

Unit



Receiving and Storage of Goods

INTRODUCTION

Product classification helps the retailers to focus on the consumers' buying behaviour. The retail businesses use the consumers' buying behaviour for designing the marketing strategies to increase the sale of goods.

The types of products, and how the firms buy these goods is equally important as the firm classifies these products and develops the marketing campaigns for increasing the sales.

In the retail industry, the store operations assistant has the knowledge of processing the goods at the retail store. Generally, a manual is prepared by the retail store highlighting the procedures and policies for receiving and delivering goods. These procedures and policies are usually common for all stores.

The store operations assistants should check their store's policy for receiving and delivering goods.

All type of businesses, especially retail stores, must store goods safely, as well as ensure that the firm fulfils the legal duty to protect the health and safety of those affected by their business. The right approach to storage can also help firm owners in reducing pollution, unnecessary wastage and other costs.

This unit has been divided into four sessions. The first session is devoted to classification which includes

consumer goods, the second session covers the procedure for receiving goods in retail operations, the third session deals with storage of goods received, and the fourth session explains the process of handling goods.

SESSION 1: CLASSIFICATION OF GOODS

Meaning of goods

Goods are bundle of utilities, which are inherently useful and relatively scarce tangible item, such as article, commodity, merchandise, material, supply, wares, produced from agricultural, manufacturing, construction or mining activities. In terms of economics, it is called commodity.

There are two kinds of goods—economical and free goods. Goods that can be obtained with money are called economical goods and goods which are freely available are called free goods.

Types of goods

There are two types of goods which are dealt with in retail operations—consumer goods and industrial goods (Fig. 2.1)

Consumer goods

Consumer goods are those which are ready for consumption by consumers, such as clothing or food (Fig. 2.2[a], 2.2[b], 2.2[c], and 2.2[d]).

Further, the types of consumer goods have been classified below:

- (a) **Convenience goods:** Goods which are easily available to the consumer, without any extra effort are called convenience goods. These goods are consumed regularly and purchased frequently. For example, Fast Moving Consumer Goods (FMCG), such as food, confectionaries, milk, etc.

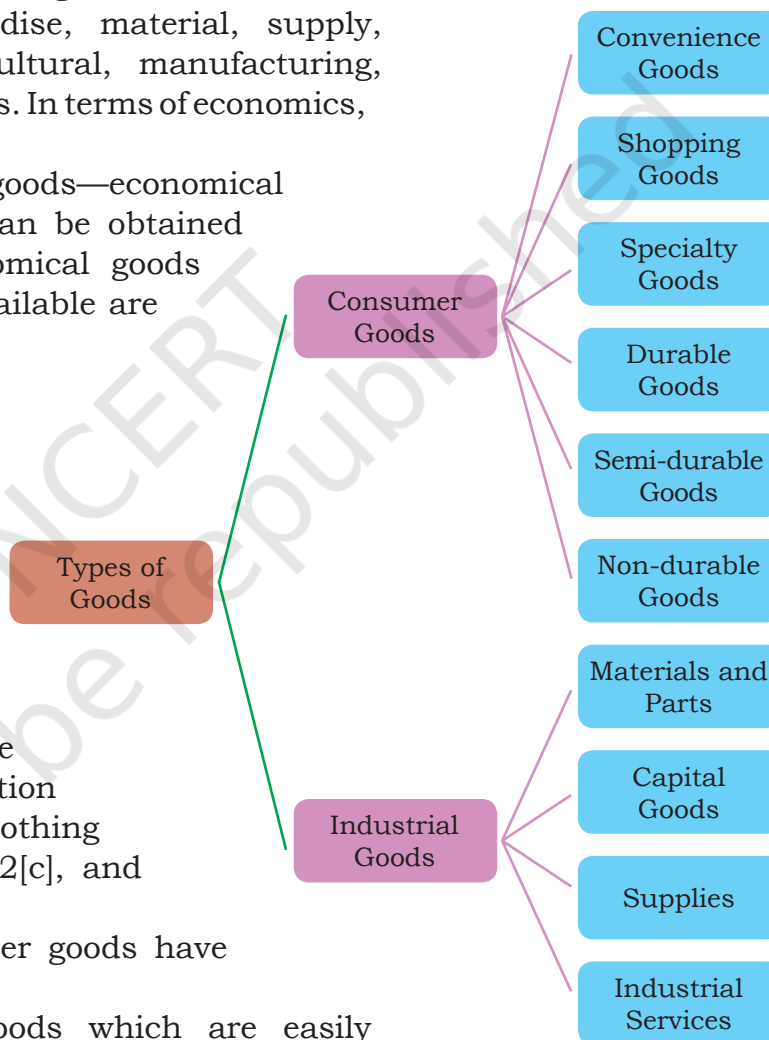


Fig. 2.1 Types of Goods





Fig. 2.2 (a) Consumer Goods



Fig. 2.2 (b) Consumer Goods



Fig. 2.2 (c) Consumer Goods



Fig. 2.2 (d) Consumer Goods

Convenience goods can be classified into Staple Goods and Impulse Goods.

