**FORM 1 TERM 3 2023 BUSINESS STUDIES**

**MARKING SCHEME**

1. **Features of goods**

* They are tangible.
* They can be stored.
* They can be standardized.
* They can be separated from the producer.
* They can change in value over time.
* Not all goods are perishable. 4 × 1 = 4 mks

1. **Advantages of indirect production :**

* Leads to production of high quality goods.
* Leads to mass production.
* Allows for wider use of machines
* Encourages specialization
* Will create employment
* Will lead to inventions and innovations. 4 × 1 = 4 mks
* Land
* Capital
* Entrepreneurship
* Capital. 4 × 1 = 4 mks
* One cannot do without.
* They are felt needs
* They cannot be postponed
* They are satisfied before secondary wants
* They are universal. 4 × 1 = 4 mks
* Place
* Time
* Form
* Possession 4 × 1 = 4 mks
* Resources are limited
* Human wants are unlimited
* They require monetary value
* Human wants are insatiable
* Human wants are recurrent
* Human wants are competitive 4 × 1 = 4 mks
* A document that demands payment for goods before delivery.
* Sent by seller to buyer to notify him/her that the ordered goods have been dispatched.
* Sent by seller to the buyer to collect an overcharge in the invoice.
* Request from buyer to the seller to supply a specified quantity of goods under specified terms and conditions. 4 × 1 = 4 mks
* Itinerant traders
* Open air market
* Single shops
* Kiosks
* Market stalls
* Canteens
* Roadside sellers/traders. 4 × 1 = 4 mks
* Drawer – The person who writes the cheque.
* Drawee – The bank.
* Payee – The person to be paid. 3 × 1 = 3 mks
* Small in size.
* Sell fast moving goods.
* Operate in open air.
* Are flexible
* Sell non-durable consumer goods
* Easy to start with few legal requirements
* Relative require little capital and operate 4 × 1 = 4 mks
* Well groomed/presentable
* Courteous /respectful/polite/humble /kind
* Cooperate /understanding
* Punctual
* Hardworking
* Loyal 4 × 1 = 4 mks
* Inadequate raw materials
* Poor infrastructure
* Political instability& violence
* Inadequate government support
* Inadequate relevant courses in leaving institutions
* Unsupportive culture
* Insecurity 4 × 1 = 4 mks
* Could be the cheque was post dated
* The cheque could be stale
* Request by account holder not to pay
* May be the amount in words was different from the amount in figure
* May be there was insufficient fund in the drawers account.
* Could be the signature of the cheque leaf was different from the bank 4 × 1 = 4 mks
* Producer /capital goods
* Intermediate goods
* Public goods
* Free goods 4 × 1 = 4 mks
  + Open office layout
  + Partitioned/enclosed
  + Landscape. 4 × 1 = 4 mks
* Deal with limited varieties of goods.
* No personal contact between business and customers.
* Sales are strictly on cash ( C.W.O or C. O. D. ).
* Orders are done online/ through mail.
* Use post office or courier services to deliver goods to customers.
* Carry out heavy advertisement to popularize their businesses in the dailies. 4 × 1 = 4 mks
* Reading books, magazines, newspapers, journals, periodicals.
* Improving on an existing idea.
* Combining two existing ideas.
* Surveying and researching.
* Identifying market gap/ niche/ sporting market gap.
* Innovation and creativity.
* Gaining from wastes/ making use of wastes.
* Brainstorming/ consultations with business people.
* Building on one skills, hobbies and interest.
* Attending trade show, fairs and exhibitions.

4 × 1 = 4 mks

* Receiving and recording information.
* Distributing information.
* Mailing.
* Reproduction of documents.
* Safeguarding and controlling organizations property.
* Communication.
* Filing. 4 × 1 = 4 mks
* Increase in consumers’ income.
* Increase in population.
* Favourable government policies.
* Improved technology.
* Less or no competition.
* Favourable culture.
* Improved security.
* Well-developed infrastructure. 4 × 1 = 4 mks
* It offers privacy.
* Easy to clean and tidy up.
* Provide security for valuable and sensitive items.
* Conducive working environment.
* Thes less noise and disruption from workers and machines. 4 × 1 = 4 mks
* General line.
* Rack jobbers.
* Mobile.
* Regional. 4 × 1 = 4 mks
  + Dividing a commodity into smaller units for the convenience of the buyer.
  + Putting goods in packets, boxes or cartons
  + Mixing different grades to achieve desired tastes or other qualities.
  + Giving a product a name by which it will be sold. 4 × 1 = 4 mks
* They are large scale businesses
* They have separate branches which are managed and organized centrally
* They are uniform in outward appearance and interior layout
* All branches deal in the same type of product
* They sell at standardized prices all their branches 4 × 1 = 4 mks
* Economics.
* Commerce.
* Office practice.
* Entrepreneur. 4 × 1 = 4 mks
* Creates employment.
* Avails a variety of goods.
* Helps people to acquire what they may not be able to produce.
* Help producers to dispose their surplus produce.
* Ensures a steady supply of goods and services.
* Encourages specialization and division of labour.
* Provides revenue to the business people and the government. 3 × 1 = 3 mks
* Skilled
* Semi-skilled
* Unskilled. 3 × 1 = 3 mks