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KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2022/2023 ACADEMIC YEAR
FOR THE CERTIFICATE IN PROCUREMENT AND SUPPLY CHAIN
MANAGEMENT
CPS 015-ELEMENTS OF COMMERCE

Date: 8th December 2022
Time: 11:30am -1:30pm

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- a) Trade can be done locally and internationally. Briefly explain five differences between local trade and international trade. (5 Marks)
- b) Briefly explain the classifications of business ownership in Kenya today. (3 Marks)
- c) Clearly, explain three benefits of e-commerce to businesses in Kenya today. (3 Marks)
- d) Business people visit financial institutions for various reasons to ensure that businesses run effectively. Briefly explain five functions of banks in Kenya today. (5 Marks)
- e) Explain five documents used in home trade in reference to Kenya. (5 Marks)
- f) Insurance is meant for risk retention as well handling them when it arises. Explain five types of insurance used in businesses today (5 Marks)
- g) Differentiate the following terms:
 - i) Import and export trade (2 Marks)
 - ii) Domestic and international trade (2 Marks)

QUESTION TWO (20 MARKS)

- a) You have been employed as a manager at Jitie Moyo Ltd and a proposal is set for a warehouse to be put up. Discuss five factors you would consider in setting up a warehouse. (10 Marks)
- b) Transport is a very important aspect of every business carried out. Briefly explain five roles of transport for business owners in Kenya today. (10 Marks)

QUESTION THREE (20 MARKS)

- a) Commerce is a broad aspect which is classified into two. Briefly explain four services rendered through the auxiliaries of trade (aids to trade). (8 Marks)
- b) The government is one of the vital players in commercial activities. Highlight six reasons for government involvement in commercial activities today. (6 Marks)
- c) Highlight six services of wholesalers to a manufacturer. (6 Marks)

QUESTION FOUR (20 MARKS)

- a) Briefly explain the importance of financial management to business owner today. (6 Marks)
- b) Briefly explain four elements of e-business that are applied in business today. (8 Marks)
- c) E-commerce incorporates ICT skills. Briefly explain three types of e-commerce. (6 Marks)

QUESTION FIVE (20 MARKS)

- a) Abdi is a business person in Mwihoko Ward. Explain the three sales promotion strategies that can be used by him in selling commodities (6 Marks)
- b) Akoth deals in international trade with the European countries. Briefly discuss at least four challenges faced in international trade today (8 Marks)
- c) Entrepreneurship requires one to think outside the box and come up with a solution. Highlight six qualities of an entrepreneur. (6 Marks)