- (i) **Staple goods:** Goods which fulfill the customer's basic needs are called staple goods. For example, bread, butter, milk, sugar, etc.
- (ii) **Impulse goods:** Goods which are bought without prior planning are called impulse goods. For example, chocolates, soft drinks, wafers, etc.

(b) Shopping goods: Shopping goods are not purchased or consumed as frequently by consumers as convenience goods. Shopping goods are expensive and semi-durable in nature. For example, clothes, footwear, televisions, radio, home furnishings, jewellery, etc.

(c) Specialty goods: Goods which are unique, unusual, and special are called specialty goods. For example, antique goods, high and luxury automobiles, wedding dresses, etc.

(d) Unsought goods: Goods that are available in the market but the customers do not know about them or do not think of buying them unless needed, are called Unsought goods, such as insurance.

Apart from the above mentioned, retail goods are also classified into durable, semi-durable and non-durable goods.

(a) Durable goods: Goods which need not be purchased frequently as they are made to last for a longer period of time are called durable goods (Fig. 2.3).

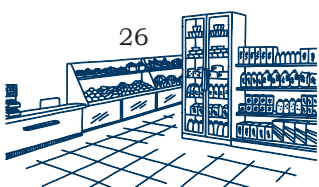




Fig. 2.3 Durable goods



Fig. 2.4 Semi-durable Products

(b) Semi-Durable Consumer Goods: Goods that do not last for a very long time are called semi-durable goods (Fig. 2.4). For example, clothes, furniture, footwear, jewellery, home furnishings, etc.

(c) Non-Durable Consumer Goods: Goods which are for immediate consumption and are perishable in nature are called non-durable goods (Fig. 2.5[a] and 2.5[b]). For example, vegetables, fruits, milk, bread, etc.



(a)



(b)

Fig. 2.5 (a) and (b) Non-durable Products

Industrial goods

A retail organisation buys goods for further production or use in business, these are called industrial goods. Industrial goods are not for ultimate consumption but are components used by industries or firms for producing finished goods (Fig. 2.6[a], 2.6[b] and 2.6[c]).

These can be divided into three parts—Materials and Parts, Capital Items, Supplies and Industrial Services.

(a) Materials and parts: It is the basic unit of industrial production. It is used for producing finished goods.

(b) Capital goods: Capital goods make the functioning of an organisation smooth. For example, office accessories.



Fig. 2.6 (a) Industrial Products



Fig. 2.6 (b) Industrial Products

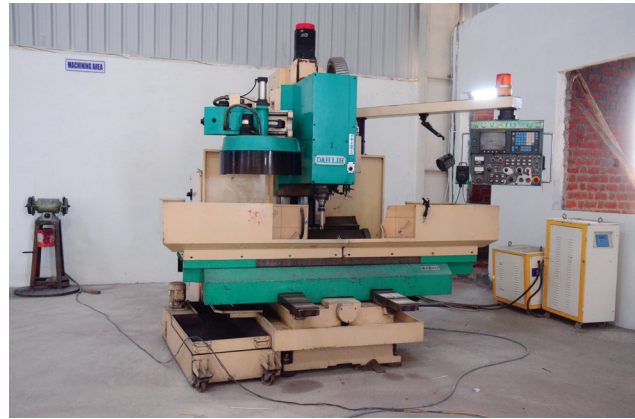


Fig. 2.6 (c) Industrial Products

- (c) **Supplies:** Supplies meet the day-to-day operation but do not become a part of the finished product.
- (d) **Industrial services:** Industrial services are used in running a business smoothly. Industrial services can be available internally and externally, such as maintenance services, repair services, machinery repair and business advisory services.

Practical Exercises

Activity 1

Chart out consumer goods from allotted goods.

Materials required

Allotted goods, boxes for allotment of goods.

Procedure

1. Divide students into different groups.
 2. Provide allotted goods and relevant boxes for separation to each group.
 3. Ask each group to separate the consumer goods from the allotted goods.
 4. Put the separated goods into relevant boxes.
 5. Ask each group to separate the convenience, shopping, speciality, durable, semi-durable and non-durable goods.
 6. Put the separated convenience, shopping, speciality, durable, semi-durable and non-durable goods in relevant boxes again.
- From this practical exercise students should understand the different types of goods.



