

Subject: Business Studies

Class: JSS1

Term: First Term

Week 7

Topic: Introduction to Commerce

Lesson Objectives:

By the end of this lesson, students should be able to:


1. Define commerce.
 2. State the importance of commerce.
 3. Identify activities that aid commerce.
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Introduction:

Commerce is a major aspect of Business Studies. It is concerned with how goods and services move from the producers to the final consumers. It includes buying, selling, and all the activities that support trade. Understanding commerce helps students know how the economy functions and how businesses operate within a system.

1. Definition of Commerce:

Commerce is the part of business that deals with the buying and selling of goods and services, and the various activities that make these transactions possible.

 **Simple Definition:** Commerce is the exchange of goods and services and all activities that help this exchange.

It is divided into:

- **Trade** (buying and selling), and
 - **Aids to Trade** (services that support buying and selling).
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2. Importance of Commerce:

Commerce plays a vital role in the economy and in our daily lives. Some of its importance includes:

1. **Promotes Trade:** It enables people to buy and sell goods and services.
 2. **Creates Employment:** It provides jobs in areas like banking, transportation, advertising, etc.
 3. **Encourages Production:** Producers are motivated to produce more because commerce helps them sell.
 4. **Improves Standard of Living:** It brings goods from different places, making life more comfortable.
 5. **Connects Nations:** Through commerce, countries exchange goods and maintain relationships.
 6. **Reduces Wastage:** Commerce ensures goods are moved quickly to where they are needed.
 7. **Encourages Specialization:** People can focus on producing what they are good at, while others handle distribution.
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3. Activities Which Aid Commerce (Aids to Trade):

These are services that make buying and selling easier and more effective. They include:

Aid to Trade	Explanation
Banking	Provides safe keeping of money, loans for businesses, and payment services.
Transportation	Moves goods and people from one place to another.
Communication	Helps businesses to send and receive information quickly (e.g., phone, email).
Insurance	Protects businesses against risks such as fire, theft, or accident.
Warehousing	Provides storage space for goods until they are needed.
Advertising	Makes people aware of products and encourages them to buy.
Tourism	Brings people to trade centers, promoting local businesses.

✓ All these services support trade and ensure the smooth flow of goods and services in an economy.

Conclusion:

Commerce is essential to the survival of any economy. It allows producers to reach consumers, ensures goods are available where and when needed, and creates numerous job opportunities through its supporting services.