

# MARKETS AROUND US

## 1 CHAPTER

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### ➤ INTRODUCTION

- (1) We go to the market to buy many things – vegetables, soap, toothpaste, masala, bread, rice, dal, clothes, notebooks, biscuits, etc. If we make a list of the goods that we purchase, it would be really long.
- (2) There are many kinds of markets that we may visit for our everyday needs: these can include shops, hawker's stalls in our neighbourhood, a weekly market, a large shopping complex, perhaps even a mall.

### ➤ TYPES OF MARKETS

#### (a) Weakly Market :

1. A weekly market is so called because it is held on a specific day of the week.
2. Weekly markets do not have permanent shops.
3. Traders set up shopsss for the day and then close them up in the evening. Then they may set up at a different place the next day.
4. There are thousands of such markets in India. People come here for their everyday requirements.
5. Many things in weekly markets are available at cheaper rates. This is because when shops are in permanent buildings, they incur a lot of expenditure – they have to pay rent, electricity, fees to the government. They also have to pay wages to their workers. In weekly markets, these shop owners store the things they sell at home. Most of them are helped by their family members and, hence, do not need to hire workers.
6. Weekly markets also have a large number of shops selling the same goods which means there is competition among them. If some trader were to charge a high price, people would move to another shop where the same thing may be available more cheaply or where the buyer can bargain and bring the price down.
7. One of the advantages of weekly markets is that most things you need are available at one place. Whether you want vegetables, groceries or cloth items, utensils – all of them can be found here. You do not have to go to different areas to buy different things. People also prefer going to a market where they have a choice and a variety of goods.

#### (b) Shops in the neighborhood :

We have seen that the weekly markets offer a variety of goods. However, we also buy things from other kinds of markets.

1. There are many shops that sell goods and services in our neighbourhoods.
2. We may buy milk from the dairy, groceries from departmental stores, stationery, eatables or medicines from othershosp.
3. Many of these are permanent shops, while others are roadside stalls such as that of the vegetable hawker, the fruit vendor, the mechanic, etc.
4. Shops in the neighbourhood are useful in many ways. They are near our home and we can go there on any day of the week.
5. Usually, the buyer and seller know each other and these shops also provide goods on credit. This means that you can pay for the purchases later.
6. There are different kinds of sellers even in the neighbourhood markets. Some of them have permanent shops and others sell their goods on the roadside.

**(c) Shopping complexes and malls :**

1. There are other markets in the urban area that have many shops, popularly called shopping complexes.
2. These days, in many urban areas, you also have large multi-storeyed air-conditioned buildings with shops on different floors, known as malls.
3. In these urban markets, you get both branded and non-branded goods.
4. Branded goods are expensive, often promoted by advertising and claims of better quality. The companies producing these products sell them through shops in large urban markets and, at times, through special showrooms.
5. As compared to nonbranded goods, fewer people can afford to buy branded ones.

**➤ CHAIN OF MARKETS**

1. Goods are produced in factories, on farms and in homes. However, we don't buy directly from the factory or from the farm. Nor would the producers be interested in selling us small quantities such as one kilo of vegetables or one plastic mug.
2. The people in between the producer and the final consumer are the traders.
3. The wholesale trader first buys goods in large quantities. For example, the vegetable wholesale trader will not buy a few kilos of vegetables, but will buy in large lots of 25 to 100 kilos. These will then be sold to other traders.
4. In these markets, buying and selling takes place between traders.
5. It is through these links of traders that goods reach faraway places.
6. The trader who finally sells this to the consumer, is the retailer. This could be a trader in a weekly market, a hawker in the neighbourhood or a shop in a shopping complex.
7. Every city has areas for wholesale markets. This is where goods first reach and are then supplied to other traders.
8. The roadside hawker whom you read about earlier would have purchased a large quantity of plastic items from a wholesale trader in the town. He, in turn, might have bought these from another, even bigger wholesale trader in the city. The it y wholesale trader would have bought a large quantity of plastic items from the factory and stored them in a godown.
9. In this way, a chain of markets is set up. When we purchase, we may not be aware of the chain of markets through which these goods travel before they reach us.

**➤ MARKET EVERYWHERE**

1. It is not always necessary that one has to go to the market to purchase goods. You can place orders for a variety of things through the phone and these days through the Internet, and the goods are delivered at your home.
2. In clinics and nursing homes, you may have noticed sales representatives waiting for doctors. Such persons are also engaged in the selling of goods. Thus, buying and selling takes place in different ways, not necessarily through shops in the market.
3. There are markets that we may not be so aware of. This is because a large number of goods are bought and sold that we don't use directly.
  - (a) For example, a farmer uses fertilisers to grow crops that he purchases from special shops in the city and they, in turn get them from factories.
  - (b) A car factory purchases engine, gears, petrol tanks, axles, wheels, etc. from various other factories.
  - (c) We don't usually see all the buying and selling, but only the final product – the car in the showroom. The story is similar for any other good.

### ➤ **MARKETS AND EQUALITY**

1. There are shop owners in a weekly market and those in a shopping complex. They are very different people. One is a small trader with little money to run the shop whereas the other is able to spend a lot of money to set up the shop. They also earn unequal amounts.
2. The weekly market trader earns little compared to the profit of a regular shop owner in a shopping complex.
3. Similarly, buyers are differently placed. There are many who are not able to afford the cheapest of goods while others are busy shopping in malls.
4. Thus, whether we can be buyers or sellers in these different markets depends, among other things, on the money that we have. We have also examined the chain of markets that is formed before goods can reach us.
5. It is through the chain of markets that what is produced in one place reaches people everywhere. When things are sold, it encourages production and new opportunities are created for people to earn.

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## **GLOSSARY**

1. **Weekly market :** These markets are not daily markets but are to be found at a particular place on one or maybe two days of the week. These markets most often sell everything that a household needs ranging from vegetables to clothes to utensils.
2. **Mall :** This is an enclosed shopping space. This is usually a large building with many floors that has shops, restaurants and, at times, even a cinema theatre. These shops most often sell branded products.
3. **Wholesale :** This refers to buying and selling in large quantities. Most products, including vegetables, fruits and flowers have special wholesale markets.
4. **Chain of markets :** A series of markets that are connected like links in a chain because products pass from one market to another.