Check your Progress

A. Fill in the Blanks

- _____ are bundle of utilities, which are inherently useful and relatively scarce tangible item.
- Goods that are scarce are called _____ goods.
- There are two types of goods, Consumer and _____.
- Convenience goods can be classified into Staple Goods and _____ Goods.
- Retail organisation buys goods for further _____ or use in business.
- Goods which are unique and special are called as _____ consumer goods.

B. Multiple Choice Questions

- Goods means tangible item, such as
 - article
 - commodity
 - material
 - All (a), (b) and (c)
- Consumer goods refer to those which are meant for ultimate consumption of
 - wholesaler
 - consumer
 - manufacturer
 - None of the above
- Industrial goods includes
 - material and parts
 - capital items
 - supplies
 - All (a), (b) and (c)
- Industrial services include
 - maintenance services
 - repair services
 - machinery repair and business advisory services
 - All (a), (b) and (c)

C. State whether the following are True or False

- Goods mean intangible items.
- Consumer and industrial are type of goods.
- Convenience goods means fast moving consumer products.
- Goods which do not have long life and usage are called durable goods.

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5. Clothes are not semi-durable consumer goods.
6. Capital items consist of office accessories.

D. Match the Columns

	Column A		Column B
1.	Goods	A	Intangible
2.	Supply	B	Ultimate consumption
3.	Consumer Goods	C	Converted into finished goods
4.	Industrial Goods	D	Demand
5.	Service	E	Tangible Item

E. Short Answer Questions

1. Goods are relatively scarce tangible item. Why?
2. What are the types of consumer goods?
3. What do you understand by staple convenience consumer goods?
4. What are semi-durable goods?
5. What are shopping goods?

F. Long Answer Questions

1. Industrial services help in running the business smoothly. Explain?
2. Which are the important components of industrial? Explain.
3. Explain Specialty Consumer goods?
4. Define goods and also explain the different types of goods?
5. How are impulse goods different from unsought goods?

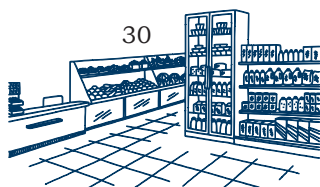
G. Check Your Performance

1. Sort out consumer durable goods, non durable goods and convenience goods from among the goods allotted by the teacher.

SESSION 2: PROCEDURE FOR RECEIVING AND DISPATCHING STOCK TO STORES

Every retail store should have a receiving area to receive the goods. When the goods arrive at the back office of a retail store, they may be packed in containers, cartons, crates or others, while some goods may be on hangers and pallets. Receiving goods should be done

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very carefully and quickly (Fig. 2.7). A retail store operation assistant must have numeracy skills to handle the goods carefully. He/she must know the consequences of inaccurate and incorrect records of receiving and dispatching goods.

The main function of retailing is to receive goods from the supplier. A retail store operation assistant along with other employees should follow the standard procedure of receiving as followed by the retail store.

The receiving process for goods may vary from store to store and also vary with the nature of the product. Discussed below are some of the broad functions of the receiving section of a retail store:

- Receive incoming materials
- Physically check received material
- Arrange for speedy and proper inspection
- Raise goods inward note
- Notify the user departments about availability or non-availability of materials required by them
- Inform the purchase section regarding excess supply, shortage or defective supply
- Deliver material to appropriate places for storage
- Prepare record keeping

Procedure required for receiving goods

The procedure required for receiving goods includes:

- identifying goods for the retail store.
- checking goods ordered for the retail store.
- confirming the dispatch of goods.
- receiving goods with order and invoice.
- checking the quantity of goods, description about the goods and quality of container.
- thorough checking of goods before the invoice is signed.
- following the standard provision for the process of receiving goods.



Fig. 2.7 Receiving Goods at Back Office



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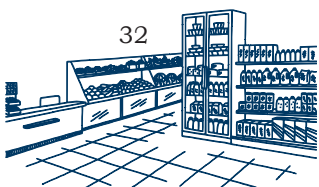
- ticking the goods received correctly against the invoice and their immediate placement on the selling floor.
- allocating pre-sold goods for earliest possible delivery.
- confirming the number of cartons to match the quantity mentioned in bill of lading/invoice.
- examining containers for signs of damage including broken seals, leaks or tears.
- verifying weight of goods received.
- marking the Delivery slip according to the goods.
- rejecting and informing the supplier about damaged or incorrect goods.
- making arrangements for repairing or replacing damaged goods.

