

goods. Retailers come to warehouses, select goods, pay for them and provide their own transport.

- c) *Co-operative Wholesale Society (CWS)* supplies its own retail outlets, often obtaining goods from its own factories, farms and plantations.

Exercise 1

1. Describe the functions of retail trade.
2. What are 'overheads'?
3. List the advantages and disadvantages of being a sole trader.
4. List the advantages a multiple store enjoys over smaller retailers.
5. Give three examples of the economies of scale gained by operating as a multiple shop.
6. List three methods of mail order selling.
7. What are the advantages and disadvantages of buying by mail order from the point of view of the customer?
8. Make a list of ten items you can think of that are sold through vending machines.
9. What are 'branded' goods?
10. What are franchise shops?

Exercise 2

Complete the sentences with the words in the box below.

profit, precinct, outlet, entrepreneur, consumers, department, impulse, overheads, loss leaders, interest, mail order, outskirts

1. The retailer is an important link between producers and
2. Retailers provide producers with a/n for their products.
3. Market traders are able to keep prices low because they avoid many of the other retailers must meet.
4. A is a product being sold at below cost price to attract custom.
5. Self-service stores and supermarkets try to encourage buying by customers.
6. A store is sometimes called a 'shop of shops'.
7. Hypermarkets are frequently sited on the of towns.

8. selling a
of their own hom
9. A shopping
10. Some retailers o
without charging
11. A franchise agr
well-known com
12. A central or busy
expensive.

Exercise 3

1. In what way can
2. Why is trade cre
3. How does the wh
4. Give an example
on behalf of the
5. What are the ma
carry wholesaler

Exercise 4

Complete the sentences

supermarket, pre-pa
credit, after-sales, l

1. Wholesalers bri
2. A wholesale wa
large
3. One of the func
4. By goc
the retailer.
5. In offering
possibly sell go
6. Wholesalers wi
branding them.
7. Wholesalers are
retailers.

8. selling allows the consumer to purchase goods in the comfort of their own home.
9. A shopping is an area shut off from traffic.
10. Some retailers offer suitable customers credit facilities sometimes without charging
11. A franchise agreement allows anto use the name of a well-known company.
12. A central or busy may be good for trade, but it will also be expensive.

Exercise 3

1. In what way can the wholesaler be said to 'break bulk'?
2. Why is trade credit useful to the retailer?
3. How does the wholesaler reduce transport costs?
4. Give an example of a product that the wholesaler might grade or pack on behalf of the retailer.
5. What are the main ways in which general wholesalers and cash and carry wholesalers differ?

Exercise 4

Complete the sentences with the words in the box below.

supermarket, pre-packs, market, by-pass, producers, storing, finish, trade credit, after-sales, locally

1. Wholesalers bridge the gap between and retailers.
2. A wholesale warehouse is operated on organisational lines similar to a large
3. One of the functions of a wholesaler is to predict trends.
4. By goods the wholesaler saves space for both the producer and the retailer.
5. In offering the wholesaler gives the retailer the opportunity to possibly sell goods before they have paid for them.
6. Wholesalers will sometimes goods by grading, packing and branding them.
7. Wholesalers are situated and provide easy access to goods for retailers.



8. A wholesaler goods ready for the retailers' shelves.
9. Sometimes the producer will the wholesaler and sell direct to the retailer.
10. Where service is particularly important the producer may eliminate contact with the wholesaler.

Exercise 5 Word study

Complete the following table:

Activity	Person who offers	Person who receives
employment	employer	employee
overflowfranchising		
licensing		
leasing		
	vendor	

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W HAT IS FO

Foreign trade i
different countr

- *Imports* a funds.
- *Exports* a
- *Visible t* machinery
- *Invisible t* transport,

IMPORTANCE OF

Differences bet
involve that the
produce themse
have natural dep
found in many o
of those goods
achieved more
extension of sp
following the p

Acquired dif
international tra
particular comm