

# NIOS lesson adaptation project

by  **Embrace** The power within you! Volunteers

(A community initiative of Harchan Foundation Trust)

## CHAPTER -14

### RETAIL TRADE

This project is aimed at supporting children with different needs. Information provided is adapted to the best of knowledge by the volunteers. For complete information please refer to the NIOS resources in <https://www.nios.ac.in/online-course-material/secondary-courses.aspx>.

# KWL Chart

What does the child know (before lesson)	What does the child want to know	What has the child learnt (after lesson)
	Small and large scale retailing	
	Types of small-scale retailing	
	Types of large-scale retailing	
	Non-store retailing	

## Keywords

<b>Retailer</b>	<b>: Small and big shopkeepers in a city</b>
<b>Shop</b>	<b>: Fixed place from where retailers sell goods and services</b>
<b>Consumer</b>	<b>: People who buy and use items</b>
<b>Bargaining</b>	<b>: Try to change the value of a product through discussions</b>
<b>Commercial areas</b>	<b>: Market or office places</b>
<b>Discount</b>	<b>: Reduced price offered for an object by the shopkeeper</b>
<b>Credit</b>	<b>: An option provided to the consumer to pay at a later date after purchase or using credit card</b>
<b>Brand</b>	<b>: A symbol or logo used to identify a company and its products</b>
<b>Malls</b>	<b>: Buildings with many shops, selling different products to the consumers</b>

Wholesaler or  
Manufacturer



RETAILER



Consumer

## RETAIL BUSINESS

Small-Scale

### Features

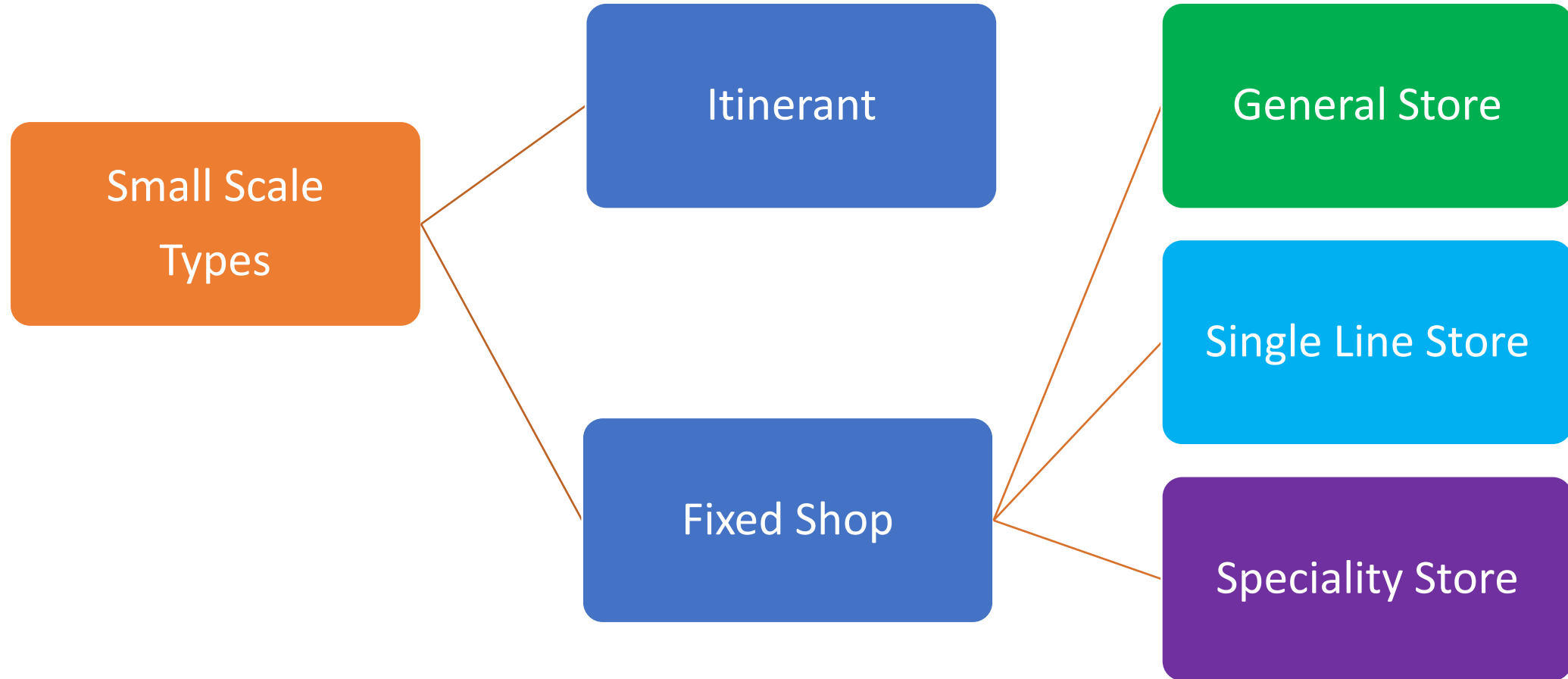
- Limited Variety of goods
- Limited quantity of goods
- Limited capital investment
- Limited number of customers are served