Procedure required for dispatching goods

The stores operations assistant has to follow a procedure for dispatching goods to the store floor. The Store Assistant should:

- be careful with paperwork.
- ensure that correct goods are dispatched.
- dispatch goods correctly in terms of quantity, description and quality to the store floor.
- avoid dispatching damaged products to the store floor.
- ensure correct packaging while dispatching the products.
- build confidence among the dispatching staff and ensure that they correctly handle the equipment to reach the products.
- daily record the goods dispatched and inform higher authority.
- maintain the entire paperwork correctly with evidences.

It is the store executive's responsibility to ensure that the store operations assistant looks after the receiving and dispatching formalities. The process adopted in receiving goods differs from store to store.



Refusal procedure in relation to type of goods delivered

When the goods arrive for delivery, they should be perfect in all aspects like the seal should not be broken, and the container should not be torn or leaking (Fig. 2.8). If the delivery executive is in a hurry and cannot wait, then he/she should write 'unchecked' and sign. If the package looks damaged, the executive can deal in two ways.

1. Refuse to take the product.
2. Accept the product, make the delivery executive aware about the damaged goods and sign the delivery note, writing damaged on delivery paperwork.

In both the ways, the retailer should call the supplier and inform about the damages. The retailer should also make a report on delivery of damaged goods and one copy should be sent to the supplier and the second copy should be kept for personal record. The retailer can also inform the supplier via phone call immediately.

If the supplier is ready to change the products, then inform the delivery executive about it, because it is the responsibility of the supplier to solve all the problems related to delivery of goods and satisfaction of customers too.

Some of the simple steps to minimise the problem of store returns are as follows:

- (a) Always check the retailer's return policy:** It is important to check the retailer's policy while shopping online. In some cases the retailers do not accept returns or sometimes they don't refund but credit the amount in the customer's account.
- (b) Keep tags on receipts:** Attach receipt of purchase and do not remove any tags until sure that you're going to keep it.
- (c) Ready for return:** The retailer should be prepared for receiving return requests for goods and make the necessary arrangement for it. The customer should bring the receipt and an identity proof, for returning the merchandise.



Fig. 2.8 Loading Goods for Delivery



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(d) Hold the emotion: Do not interact with the sales people.

(e) Delay in returning goods: Many retailers have a fixed time period, after a purchase takes place, to accept the returns.

Thus, we can conclude that the store operations assistants or the shopkeeper have to adopt various procedures for receiving goods from and dispatching to the stores.

Reporting to supervisor about product shortages or oversupply

It is the duty of the store operation assistant to report to the supervisor about different types of products that are short in supply and those which have an oversupply. The information given by the store operation assistant makes the supervisor alert and helps him/her take the necessary steps to provide goods that are short in supply or manage the goods with oversupply.

Practical Exercises

Activity 1

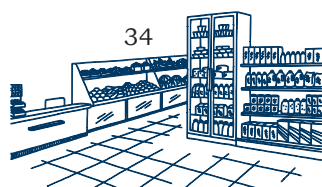
Visit a nearby retail store and observe the procedure followed for receiving goods by the purchase department of the store.

Material required

Pen/Pencil, Notebook, Checklist

Procedure

1. Plan a visit to a retail store.
2. Meet the retail store manager and executives present there.
3. Note down the steps followed in the goods receiving procedure at bay area of the store and also observe the following activities:
 - (a) Unloading goods from the vehicle.
 - (b) Handling of pallet jacks and fork lifts while taking out goods from the vehicle.
 - (c) Shifting the goods from bay area to back office.
 - (d) Verifying the invoice bill against products received.
 - (e) Enquiring the goods ordered and quality, and signing after thorough checking.
 - (f) If goods are correctly labelled.
 - (g) Confirming the number of cartons to match the quantity mentioned in the bill of lading/invoice.



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- (h) Examining signs of damage like leaks, tears or broken seals.
 - (i) Verifying the weight of the goods received.
 - (j) Checking the entries entered in the stock register.
 - (k) Storing the received goods in a suitable place.
4. Note down the fundamentals duties of a receiving assistant or storekeeper.
 5. Prepare a report on the receiving procedure and present in the classroom.

The above activity focusses on the correct ways of receiving and processing goods that arrive at the store.

In this activity, you will complete:

Three scenarios involving matching purchase orders and invoices against goods received. A store stock system chart to show new stock received.

