IMPORTANT DEFINITIONS
COMMERCE – XI STD

DEFINITION OF COMMERCE:-

J. Stephenson defines Commerce as “the sum total of those processes which are engaged in the removal of hindrances of person, place and time in the exchange of commodities”.

Evelyn Thomas defines commercial activities as, “activities dealing with the buying and selling of the goods and the distribution of finished products from the producers to the customers”.

CHANNEL OF DISTRIBUTION:-
According to Cundiff E.W and Still, a channel of distribution may be defined as “a path traced in the direct or indirect transfer of title to a product as it moves from the producer to ultimate consumers”.

WHOLESALERS:-
According to Evelyn Thomas: “a true wholesaler is himself neither a manufacturer nor a retailer but acts as a link between the two”.

According to Cundiff & Still: “wholesalers buy from the producer and sell merchandise to the retailers and other merchants and not to the consumers”.

RETAIL TRADERS:-
According to S.Evelyn Thomas “the retailer is the last of the many links in the economic chain whereby the consumer’s wants are satisfied smoothly and efficiently by retailers.”

According to Cundiff & Still “A retailer is a merchant or occasionally an agent whose main business is selling directly to the ultimate consumers.”
DEPARTMENTAL STORE:-
According to G.B.Giles “A departmental store is a collection of shops under one roof and ownership, each shop or department specialising in selling a special range of goods”.

MULTIPLE SHOPS (CHAIN STORES):-
According to Clark & Clark, “a chain store system consisting of a number of retail stores which sell similar products, are centrally owned and are operated under one management”.

E.Thomas defines a Multiple Shop, as “is one of a chain of similar shops owned and controlled by a single business firm”.

CONSUMERS’ CO-OPERATIVE STORES:-
According to J.Stephenson, “A Co-operative Distributive Society is a combination of persons whose aim is to economise by buying in common and to retain their profits by selling in common”.

TRANSPORT:-
According to K.K. Sexena “the transport system acts with reference to the area it serves in the same way as a candle does in a dark room”.

WAREHOUSE:-
According to Stephenson “A warehouse is an establishment for the storage or accumulation of goods”.

BANK:-
According to Herbert L. Hart “A banker is one who in the ordinary course of his business honours cheques drawn upon him by persons from and for whom he receives money on current accounts”.

According to Banking Regulation Act “Banking means the accepting for the purpose of lending or investment of deposits of
money from the public, repayable on demand or otherwise and withdrawable by cheque, draft, order or otherwise”.

**CHEQUE:-**
According to Negotiable Instruments Act 1881, “a cheque is a bill of exchange drawn on a specified banker payable on demand”.

**ENDORSEMENT:-**
Section 15 of the Negotiable Instruments Act of 1881 defines endorsement as: “When the maker or holder of a negotiable instrument signs the same, otherwise than as such maker, for the purpose of negotiation, on the back or face thereof or on a slip of paper annexed thereto, he is said to have endorsed the same and is called endorser”.

**LIFE INSURANCE:-**
Life insurance contract may be defined as the contract, whereby the insurer in consideration of a premium undertakes to pay a certain sum of money either on the death of the insured or on the expiry of a fixed period whichever is earlier. The definition of Life insurance contract is explained in Insurance Act, 1938 by including annuity business.

**ADVERTISING:-**
Hall defines advertising as “Salesmanship in writing, print or pictures or spreading information by means of the written and printed word and the pictures”.

Stanton says, “Advertising consists of all the activities in presenting to a group, a non-personal, oral or visual, openly sponsored message regarding a product, service or idea”.

**SALESMANSHIP:-**
According to W.G. Carter, “Salesmanship is an attempt to induce people to buy goods”.
According to Prof. Stephenson “Salesmanship refers to conscious efforts on the part of the seller to induce a prospective buyer to purchase something that he had not really decided to buy, even if he had thought of it favourably. It consists of persuading people to buy what you have for sale and in helping them to make up their minds.”

According to the National Association of Marketing Teachers of America, ‘It is the ability to persuade people to buy goods or services at a profit to the seller and benefit to the buyer.’

**CONSUMERISM:-**
According to Prof. Philip Kotlar “Consumerism is not limited to organised efforts only but, is a social movement seeking to augment the rights and powers of the buyers in relation to sellers”.

**Definition of ‘Consumer’ under the Act:-**
Under section 2(1) (d) “Consumer’ means any person who buys any goods or avails services for personal use, for a consideration.”

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