

Deli Operators Training Program for U.S. Deli Meats & Cheeses — Answer Sheet

SECTION 5: DELI PROFITABILITY

FAX BACK TO:

**Deli Operators Training Program Certificate of
Completion — U.S. fax # 703-528-3705**

(Note: there are two back up fax numbers in the U.S. if needed 770-413-0007 or 303-623-0297)

FROM :

(Please print clearly:)

Company/Store Name: _____

Candidate Full Name: _____

Job Title: _____

* Store Address: _____

Country: _____

Telephone: _____

Fax: _____

e-mail: _____

Company website: _____

**(The store address provided will be where your certificate will be sent)*

If you are taking the
course to become a
Course Leader, please
check this box → ☐

How did you study for
this test?

☐ Individually

☐ As a group

Did you have a Course
Leader administer the
course and testing?

☐ Yes ☐ No

Fill in completely the circle that corresponds to the correct answer. Please use black or blue ink only.

Questions	Answers			
	A	B	C	D
1.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
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Questions	Answers			
	A	B	C	D
14.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
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23.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
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*Deli Operators Training Program for
U.S. Deli Meats & Cheeses — Question Sheet*

SECTION 5: DELI PROFITABILITY

Each question is worth 4 points.

A total score of at least 80 points is necessary to pass this test.

**1. The average supermarket operates on a net profit of about one percent.
At this rate, to generate a \$100 profit for your deli, you would need to
generate sales of:**

- A. \$1,000**
- B. \$2,500**
- C. \$5,000**
- D. \$10,000**

2. Supermarkets that are successful create:

- A. Large sales volume**
- B. High product turnover**
- C. Aggressive advertising and merchandising**
- D. All of the above**

3. The largest expense related to selling deli products is:

- A. Advertising**
- B. Employee benefits and wages**
- C. Cost of goods or merchandise**
- D. Product loss or shrink**



4. The two most common terms that express the amount of profits generated are:

- A. Product Loss and Shrink
- B. Profit and Loss
- C. Mark-Up and Margin
- D. Volume and Sales

5. Mark-up is the selling price minus costs, and the amount is expressed in dollars and cents.

- A. True
- B. False

6. Margin represents the mark-up divided by the selling price and is expressed in dollars and cents.

- A. True
- B. False

7. Profits are most affected by:

- A. Your product display
- B. Product turnover rate
- C. Product loss and shrink
- D. All of the above

8. You can typically generate more profit on a product that has:

- A. Low profit margins and high volume
- B. High profit margins and low volume
- C. None of the above
- D. Answers A and B

9. Gross profit is the total amount of profit you make on any item or group of items expressed as a:

- A.** Percentage of sales
- B.** Specific amount in dollars and cents
- C.** Answers A and B
- D.** None of the above

10. Gross margin is the total amount of profit you make on any item or group of items and is expressed as a:

- A.** Specific amount in dollars and cents
- B.** Percentage of sales
- C.** Answers A and B
- D.** None of the above

**11. The correct formula for figuring gross profit margins is
Dollar Sales – Cost = Gross Profit.**

- A.** True
- B.** False

12. Net operating profit is defined as:

- A.** The total amount of expenses charged to deli operations
- B.** The total amount of profit after all expenses are deducted
- C.** None of the above
- D.** Answers A and B



13. Some of the ways you can improve gross profit margins are to:

- A. Raise some prices to increase profits
- B. Lower some prices to increase volume
- C. Change the margin mix of products
- D. All of the above

14. Effective merchandising can improve gross profit by:

- A. Placing high margin impulse items in highly visible locations
- B. Tying in high-profit items in with low-profit items
- C. Promoting high profit items through in-store programs
- D. All of the above

15. Shrink represents:

- A. The loss or waste of any product you purchase that cannot be sold
- B. One of the leading causes of lost revenues
- C. A term for plastic wrap
- D. Answers A and B

16. Product shrink can best be controlled by following proper guidelines for:

- A. Sanitation
- B. Product handling
- C. Reporting shrink
- D. All of the above

17. Stocking a wide selection of different priced brands gives your deli greater appeal to a broad cross-section of customers, and can help improve your profit margins.

- A. True
- B. False

18. The most popular category of deli products is:

- A. Cold salads
- B. Sliced deli meats
- C. Hot prepared foods
- D. Sandwiches

19. Offering several different brands of the same type of product is called:

- A. Multiple-tiering
- B. Merchandising
- C. Stacking
- D. Over-stocking

20. Properly documenting shrink is important:

- A. To know the true cost of any product
- B. When doing monthly inventories
- C. For adjusting prices accordingly to maintain proper profit margins
- D. Answers A and C

21. Gross profit is the total amount of profit you make on any item you sell, expressed as a percentage of sales.

- A. True
- B. False

22. To determine which deli meats or cheeses make the most money for your department, select the ones with the highest mark-up or margin.

- A. True
- B. False



23. Most companies generate a periodic recap of sales, profit, and operating expenses. This report is usually called:

- A. Operating Report
- B. Damage and Shrink Report
- C. Profit & Loss Statement
- D. Answers A and C

24. The total amount of all expenses charged to the deli is the:

- A. Contribution to overhead
- B. Cost of goods sold
- C. Total operating expenses
- D. Net operating profit

25. When prices are raised, sales tend to:

- A. Go up dramatically
- B. Go down
- C. Be better on weekends
- D. Show no change at all

