

Unit 1 - Commerce and e-commerce

1 Give definitions of the following words or expressions:

- | | |
|------------------|---------------|
| 1 trade; | 5 import; |
| 2 commerce; | 6 export; |
| 3 home trade; | 7 wholesaler; |
| 4 foreign trade; | 8 retailer. |

2 Complete the text with the words given in the box.

- consumers • directly • large • manufacturers
• producer • retailers • smaller • wholesaler

There are four channels of distribution. The first channel is very simple: it involves(1) selling their products(2) to the consumer. This is done using the Internet or mail-order. The second channel is where a manufacturer uses a(3) who buys products in(4) quantities and sells them to the consumer. The third channel involves using(5), for example shops, supermarkets and department stores, who buy goods in(6) quantities from the wholesaler and then sell them to(7). The last channel is where the(8) sells to the consumer, via a retailer.

3 Give a brief description of the four factors of production.

4 Explain the difference between primary, secondary and tertiary industry.

5 Are the following workers part of primary, secondary or tertiary industry?

- | | |
|---------------------------|---------------------|
| 1 a coal miner | 5 a farm worker |
| 2 a car production worker | 6 an estate agent |
| 3 a shop assistant | 7 a furniture maker |
| 4 a teacher | 8 a banker |

6 Give a brief definition of a free market, a planned and a mixed economy and:

- describe the benefits of free market economies to owners of firms and to consumers;
- give examples of services which are often provided by government in a mixed economy;
- illustrate the disadvantages of planned economies for companies and consumers.

7 Choose the correct answer.

1 The Internet started in the:

- A 60s. B 70s.

2 It was first used primarily by:

- A the American Defence Department.
 B the British Defence Department.

3 The changes in the 1990s were:

- A the birth of the World Wide Web.
 B the use of HTML.

4 Nowadays the Internet:

- A is still in the hands of very few people.
 B is a powerful database of a vast number of sites.

8 Give a brief definition of the following words or expressions:

- | | |
|------------------|-------------|
| 1 browser; | 4 URL; |
| 2 HTML; | 5 web page. |
| 3 search engine; | |

9 Match each type of online business (1-5) with its definition (a-e).

- | | |
|----------------------------|------------------------------|
| 1 <input type="checkbox"/> | Clicks and mortar businesses |
| 2 <input type="checkbox"/> | Bricks and mortar businesses |
| 3 <input type="checkbox"/> | B2B |
| 4 <input type="checkbox"/> | B2C |
| 5 <input type="checkbox"/> | C2C |

- a Companies which sell products or services to other businesses over the Internet.
b Companies which sell from a traditional retail store plus a website.
c Transactions between consumers through an intermediary.
d Companies which sell only from a traditional retail shop.
e Companies which sell products or services directly to consumers over the Internet.