

What is a Market?

Chapter 12: Understanding Markets · Topic 1

Key Concept

Traditional markets, like local bazaars, involve buyers and sellers physically meeting to exchange goods, often allowing bargaining over prices.

Modern markets also include online marketplaces, where buyers and sellers interact through digital platforms without needing to meet in person.

Markets can be local (serving a small area), national (serving a whole country), or global (serving international buyers and sellers).

Markets play a crucial role in the economy, helping determine prices through supply and demand, and enabling the exchange of goods and services efficiently.

Quick Revision Notes

- A market is where buyers and sellers exchange goods or services.
- Traditional markets are physical, like local bazaars.
- Modern markets include online marketplaces.
- Markets can be local, national or global.
- Markets help determine prices through supply and demand.
- Bargaining often happens in traditional markets.
- Markets enable efficient exchange of goods and services.
- Markets are crucial to how an economy functions.

Practice Questions

- 1 Visit or discuss a local market near you.
- 2 Compare a traditional market and an online marketplace.
- 3 Discuss how prices are set in a market you know.
- 4 Research an example of a global market.
- 5 Explain supply and demand in simple terms.
- 6 Discuss why markets are important for buying and selling.