***Week two lesson***

***Subject: Commerce***

***Class: SS1***

***Topic: Home Trade***

***Subtopic: Large Scale Retail Trade.***

***LARGE SCALE RETAILING***: Large scale retailers achieve their growth by increasing the physical size of their units to cater for more customers. Large scale retailing could exist as:

(1). Chain or multiple stores.

(2). Departmental stores.

(3). Super markets.

(4). Mail order.

(5). Discount houses.

(6). Franchising.

(7). Hyper market.

(8). Variety stores.

(9). Retail cooperative society.

***CHAIN OR MULTIPLE STORES***: A chain store is a group of retail stores of essentially the same type centrally owned with some degree of centralised control of operation and selling the same range of products. It is a chain of similar shops with identical store design, layout and stock display, each selling limited cohesive range of products. It operates multiple outlets.

***DEPARTMENTAL STORES***: The departmental store is a collection of shops under one roof with ownership of each shop or department specialising in selling a special range of goods. Each department normally buys separately, exercise it's own stock control and sets its own product policy.

***SUPER MARKET***: A super market is a large retailing business unit selling mainly food and household items on the basis of high turnover, wide variety and assortment, self-service with much emphasis on merchandise appeal. In order to stimulate store traffic, the supermarket typically promotes it's low prices through aggressive advertising, mass product displays, readily accessible reserve stocks, adequate checkout counters and parking lot.

***HYPERMARKET***: Hypermarkets are large supermarkets usually with a minimum of 25 checkout points with at least 50000 square feet of selling space all on a single level. Hypermarkets offer a very wide range of products with self-service and free car parking lot. They are general merchandise warehouse retailers selling food items, drink, clothing and furniture.

***MAIL ORDER***: Mail order is a form of large Retailing in which buying selling is carried out by post. They contact prospective customers by mail, receive their order by mail and make their deliveries by mail. Payment is either cash with order, cash on delivery or by installment.

***DISCOUNT HOUSES***: A discount house is a retailing business unit that features a large variety of products which they sell on a low price basis and operate on a low mark-up with minimum customer services. This system of retailing is very popular in America. They give discount by reducing their overhead cost and by buying in bulk.

***FRANCHISING***: This is a type of retail operation in which a conditional right is given to the retailer to market the franchise (company's products or services) under the banner of the franchiser. The franchiser supplies the name, products, Goodwill and general know- how and the franchisee provides the capital and enters into a contract to use the franchiser's services in a manner agreed upon. It requires relatively low capital to start.

***VARIETY STORES***: A variety store is one which handles a wide assortment of goods not necessarily related to each other. Examples are toys, cosmetics, hardware. A group of variety stores may constitute a chain.

***RETAIL CO-OPERATIVE SOCIETY***: This is a form of co-operative in which many small independent retailers pool their resources together to enable them make bulk purchases and then sell the goods at lower prices to their members. The major purpose of co-operative society is to make profit. The profits made are shared in proportion to the amount of purchase made by each member.

***ASSIGNMENT***:

(1). Explain five features of the following large scale retail trade: (a). Supermarkets. (b). Retail co-operative society. (c). Departmental stores. (d). Chain stores.

(2). Explain five advantages and disadvantages of large scale retail trade.

Submit the assignment on Wednesday 27th May. Submit to my WhatsApp page: 08062433021.