Large-Scale

### Features

- Large Variety of goods
- Large quantity of goods
- Large capital investment
- Large number of customers are served

# Small Scale Retail Trade



# ITINERANT RETAILING

## Features

- Retailers move around.

Weekly markets in towns and cities and door to door selling.

- No fixed price, so bargaining is done too
- Mostly, items sold are not branded products



# FIXED SHOP RETAILING

## Features

- Retailers have a fixed shop, located in markets/commercial places/near residential localities.
- Price is fixed, so there is no bargaining. Discounts may be given to regular customers in some shops.
- Branded products sold in some types of shops. Limited variety of goods are sold. They are stored and displayed in the shops.

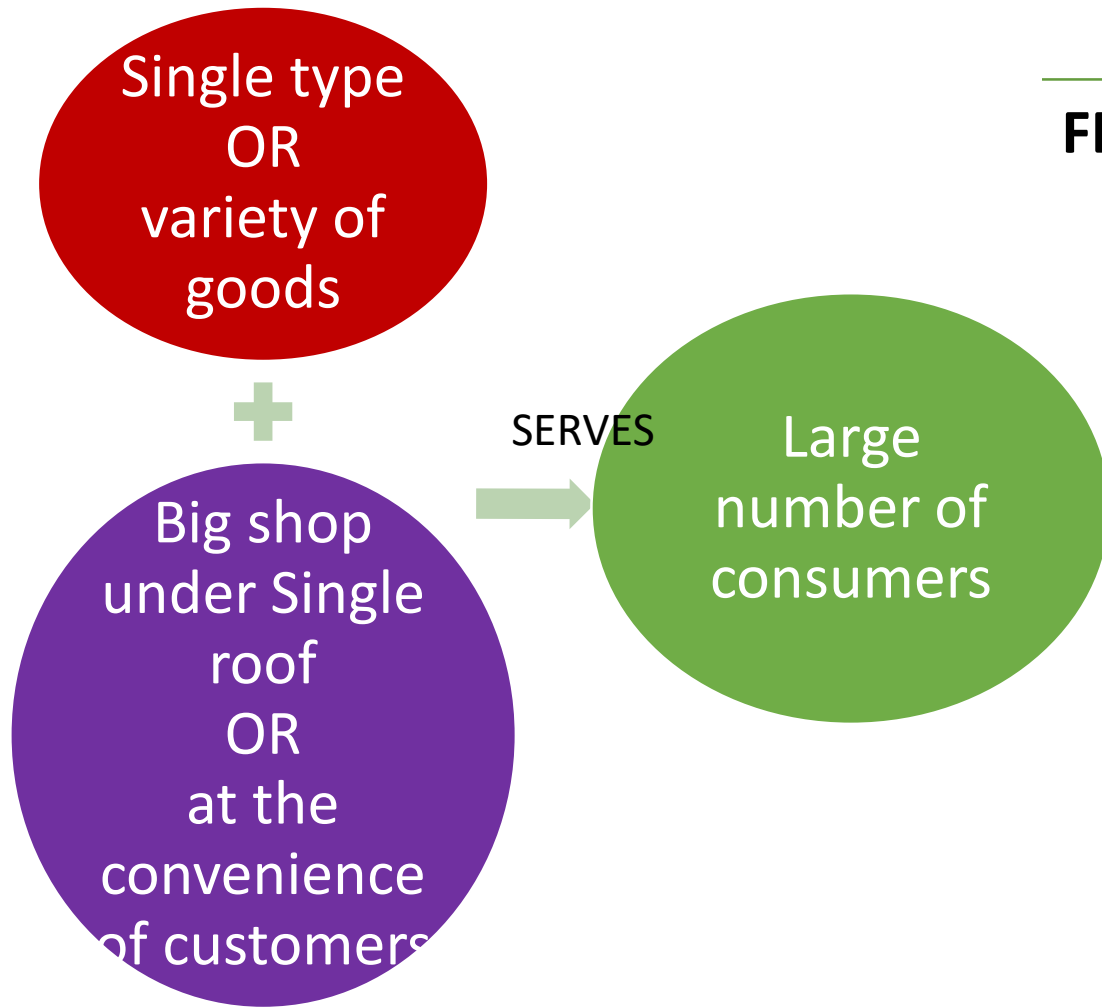


# Fixed Shop Retailing

General Store	Single Line Store	Speciality Store
<ul style="list-style-type: none"> <li>• Sell <u>variety of items</u> of general use or daily use.</li> <li>• Direct sale is done by cash.</li> <li>• Discounts and delivery given to regular customers</li> </ul>	<p>Sell <u>specific line of goods</u> of different size, brands, designs, style and quality</p>	<p>Sell products of <u>specific brand</u> or company</p>
<p>Eg of items sold:</p> <p>Toiletry, Hosiery, Biscuits, Snacks items</p>	<p>Eg:</p> <p>Medicine shops, Book shops, Toy shops, Ladies garments Shops</p>	<p>Eg:</p> <p>Woodland shoe shops Sells shoes to apparels Produced by Woodland Company</p>



# LARGE-SCALE RETAIL TRADE



## FEATURES

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Variety of daily needs goods are sold at customer's convenience

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Goods purchased directly from manufacturers

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Service provided to large number of customers

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Bigger shops compared to local retail stores

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Huge capital investment needed

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Goods sold on cash basis

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# LARGE-SCALE RETAIL TRADE



# DEPARTMENTAL STORE

## FEATURES

1. Located at main commercial centre in cities
2. Large size stores and many departments
3. Different type of goods sold In different departments
4. Centralized management and control of all departments
5. ATM, restaurant, restroom etc are the facilities made available
