
| Code | 111293L5 |
| Range | This unit of competency (UoC) is applicable to the purchasing department of the retail industry. Practitioners have the ability to implement purchase of existing or newly launched products; negotiate contract with suppliers in order to purchase quality guaranteed goods with the most favourable price and earn higher profits for the organisation. |
| Level | 5 |
| Credit | 6 (For Reference Only) |
| Competency | <p>Performance Requirements</p> <p>1. Analyse the knowledge of goods purchase</p> <ul style="list-style-type: none"> • Understand the organisation's purchasing policies and strategies • Analyse the organisation's business goals • Understand the importance of the relationship with suppliers • Master the negotiation skills • Master the technique of quantitative analysis for retail, including: <ul style="list-style-type: none"> ○ Demand analysis ○ Supply analysis ○ Community analysis • Analyse the market trend and competitors' business strategies • Understand the ethics and code of practice for purchasing • Understand legal requirements related to purchase of goods <p>2. Purchase goods</p> <ul style="list-style-type: none"> • Determine the types of goods to be purchased by analysing different factors, including: <ul style="list-style-type: none"> ○ Market trend ○ Sales statistics of the retail store ○ Inventory level ○ Competitor's business activities ○ Product trend • Be familiarise with the functions, size, colour and materials of the goods • Source goods required through different channels, including: <ul style="list-style-type: none"> ○ Organisation's partner / supplier list ○ Global purchasing database ○ Goods exhibition ○ Internet ○ Supplier ○ Supplier's promotional information ○ Recommendations from industry peers • Request product samples from suppliers for preview • Make a product evaluation list with verification points for checking • Coordinate with the purchasing department for purchasing goods needed by the organisation • Coordinate the negotiation and contract formulation process <p>3. Exhibit professionalism</p> <ul style="list-style-type: none"> • Maintain good partnerships with suppliers • Comply with related legal requirements and job ethics when purchasing goods |

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| | <ul style="list-style-type: none">• Prevent any abuse of power or malpractice, such as abuse / misappropriation of the organisational assets and theft |
| Assessment Criteria | The integrated outcome requirements of this UoC are the abilities to: <ul style="list-style-type: none">• Master the organisation's need for goods purchase; and• Source goods required by the organisation through different channels and negotiate contract matters with suppliers. |
| Remark | This UoC is adopted from 104990L5. |