



UNIQUE STUDY POINT

Chapter 7 Markets Around Us

Question 1: In what ways is a hawker different from a shop owner?

Answer:

Hawker	Shop owner
A hawker works in a weekly market and does not have a permanent shop.	A has a permanent shop in established shopping complexes or malls.
Hawkers sell non-branded items such as fruits, vegetables, etc.	A shop owner sells branded as well as non-branded items.
Since the shops are not permanent, they do not pay electricity bills, wages to workers, etc.	They incur more expenses for bills and wages.
They sell products at cheaper rates.	They sell products at costlier rates.
They are more widespread and popular among masses.	They are less popular among masses.
Weekly markets have a large number of shops selling the same goods which means there is competition among the hawkers.	The competition among shop owners is relatively less.

Question 2: Compare and contrast a weekly market and a shopping complex on the following:

Market	Kind of goods sold	Prices of goods	Sellers	Buyers
Weekly market				
Shopping complex				

Answer:

Market	Kind of goods sold	Prices of goods	Sellers	Buyers
Weekly market	Vegetables, groceries, cheaper small people	cheaper	small traders	people living nearby, lower income
	Market cloth items, utensils, etc.			
Shopping complex	branded and non-branded goods	expensive	International brands, Big traders	rich people, upper middle class

Question 3: Explain how a chain of markets is formed. What purpose does it serve?

Answer: (i) A chain of markets begins from wholesale markets to retail shop owners who sell directly to the consumers. In between wholesale markets and retailers, there are medium and big traders. For example, a hawker or retailer purchases plastic items from a wholesale-trader in the town. The town wholesaler, in turn, buys from a bigger wholesale trader in the city. The city wholesale trader buys a large quantity of plastic items directly from the factory and stores them in godowns. Thus, a chain of market is formed.

(ii) A chain of market serves the purpose of enabling producers and consumers. Neither can a producer sell a small quantity of goods to an individual consumer nor can an individual consumer buy large quantity of goods from producers. So, wholesale traders, retailers, etc. are required to link the producers and consumers. Thereby, forming a chain of markets. A chain of markets also ensures that employment is provided to people who participate in the chain.

Question 4: 'All persons have equal rights to visit any shop in a marketplace.' Do you think this is true of shops with expensive products? Explain with examples.

Answer: Yes, all persons have equal rights to visit any shop of their choice in a marketplace. It does not matter whether the shop sells expensive items or is an ordinary shop selling cheap items. We are free to visit any shop and see different products and buy if the price suits our pockets. We can explain this point through an example.

Kavita and Sujata went to Anzal Mall. They entered a shop that was selling branded ready-made clothes. They looked at some of the dresses and then looked at the price tags. None of them was less than Rs. 2000, almost five times the weekly market price. The price did not suit their pockets. Hence they went to another shop. In a free economy, we can be buyers or sellers in the marketplace, however our decisions are usually based on the amount of money we can spend.

Question 5: 'Buying and selling can take place without going to a marketplace.' Explain this statement with the help of examples.

Answer: The age of the internet has opened the proverbial door to new opportunities. Now one does not need a physical marketplace to buy and sell goods. They can now be purchased online through cards and payment apps. One can just place the order and it will be delivered to their doorsteps. It applies to even local kirana stores, where with the help of a web or mobile app, one can place orders for groceries and it will be delivered to them.

For example, in clinics and nursing homes, you may have noticed sales representatives from medical companies waiting for the doctor to arrive. Such people are also engaged in the selling of goods. Thus buying and selling takes place in different ways and does not require the physical presence of a shop.

Extra Questions
Very Short Answer Questions

1. What is a product?

Answer: It refers to a service that has been rendered or a product being manufactured to be sold out in the market.

2. Who is a consumer?

Answer: It refers to the person for whom the goods or products have been made and who pays money to buy and use them.

3. What is advertising?

Answer: It is an activity of creating advertisements and making people see them. It is an activity used to promote ideas, goods and services to a consumer.

4. Define 'to influence'.

Answer: It refers to the power to change what someone believes in or does.

5. What is lifestyle?

Answer: This word refers to people's lives being identified by the products they own, the clothes they wear, the place they eat in, etc.

6. What is a branding?

Answer: The marking of the product to give in a special identity is called branding.

7. How do advertisements help us?

Answer: Advertisements draw our attention to various products and describe them positively so that we become interested in buying them.

Short Answer Questions

1. Distinguish between commercial and social advertisement.

Answer:

Commercial Advertising	Social Advertising
It is intended to promote the sale of a product by appealing directly to the public.	It is meant to create awareness on social issues.
It aims only at financial profit.	It aims at bringing positive change in the society.

2. What is a brand value?

Answer: A brand is an intangible asset of a business. Brand value is the financial significance the brand carries, the financial value of having customers who will pay more for a particular brand.

Long Answer Questions

1. How is building a brand and brand value useful?

Answer: (i) Branding basically means to stamp a product with a particular name or sign, done to differentiate one product from the other products.

(ii) For example, pulse company may brand its product as "Top Taste Daal" whereas another company for a similar daal may call it "Best Taste Daal".

(iii) The company will use values, like it is a concern for children's health or is a nutritious food.

(iv) These brand values are conveyed through the use of visuals and words to give us an overall image that appeals to the consumers.

2. How does an advertisement get made?

Answer: (i) To create an advertisement, the company would approach an advertising agency which would see the specific target audience.

(ii) The agency would do a market survey of the existing brands and demand of the product.

(iii) On the basis of that, they would make a particular strategy through visuals and advertisements to appeal to the people.

(iv) This is called marketing strategy of the brand.

(v) Once it is formalised, the advertisement is launched in the market.

3. How did the word 'branding' emerge?

Answer: (i) Branding actually came from cattle grazing.

(ii) Cattle of different owners grazed together in ranches and they often got mixed up.

(iii) The owners thought of a solution.

(iv) They started marking their cattle with the owner's sign by using a heated iron, this was called "branding".

Hots (Higher Order Thinking Skills)

1. How are brand values and social values used?

Answer: (i) Advertisements are an essential part of our social and cultural life. Brands create value.

(ii) A branded daal may cost much more than loose daal even though there is not much difference between the packed and loose daal.

(iii) Likewise, in the Care soap advertisement, once again a personal emotion is being used as the advertisement uses the mother's concern for her child.

(iv) This affects their lifestyle as quite often we buy products which we think may be good for ourselves, friends and family.

(v) Personal images are used to appeal the emotions of people so that people go for brand value and buy the product.

2. How does advertising affect democracy? How should we be careful?

Answer: (i) Advertising is an expensive process.

(ii) It makes people believe that products like papad, pickles and jams made at home are not branded and so not good.

(iii) We forget that the quality of product has little to do with the packaging that comes in.

(iv) It affects life of small producers. In a democracy, all people are equal.

(v) Advertising tends to promote a certain lack of respect for the poor.

(vi) As citizens of a democratic society, we should be aware of the strong influence which advertisements can have on our lives.

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