

# 9

## Market Around Us

### Lesson Plan

#### Contents

- ▶ An overview of the market system, its growth, purpose and evolution
- ▶ Understanding the different types of markets and their functions

#### Objectives

- ▶ To understand the purpose and types of markets
- ▶ To learn about the growth of trade and markets
- ▶ To know about the human needs that are met by different kinds of markets
- ▶ To appreciate the merits of markets fulfilling our needs

#### Teacher's Aids

- ▶ Globe
- ▶ Pictures, charts, atlas and newspapers and magazines
- ▶ Blackboard
- ▶ Internet

#### Tips for Teacher

- ▶ Explain the need and evolution of human need for markets.
- ▶ Talk about things within the experience of the students first—the shop at the corner, the market, the weekday-market stalls, the malls, the automobile showrooms, the cycle repair shop, the hawkers and vendors, the dhobi outside the colony, the tailor and cobbler on the roadside, etc.
- ▶ Students should be encouraged to become aware of the people around them selling things and what the purpose of all this is—also explain what they should avoid.

#### Background and Reading

- ▶ Read the lesson aloud and explain, sharing the aids, etc., pausing to examine and explain the data in the boxes.
- ▶ Particularly focus on the purpose of each kind of market/shop/vendor and what the students should look for to make sure they buy what is appropriate and they actually need.

## How the Market System Evolved

- ▶ We go to a market to buy all that we need—we cannot produce everything for our needs—procure them from traders and merchants.
- ▶ Trade—exchange or buying of goods and services with the aim of earning a profit and increase sales volume.
- ▶ Began with barter system—then money came in as exchange value for goods and services.
- ▶ Markets classified on basis of different approaches—internal trade [within the boundary of a country] and external trade [between one country and another].

## Types of Market

- ▶ Market—a place where goods are sold and purchased—buyers and sellers had transactions.

## Markets on the Basis of Geographical Area

- ▶ Exchange within a family—family market [papad, pickles, etc.].
- ▶ Involvement of local people—local market [perishable goods like fruits and vegetables].
- ▶ Certain goods exchanged within the country—national market [arising from industrialisation].
- ▶ International market where buyers and sellers meet at international level—world market.

## Markets on the Basis of Volume

- ▶ Wholesale market—links the producer to the retailer—helps manufacturers reach a large number of buyers through retailers—wholesalers deal in a few items but volume of products will be more.
- ▶ Retail market—last link in the distribution chain—sells product directly to the consumers—also a link between the wholesaler and the consumer.

## Online Marketing

- ▶ Rise in online shopping—many online stores offering a variety of products—Amazon, Flipkart, HomeShop 18, e-Bay, etc.—easy purchase led to increase in the shopping.

## Types of Retailers

- ▶ Different retailers based on size, type of business and nature of commodities—basically two types:

### Itinerant Retailers

- ▶ Peddlers and hawkers—move from place to place—sell perishable and small goods.
- ▶ Market traders—open shops at different places on fixed days called market days—like a weekly market.

- ▶ Cheap jacks–independent shops in a busy business locality–can be shifted if it is more profitable elsewhere.
- ▶ Street traders–carry on business on busy streets, footpaths, railway stations, bus stands–light goods.

### **Fixed Shop Retailers**

- ▶ Shops found at permanent places–deal with and sell a variety of products–other services like repairs, free delivery and credit facilities.
- ▶ Street stall holders–more or less permanent–get supplies from wholesalers as well as other suppliers.
- ▶ Second-hand goods dealers–purchase and sell second-hand goods like books, furniture, clothes etc.
- ▶ Speciality goods–one line of goods like leather products, drugs, ready-made garments, etc.
- ▶ General shops–day-to-day items–size based on the population it serves.
- ▶ Departmental store–considered French in origin–Bon Marche during Second French Empire [1852-1871]–a large-scale retailing business unit–wide variety of shopping and speciality goods–many departments, each one kind of merchandise–centrally controlled under one roof–wide range of products.

### **Functions of Retailers**

- ▶ Help distribution of products to consumers
- ▶ Help sale of products by promoting and selling through advertisements and displays
- ▶ Pursue the consumer through direct contact
- ▶ Guide the customer

### **Chain or Multiple Stores**

- ▶ Four or more stores which carry the same kind of merchandise and are centrally owned and managed–Bata, Usha, etc.

### **Merits of Marketing**

- ▶ Markets consumer oriented–identify consumers and their preferences for products
- ▶ Improves standard of living of people by offering variety.
- ▶ Generates employment in production and distribution.
- ▶ Helps export-promotion.
- ▶ Helps exploit resources fully.
- ▶ Generates revenue and brings in profits.
- ▶ Helps negotiate terms of sale, mode of delivery and after-sales service.

### Differences Between a Wholesaler and a Retailer

- ▶ Use a chart to show differences in Meaning, Link, Price, Competition, Volume of Transaction, Capital requirement and Area of Operation – apart from need to sell or advertise.

## Assessment Corner

### Oral Assignment

- A. Ask for answers at random from the students. Confirm the right answers. Let them write down the correct answers if they like in their books.

### Written Assignment

- B–E. The teacher has two options – (i) Either do these exercises orally first and then ask the students to write them down. OR (ii) Ask the students to write the answers on their own. Then the teacher can announce the correct answers to the students and they can ask their partners to cross-check them.

In either case, the answers can be written as homework and the teacher can check them in the class.

### Think Tank

- F. **HOTS questions:** Discuss the two questions in class and let students write the answers to F and G as homework. Teacher should assess individual work.