6. Goods sold against credit card
7. Free home delivery facility provided
8. All goods sold under one roof. Customers enjoy shopping



# DEPARTMENTAL STORE

ADVANTAGES	LIMITATIONS
<b><u>Shopping convenience:</u></b> variety of goods sold under one roof ATM, restaurant facilities saves time and effort	<b><u>Heavy investment:</u></b> Large space needed for storing variety of goods
<b><u>Wide choice of products:</u></b> from different manufacturers	<b><u>Distance from residential areas:</u></b> Built in city centres. For small purchase people go to small shops
<b><u>Economies of large-scale purchase and sale:</u></b> Goods bought directly from manufacturers Low cost of operations	<b><u>High cost business operations:</u></b> location, decoration, huge staff employment, facilities provision for customers increase the operations' cost
<b><u>Mutual advertisement:</u></b> Customers attracted by goods displayed in other departments causing them to buy more	<b><u>High Price:</u></b> Better quality goods + high operational cost leads to high price for customers
<b><u>Efficient management:</u></b> Efficient and competent staff	<b><u>Lack of personal attention:</u></b> Employees interact with customers and not the owner

# SUPER BAZAR

## FEATURES

1. Located centrally, with branches near residential areas. Some have mobile vans
2. Stores set up in the form of co-operative societies
3. Standard quality of goods
4. Run on self-service basis. Some stores have salesmen
5. Managed by elected members of the co-operative society
6. Goods sold only on cash basis
7. Goods purchased from manufacturers or government agencies and sold at a reasonable margin or profit
8. Capital for the bazar provided by the members of the co-operative society



# SUPER BAZAR

## ADVANTAGES

<b><u>Variety of goods:</u></b> Wide range of goods for daily needs	<b><u>Quality of goods:</u></b> Standard quality	<b><u>Low price:</u></b> No middle-men, economies of large-scale purchase	<b><u>Low operating costs:</u></b> No salesmen or shop assistants	<b><u>Member benefits:</u></b> Goods at discount price. Dividend according to share holding if profit made	<b><u>Freedom of selection:</u></b> Different brands of goods at one place, customers can take their time to select	<b><u>State control:</u></b> Most of them controlled by state and central govt. Price ensured, food shortage possibility avoided
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## LIMITATIONS