Activity 2

Visit a nearby grocery shop and observe the goods receiving procedure

Material required

Notebook, Pen/Pencil, Checklist

Procedure

1. Firstly ask a grocery shop owner if they have stocking facility.
*****If they say 'Yes' then:**
 - (a) Ask them to show the area where they keep their received goods and observe the place.
 - (b) Note down the features that you have observed.
 - (c) What are the functions carried out in that store area?
 - (d) Ask different questions say, for example what is the importance of the store area?
 - (e) What kind of products do they store in the store area?
 - (f) Analyse each and every step of the store area?
 - (g) Make a note highlighting all the basics of the store area.
- ***If they say 'No' then:**
 - (a) If no, then ask how he manages without stock taking of goods?
 - (b) Observe the activities they are undertaking without a store for storing goods.
 - (c) Write down all the points observed.
 - (d) Analyse each and every step without stocking.
 - (e) Make a note of the procedure adopted in this situation.

Activity 3

Visit a nearby retail store and observe how goods are dispatched from the store floor where selling is going on. Prepare a report on the basis of your findings.



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Material required

Checklist, Notebook, Pen/Pencil

Procedure

1. Plan a visit to a retail store.
2. Meet the retail store manager and store operations assistant present there.
3. Note down the steps followed in the goods dispatching from the store floor and also observe the following activities:
 - (a) Wrong paperwork, if any.
 - (b) Management of damaged goods.
 - (c) Packaging of goods.
 - (d) Handling of equipment to reach the products.
 - (e) Recording of information about daily dispatch.
 - (f) Maintenance of paperwork.
4. Note down the fundamentals duties of the dispatching assistant or storekeeper.
5. Prepare a report on the dispatching procedure and present in your classroom.

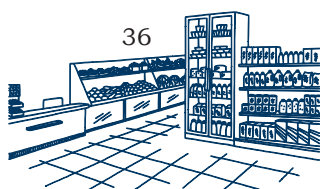
Check your Progress

A. Fill in the Blanks

1. Clothing items are _____ goods.
2. Furniture items are _____ goods.
3. Customer service is an example of _____ goods.

B. Multiple Choice Questions

1. The purpose of goods classification is _____.
 - a) to save time
 - b) lesser efforts
 - c) prevent conditions of goods from worsening
 - d) All (a), (b) and (c)
2. The examples of Durable goods are _____.
 - a) furniture
 - b) kitchenware
 - c) consumer electronic appliances
 - d) All (a), (b) and (c)
3. While receiving goods at the store _____.
 - a) only price of the product should be checked
 - b) freight should be done quickly
 - c) freight is not necessary
 - d) None of the above



4. Examine the containers for/while _____ .
 - a) damage including leaks, tears, broken seats
 - b) receiving at Sales floor
 - c) time of packing
 - d) None of the above
5. Damaged or incorrect goods are _____ .
 - a) not packed properly
 - b) packed properly
 - c) got for a lesser price
 - d) All (a), (b) and (c)

C. State whether the following are True or False

1. Goods are not correctly labelled before placing on the selling floor.
2. Goods should be dispatched correctly with actual quantity, correct description and mentioned quality to store floor.
3. Pre-sold goods are allocated for earliest possible delivery.
4. It is not necessary to verify the weight of the goods received.
5. It is important to confirm if the number of cartons match the quantity mentioned in the bill of lading invoice.

D. Short Answer Questions

1. How does a store operations assistant deal with damaged goods?
2. What do you understand by 'retailer's' return policy?
3. It is important to report to the supervisor about product shortages or oversupply? Why?
4. Explain the process of receiving goods.

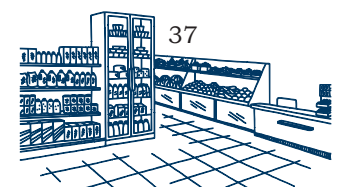
E. Check Your Performance

1. Demonstrate the goods receiving procedure adopted by the storage department of the store and also a grocery shop.
2. Demonstrate the goods dispatching procedure from the store floor where selling is going on.

SESSION 3: STORAGE OF GOODS IN RETAIL OPERATIONS

In any retail store, it is essential that the goods are stored in a location where they are safe and can be found easily. Storing products in the right conditions (e.g., temperature should be controlled) is also essential to safeguard the products and to minimise wastage.

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Meaning of storage

There is a gap between production and ultimate consumption of goods. Storage is the basic function of retailing that involves holding goods from production till their final sale.

Storage means proper arrangement of goods for retaining all its actual properties and qualities till the final consumption required by the consumer.

