



Australian Government

Assessment Requirements for SIRMRM002 Develop a merchandise strategy

Release: 1

Assessment Requirements for SIRRMRM002 Develop a merchandise strategy

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:

- review the strategic objectives and direction of one retail organisation and develop a merchandise strategy for a six-month trading period by:
 - analysing the internal and external operating environment
 - analysing merchandise performance data
 - documenting a SWOT analysis identifying:
 - strengths
 - weaknesses
 - opportunities
 - threats
- document the above merchandise strategy and detail:
 - brand strategy
 - competitor strategy
 - pricing strategy
 - product strategy
 - promotional strategy
 - supplier strategy
 - target market strategy
 - store and multi-channel strategy
- develop and document an action plan for the above merchandise strategy that details:
 - resourcing requirements
 - key responsibilities
 - performance indicators
 - timeframes
- evaluate the merchandise strategy against performance indicators and make recommendations for ongoing improvements.

Knowledge Evidence

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

- retail merchandise strategies:
 - purpose
 - common objectives and priorities
 - key stakeholders:
 - organisational decision-makers
 - strategy influencers and drivers
 - influence on merchandise budget and planning
 - trends
- role of critical path in merchandise strategy development and execution
- external operating environmental factors and their impact on a merchandise strategy:
 - competitor
 - consumer behaviour
 - economic
 - environmental:
 - sustainability
 - seasonality
 - ethical
 - political
 - social
 - technological
 - target markets:
 - current
 - potential
 - trends
- internal operating environmental factors and their impact on a merchandise strategy:
 - organisational:
 - objectives and direction
 - resourcing
 - gross margin
 - percentage contribution mix
 - supply arrangements
 - logistics
 - current merchandise strategy
 - stock positions
 - product and sales trends
 - space management
 - store changes:
 - openings
 - refurbishments
 - closures

- role and interrelationship of key retail functions in merchandise management:
 - buyers
 - logistics
 - marketing
 - planners
 - production
 - retail operations
 - senior management
 - visual merchandisers
- key aspects of a merchandise strategy:
 - brand strategy
 - competitor strategy
 - pricing strategy
 - product strategy:
 - growing
 - maintaining
 - exiting
 - promotional strategy
 - supplier strategy
 - target market strategy
 - store and multi-channel strategy
- key inclusions in an action plan for merchandise strategy execution:
 - resourcing requirements
 - key responsibilities
 - performance indicators:
 - qualitative
 - quantitative
 - timeframes.

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:

- relevant documentation:
 - retail organisational strategy and direction
 - merchandise performance data
- sources of information related to the internal and external operating environments of a retail organisation.

Assessors must satisfy the Standards for Registered Training Organisations' requirements for assessors, and:

- have worked in the retail industry for at least three years where they have applied the skills and knowledge within this unit of competency.

Links

Companion Volume Implementation Guides -

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