<b><u>Heavy investment:</u></b> Large capital needed to start and run	<b><u>Efficient management lacking:</u></b> Professional management not available due to insufficient funds	<b><u>No credit facility:</u></b> Goods sold only on cash basis
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# MULTIPLE SHOPS

## FEATURES

1. Operated near customer places, under same management and ownership
2. All shops decorated in same manner for customers to recognise easily
3. Deal in similar type of goods mostly of daily use
4. Uniform price across all shops, decided by head-office. So, no bargaining or cheating
5. All shops managed and controlled by head-office
6. Goods sold generally on cash basis
7. Goods purchased or produced at a central place, supplied by head-office to all branches





# MULTIPLE SHOPS

## ADVANTAGES

**Easy identification:**

Similar shop-front, display and decoration and often built alike

**No middlemen:**

Owned by big manufacturers

**Economies of large-scale:**

Large scale goods purchase or production. Common advertising

**Low price:**

Low operating cost and elimination of middlemen

**No bad debts:**

All sales on cash basis, so no loss due to bad debts

**Public confidence:**

Standard quality and uniform price of goods

**Convenient location:**

Mostly located in main markets and shopping centres

## LIMITATIONS

**Limited choice:**

Customers choice restricted to the brand of goods available

**No credit facility:**

Sales made only on cash basis

**No bargaining:**

Price fixed by head office

**Lack of initiative:**

Branch managers follow instructions from head office. So, no interest in satisfying customers.



# MALLS and OUTLETS

## MALLS:

- Latest mode of retail trade
- Shopping, entertainment and events are done here
- Gives an exquisite shopping experience



## OUTLETS (FACTORY OUTLETS):

- Manufacturers sell products directly to customers
- Assured quality and low price are some of the benefits
- Traditionally, they were attached to the factory or warehouse

# NON-STORE RETAILING

- ☐ Need not go to shop for shopping
- ☐ No fixed business hours
- ☐ Goods available for purchase throughout the day
- ☐ Goods delivered to home

**Tele-shopping**

**Internet  
Shopping**

**Mail Order  
Business**

**Automatic  
Vending  
Machine**

# MAIL ORDER BUSINESS

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## FEATURES

1. Entire process carried through postal system
  2. Buying and selling happens without any face-to-face interaction
  3. Seller advertises products in newspaper, magazines etc
  4. Order received by post
  5. Seller sends properly packed goods to buyer through post
  6. Seller receives payment through post office
  7. No middlemen involved
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# MAIL ORDER BUSINESS

Seller advertises products generally in newspaper

Interested customer takes the coupon in the advertisement, fills it and sends to seller

Seller packs the goods properly based on the order and sends to buyer by post

Buyer pays the postman once he receives the goods

Seller collects the money from post office

# MAIL ORDER BUSINESS

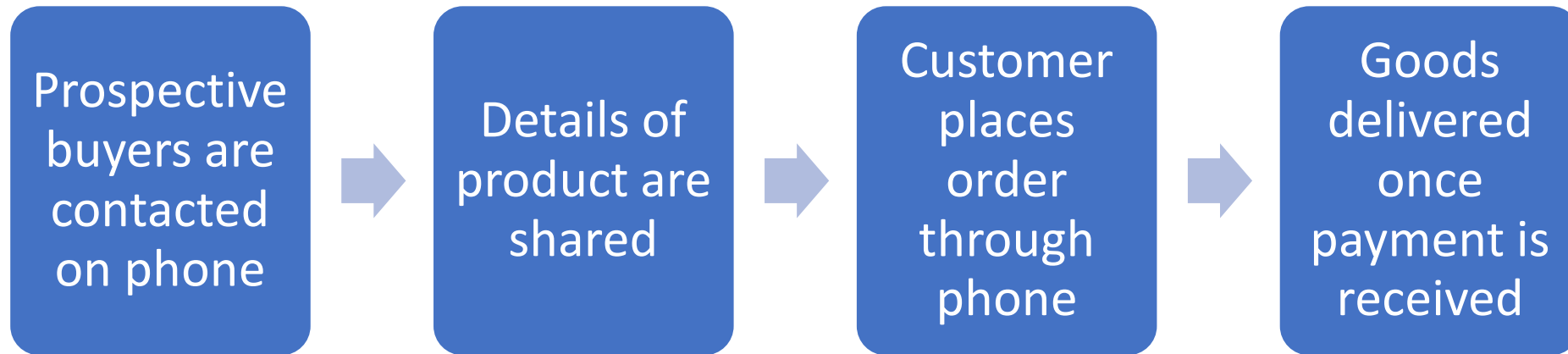
ADVANTAGES	LIMITATIONS
Goods easily purchased at home. Saves time and effort	Not suitable for illiterates
Small capital is enough since seller need not stock goods	Requires wide spread advertising
Confidence created in customers since they can return goods if quality is not satisfactory	Buyers cannot check goods before making payment
Risk of bad debts avoided since transactions only on cash basis	Credit facility unavailable to customers
Serves wide market with large number of customers	Buyer's place should be connected through postal services