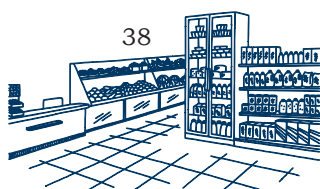
Need for storage

Storage plays an important role in a retail organisation. Some reasons for storage are:

- Today's time is competitive. Every customer wants to fulfill their needs by a variety of goods. Therefore, every retailer must focus on sufficient arrangement of goods.
- Many products or commodities are consumed on a regular basis, but many products or commodities produced on a seasonal basis. For such type of products or commodities the retailer should be careful and store the commodity for a whole year.
- Some products or commodities are produced on a regular basis but consumed seasonally. In such a condition the retailer can get the product easily and may not need to store the goods.
- Many products or commodities need extra care for storage like medicines and drugs.
- Storage of raw material should be done in such a place from where the products can be got easily. Raw material has to be stored to enable continuous production without stoppage.
- Storage of goods during the recession phase increases the carrying cost and minimises the returns.
- The storage of commodities varies with the demand of goods.

Techniques of storing goods

Once goods are received after proper verification and scrutiny, they must be stored till the final sale takes place.



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The various techniques to be adopted by the shopkeeper or the store operations assistant are as follows:

(a) Shelving and racking: Shelving and racking (Fig. 2.9) should be done as per the requirement of the retail store. Ensure that:

- Shelves and racks are in a level.
- The retailer follows the instructions given by manufacturers while installing shelves and racks.
- Shelves and racking are fixed to the wall.
- The retailer provides safety ladders when storing goods in the storage department to avoid accidents.



Fig. 2.9 Shelves and Racks

- There is sufficient space for the movement of retail employees while keeping and taking off goods from the shelves and racks.
- Personal protective equipment is used.
- Goods are kept logically, for example, put the heaviest product at bottom most.
- Common goods or commodities are easily accessible.

(b) Pallets: If pallets (Fig. 2.10) are used with racking units, one should avoid:

- Use of pallets which can't bear the load of goods.
- Use of damaged or badly constructed pallets.
- Use inappropriate pallets for the material.
- Poor handling of material on pallets.



Fig. 2.10 Pallet

Employees should be aware of the basic protective equipment while using forklifts, warning alarms, notices and signs and what they mean.



Fig. 2.11 (a) Storage of Dangerous or Hazardous Goods



Fig. 2.11 (b) Storage of Dangerous or Hazardous Goods



Fig. 2.12 Food Safety Storage

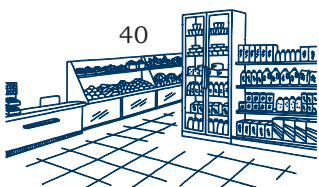
(c) Storage of dangerous or hazardous goods: Storage of hazardous goods needs special care and attention (Fig.2.11[a] and 2.11[b]). A retailer should:

- Follow the instructions on the safety data sheet as given by the manufacturer while storing dangerous or hazardous goods.
- Only keep a limited quantity of hazardous substances.
- Keep incompatible substances separately.
- Prevent the leakage of dangerous substances from the container.
- Train them staff for using the spill kit and also keep the spill kit near the storage area.
- Do regular checking for any leaks or spills from the container.
- Ensure that the staff wears personal protective equipments while handling hazardous substances.

(d) Storing food safely in a retail store: Food and catering retail businesses ensure that food is safely stored in the retail store. The following steps must be initiated by the store operations assistant for safe storage of food items (Fig. 2.12):

- Control temperature in all storage areas.
- Store dried food at different place.
- Check the expiry dates.
- Make sure the storage area is clean.
- Do not overload the refrigerator.
- Follow the storage instructions on food packaging.

(e) Storing goods and materials safely: Goods and material should be stored safely. A store operations assistant should ensure that:



- All exit routes are marked.
- Exit routes are kept clear to reduce fire risks. There should be a fire near extinguisher the exit route.
- No flammable items are stored near source of ignition, like heater.
- Dangerous substances, such as chemicals, are stored appropriately.
- All spills are cleared to avoid slips.
- The retail store has the adequate equipment to clean up the spills.
- Personal protective equipment is provided to their staff members for storing or moving materials.
- Training is provided to their staff for using PPE.
- Minimum materials are used during processing and/or kept in production areas.
- Proper security is arranged for high-value goods.
- Appropriate signage is used.

Innovative storage methods

Some storage systems may well fit the description that innovation is just as often a matter of using existing components in a different or better way. Generally, in a retail store the racking method is used to store goods in the storage area.

Practical Exercises

Activity 1

Visit a nearby store and identify the different storage techniques for consumer goods.

Material required

Checklist, Notebook, Pen/Pencil, List of Products to be Stored.

Procedure

1. Plan a visit to the retail store.
2. Meet the retail store manager and executives present there.
3. Note down the different storage techniques for consumer goods and observe the following, whether:
 - (a) Shelving and racking are suitable for storing goods and have been installed and maintained properly.
 - (b) Store floors are in level aligned properly and clean.
 - (c) Manufacturer's installation instructions are being followed.



