***ALL SAINTS' SECONDARY SCHOOL, OYIGBO***

***SUBJECT: BUSINESS STUDIES***

***CLASS: JSS2***

***TOPIC: FUNCTIONS OF THE WHOLESALER AND RETAILER***

***LESSON SIX***

***THE WHOLESALER***

Wholesale business is the business of buying and selling goods in large quantities. The business involves individuals and organisations.

Who is a wholesaler? The wholesaler is the middle man in the chain of distribution he is found between the manufacturer and the retailer. Since some producers find it difficult to play the role of producers and distributors at the same time, an intermediary link between manufacturers and people becomes very important. The manufacturer makes goods available to consumers through the wholesaler and retailer who are in direct contact with the consumer.

***Functions Of The Wholesaler***

1, He helps the manufacturer to distribute his goods.

2, He stores goods in his warehouse thereby saving the manufacturer the problem of storage.

3, The wholesaler pays huge sum of money before being appointed as distributors. This money serves as an additional capital to the manufacturer.

4, Since he does the marketing, the manufacturer concentrates in production.

5, The wholesaler does the marketing and advertising. This helps them manufacturer to have more capital for production.

6, He sells goods in small quantities to the retailer.

7, He gives the retailer credit facility.

8, He helps the retailer to transport his goods.

9, He renders after sale services to the retailer. This means that sometimes the retailer may send his men to explain to the retailer how to use certain goods especially non-consumable goods like refrigerators.

***THE RETAILER***

***What is Retail Business?*** Retail business is the business of buying goods from the wholesaler and selling to the consumer. It is making goods available to those who need them. The final consumer buys goods from the retailer for consumption and not for sale. Any individual or organization who ensures that goods needed by consumers are available in sufficient quantity is a retailer.

The retailer is a middleman between he wholesaler and the consumer. He plays very important roles in the chain of distribution.

***Functions Of The Retailer***

***The retailer performs the following functions:***

1. He represents the wholesaler in the areas where his activities are not prominent.

2. He buys goods from the wholesaler.

3. He sells goods in bits to the final consumer.

4. He helps in quick movement of goods.

5. The retailer renders house to house service. This saves some customers from going to the market from time to time.

6. The retailer makes sure that goods get to the remotest area in the country where vehicles cannot reach.

7. The retailer passes information he gets from the consumers about the products to the wholesaler.

***ASSIGNMENT***

1. Who is a wholesaler?

2. What is the position of the wholesaler in the channel of distribution?

3. What is retail trade?

4. Mention four functions of the wholesaler and three functions of the retailer.

***Submit at the school’s security post***