# MAIL ORDER BUSINESS

## Goods usually sold in this system:

- ☐ Easy to handle
- ☐ Low delivery charge
- ☐ High market demand
- ☐ Durable and non-perishable
- ☐ Light weight and occupying less space

# TELE-SHOPPING



**Example:  
Asian Sky Shop  
Tele-brands**

# Tele-Shopping

ADVANTAGES	LIMITATIONS
Saves time and effort in placing orders	Seller could provide misleading information about products
Convenient shopping mode for busy people	Cannot inspect goods offered for sale. High chance of dishonesty and fraud.
Middlemen not needed in this system	Credit facility is not available
Buyers can enquire all details like terms and conditions of sale, mode of payment, packaging etc on the phone itself	No record of dealings since orders received on phone. Hard to resolve disputes over terms and conditions of sale



# Automatic Vending Machine

- ❑ Machines placed at convenient locations like railway stations, bus stands
- ❑ Inserting a coin or token gives you the required item
- ❑ Popular in foreign countries

# Automatic Vending Machine

## ADVANTAGES

Simple operation, even for illiterates	Specified quality, uniform weight, fixed price	No risk of fraud or manipulation by buyer	Saves time and effort of seller	No advertisement needed	Sales done in cash only. So, no risk of payment default
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## LIMITATIONS

Initial investment in machine is high	Machine requires regular maintenance and repairs	Frequent stock loading is needed since machine holds limited stock	Coins or tokens used in the machine should be collected periodically by customer
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# Internet Shopping

- ❑ System of retailing goods through internet
- ❑ Details of products available in the sellers' websites. Customer can compare different products in internet.
- ❑ Buyer places orders through internet. Payment is done through credit card
- ❑ Goods delivered home through courier or postal services
- ❑ Buyer can purchase goods from world wide market
- ❑ Example – Amazon, Flipkart

# Internet Shopping

ADVANTAGES	LIMITATIONS
Goods easily purchased from international market at home	Not suitable for customers who do not understand computers
Saves time and effort of customers	Credit card may not be available with all buyers
Quickest mode of retailing	Buyers cannot physically check goods
Seller need not keep large stock of goods in their stores	Pleasure of personal shopping is absent
Very useful in foreign trade	

# RECAP

1



2



3



4



MATCH THE PICTURES WITH THE  
NON-RETAIL SHOPPING SYSTEM

A. MAIL ORDER BUSINESS

B. TELE-SHOPPING

C. AUTOMATIC VENDING MACHINE

D. INTERNET SHOPPING

# List of Volunteers

## Embrace-NIOS lesson adaptation project

(A community initiative of Harchan Foundation Trust)

**Mentors ( Volunteers ) :** Banu Arjun, Hema Bhatia, Indumathi , Kalpana Sankar, Priya Balasubramanian, Renu Goyal, Sowmya Srikumar, Viraja.

### Special educator/Parent Volunteers:

Beverly Sujit ,Chantelle Saldana, Gayathri,Haritha Meda,Jaishree Muralidharan, Madhushree Bhat, Meenakshi, Nisha Narayanan, Pavithra, S. Arjun , Savita Sharma Bhardwaj, Sathyabhama Naryanan, Selvarani, Shakkeela Narikkoottungal, Shweta Taneja, Sucharitha Karthik, Suja Varghese, Sunitha R , Rohitesh Sharma , Tinu Anna Sam.

"volunteers don't necessarily have the time, they just have the **HEART**."

~ elizabeth andrew

Thank You  
Volunteers.

## PICTURE CREDITS

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