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- (d) Shelves or racking are fixed to the wall.
- (e) Units are spaced correctly for the staff.
- (f) Maximum load to be displayed on the rack is not exceeded.
- (g) Personal protective equipment is being used properly.
- (h) Materials to be used by employees are easily accessible.

The above activity focusses on the correct ways of storing the goods that arrive at the store.

In this activity, you will learnt that:

The store operations assistant should transfer the goods from back office of the retail store to store floor where selling is going on.

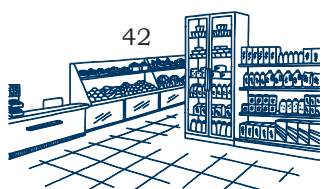
Check your Progress

A. Fill in the Blanks

1. _____ products under the correct conditions is essential to safeguard them and minimise wastage.
2. _____ plays an important role in the organisation.
3. _____ material has to be stored to enable continuous production without stoppage.
4. Storage is needed to adjust _____ and supply of goods in the market.

B. Multiple Choice Questions

1. The purpose of material handling/management is _____.
 - a) to save time
 - b) safety of goods
 - c) prevent conditions of goods from worsening
 - d) All (a), (b) and (c)
2. Material handling services are required to be performed during retailing processes, such as _____.
 - a) lifting, holding, dropping
 - b) loading, unloading
 - c) positioning
 - d) All (a), (b) and (c)
3. Storage is _____.
 - a) production
 - b) transport
 - c) retaining goods
 - d) None of the above
4. Storage creates _____.
 - a) time and place utility
 - b) production
 - c) physical distribution
 - d) None of the above



5. Some commodities have regular production and _____.
 - a) seasonal consumption
 - b) regular consumption
 - c) no consumption
 - d) None of the above
6. Storage of goods in a necessity during recession, which means _____.
 - a) when there is little demand
 - b) when there is more demand
 - c) when there is little supply
 - d) Others
7. Storage is needed to _____.
 - a) adjust demand
 - b) adjust supply
 - c) adjust demand and supply
 - d) None of the above

C. State whether the following are True or False

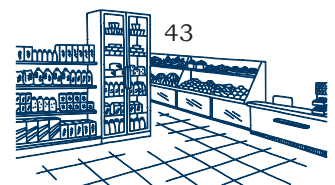
1. For the smooth running of any store it is essential that goods are stored safely.
2. Storage means time gap between production and consumption.
3. Storage creates both time and place utilities.
4. Shelving and racking must be suitable for storing goods.
5. Used material should not be taken back to storage areas.

D. Match the Columns

	Column A		Column B
1.	Storage	A	Techniques of storage
2.	Regular production	B	With special care
3.	Shelving and racking	C	Controlled temperature
4.	Foods safety	D	Seasonal consumption
5.	Store flammable substances	E	Safe and time & place utility

E. Short Answer Questions

1. How does storage play an important role in safeguarding products and minimising wastage?
2. What is the need for storage?
3. What do you mean by pallets?
4. Using personal protective equipment while handling goods is a must. Why?
5. What pointers should the retailer keep in mind while handling and storing hazardous or dangerous products?



NOTES

F. Check Your Performance

1. Demonstrate the different storage techniques for consumer non-durable goods, perishable goods, durable goods and food items.

SESSION 4: PROCESS OF GOODS HANDLING

The goods are handled more carefully especially when received through bulky packages. Goods handling is a process of moving, packing and storing of goods or commodities in any form. It helps in determining the productivity of a retail business.

Goods handling is highly labour intensive as compared to any other operation. Therefore, the cost of goods handling is also high.

Following are the advantages of effective handling of goods:

- Lowers the unit materials handling costs.
- Reduces the manufacturing time.
- Contributes towards a better control of goods flow.
- Improves safety in working and movement of materials.
- Provides for fewer rejects.
- Achieves decreased storage requirement.

Material handling activities

The primary objective of material handling in a retail store is to sort out goods according to customer requirements. Basically there are three handling activities—receiving, in-storage handling and shipping.

(a) Receiving: When material reaches the store, it is received by the retail store operations assistant. The basic duty of the store operations assistant is unloading the goods from the truck or transportation vehicle (Fig. 2.13). The unloading is usually done manually.

(b) In-store handling: There are various methods of materials handling. Manual handling is one of the processes of carrying and moving material.





Fig. 2.13 Receiving Goods

The materials handling must be done with the proper equipment by experienced and trained staff (Fig. 2.14).

