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INTERNAL TRADE

Question 6: Distinguish between single line stores and specialty stores. Can you identify such stores in your locality?

ANSWER:

Single-line stores are small shops that deal in only one product—for example, garments or shoes. However, single-line stores offer a wide variety of the product. For instance, a single-line store that deals in garments will have a wide variety of clothes in all sizes for men, women and children.

On the other hand, speciality stores deal only in a particular type of product from a selected product line—for example, men's clothing. Such stores generally sell all the brands of the product in which they specialise. For instance, if a store specializes in men's clothing, then it will have all the brands of men's garments.

On the basis of these features, we can identify the different types of stores in a locality—whether they are single-line stores or speciality stores.

Question 7:

How would you differentiate between street traders and street shops?

ANSWER:

| Basis of difference | Street traders | Street shops |
|----------------------|--|---|
| Definition | Small retailers who generally sell low-priced consumer items on streets. | Shops situated on street sides or main roads. |
| Shops/establishments | Do not have permanent shops. | Have permanent establishments. |
| Products | Stationery items, eatables, newspapers, etc. | Clothes, shoes, grocery items, bakery items, etc. |

Question 8:

Explain the services offered by the wholesalers to the manufacturers.

ANSWER:

Wholesalers offer a wide variety of services to manufacturers. The following are examples of such services:

(a) They facilitate large-scale production: Wholesalers purchase goods in bulk from manufacturers and sell them to retailers in small quantities for further resale. This bulk purchase made by wholesalers enables manufacturers to undertake production on a large scale without worrying about storage facilities. Thus, wholesalers facilitate large-scale production.

(b) They provide storage facilities: When wholesalers purchase goods in bulk quantities from manufacturers, they store these goods in their godowns or warehouses, reducing manufacturers' burden of finding proper storage .

(c) They collect market information: Wholesalers provide different kinds of information to manufacturers, such as information about the tastes and preferences of customers, prevailing market conditions, level of competition in the market and type of goods demanded by consumers. This in turn helps manufacturers to produce goods according to the market needs.