There are a range of equipment to handle material, such as cranes, moving trucks, slings, pallet jacks, forklifts, etc.

Safety is a very important aspect of material handling. Equipment that is used must be big enough to safely handle the material being transported. To avoid the problems of handling, the capabilities of workers should be assessed and then the work task should be assigned accordingly.

(c) Shipping: Shipping consists of checking and loading orders onto transportation vehicles (Fig. 2.15). As in receiving, shipping is manually performed in most systems.



Fig. 2.14 In-store Material Handling

RECEIVING AND STORAGE OF GOODS





Fig. 2.15 Material Handling Trucks



Fig. 2.16 Storing the Goods

Moving, handling and storing of materials

When material is received at the retail store it needs to be moved to its respective place. This moving of material is called material moving in retail. There are two conditions when material moves: (i) when the material comes from the manufacturer or supplier and (ii) when the material needs to be kept in shelves for sale. There are two ways of moving the material—manually and with equipments.

Not only the retail industry but also other industries require moving, handling and storing of material. In the retail industry, every retailer should use the material handling equipment which reduce the risk and hazards of life. Improper moving, handling and storage of material causes injuries to and accidents of employees. The retailer should understand the potential hazards of carelessly moving, handling and storage of materials and also the need for proper training of handling

equipments for moving, handling and storing materials (Fig. 2.16).

Potential hazards for workers

There are various hazards associated with workplace and common retail activities that can cause injuries, such as falling of goods, improper use of equipments and material. Also there are some potential injuries that can occur while handling material manually, which are as follows:

- Fractures
- Cuts

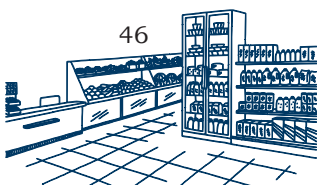
Practical Exercises

Activity 1

Visit a nearby store and identify the various in-store handling techniques for movement of goods in the store.

Material required

Checklist, Notebook, Pen/Pencil, List of Products to be Stored



Procedure

1. Plan a visit to the retail store.
2. Meet the retail store manager and executives present there.
3. Note down the different handling techniques for movement of goods in the storage and ask the following questions:

Questions for Employer

- (a) What are the processes followed in material handling?
- (b) What are the problems faced in handling goods?

Questions for Employees

- (a) Are you happy with the material handling at the workplace?
 Employee A: Yes/No Employee D: Yes/No
 Employee B: Yes/No Employee E: Yes/No
 Employee C: Yes/No Employee F: Yes/No
- (b) What are the factors that the employees think are important for material handling in store?
- (c) What actions should be taken by their employer to improve material handling in the store?
- (d) Prepare a report based on the collected information and submit it to the teacher.

Check your Progress

A. Fill in the Blanks

1. Goods handling is the process of moving, packing and _____ of substances in any form.
2. Goods handling is highly _____ intensive as compared to any other operation.
3. Material handling creates higher productivity at lower manufacturing _____.
4. Material handling activities include _____, in-store handling and shipping.
5. There are many _____ used to handle materials.
6. Shipping consists of checking and loading orders onto _____ vehicles.

B. Multiple Choice Questions

1. Purpose of material handling/management is _____.
 a) to save time
 b) safety of goods
 c) prevent conditions of goods from worsening
 d) All (a), (b) and (c)
2. People working in the area of retail need effective numeracy skills in order to deal with _____.
 a) codes b) dates
 c) temperatures d) All of the above



NOTES

3. Material handling services are required to be performed during the retailing processes, such as _____.
 - a) lifting, holding, dropping
 - b) loading, unloading
 - c) positioning
 - d) All of the above
4. Unloading is done _____.
 - a) manually
 - b) with equipment
 - c) manually as well as with equipment
 - d) None of the above
5. Material handling equipment include _____.
 - a) moving trucks
 - b) tractor
 - c) manual
 - d) pallets

C. State whether the following are True or False

1. Three handling activities are receiving, in-store handling and shipping.
2. Moving and handling of materials must be done with the proper equipment by experienced and trained staff.
3. The potential injuries can't occur when manually moving materials.
4. Workers must be aware only of manual handling safety concerns.

D. Match the Columns

	Column A		Column B
1.	Hazard for worker	A	Trailers and pallets
2.	Material handling	B	Lifting material
3.	In-store handling	C	Wearing protective equipment
4.	Moving material	D	Powered equipment
5.	Worker should be aware of	E	Back injuries

E. Short Answer Questions

1. What do you understand by 'moving material in retail'?
2. Sorting goods as per the customer's requirements is important. Why?

F. Check Your Performance

1. Demonstrate the various in-store handling techniques for movement of goods in store.

