

THE NATIONAL EXAMINATIONS COUNCIL OF TANZANIA



**STUDENTS' ITEM RESPONSE ANALYSIS
REPORT FOR THE FORM TWO NATIONAL
ASSESSMENT (FTNA) 2015**

061 COMMERCE

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Table of Contents

FOREWORD	iv
1.0 INTRODUCTION	1
2.0 ANALYSIS OF THE STUDENTS' PERFORMANCE IN EACH QUESTION	2
2.1 Question 1: Multiple Choice Items	2
2.2 Question 2: Matching Items	7
2.3 Question 3: Completing the Sentences by Filling in the Blanks with the Correct Word (s)	10
2.4 Question 4: Production, Warehousing and Retail Trade	15
2.5 Question 5: Retail Trade	19
2.6 Question 6: The Theory of Demand	23
2.7 Question: 7 The Scope of Commerce	27
3.0 PERFORMANCE OF STUDENTS IN EACH TOPIC	30
4.0 CONCLUSION AND RECOMMENDATIONS	31
4.1 Conclusion	31
4.2 Recommendations	31
<i>Appendix</i>	33

FOREWORD

The Report on the Students' Item Response Analysis in the Performance of the Students in Commerce subject in the Form Two National Assessment (FTNA) 2015 has been prepared in order to provide feedback to students, teachers, parents, policy makers and the public in general about the performance of the students and the strengths and challenges they face in attempting questions.

The Form Two National Assessment is a formative evaluation which, among other things, shows the effectiveness of the education system in general and the education delivery system in particular. Essentially, the students' responses to the examination questions indicate what the education system has been able or unable to offer to the students in their two years of Ordinary Secondary Education.

The analysis presented in this report is intended to contribute towards understanding of some reasons behind the performance of students in the Commerce subject. The report highlights some of the factors that made students fail to score high marks in the questions. Such factors include failure to interpret the requirements of the questions, inability to express themselves using English Language, and lack of knowledge of different concepts related to the subject. The feedback provided will enable the education administrators, school managers, teachers, and students to identify proper measures to be taken in order to improve students' performance in future assessments administered by the Council.

The National Examinations Council of Tanzania will highly appreciate comments and suggestions from teachers, students, school inspectors and the public in general that can be used for improving future Examiners' Reports. Finally, the Council would like to thank the Examination Officers, Examiners and all those who participated in the preparation and analysis of the data used in this booklet.



Dr. Charles E. Msonde
EXECUTIVE SECRETARY

1.0 INTRODUCTION

This report presents the analysis of the performance of students who sat in the Form Two National Assessment (FTNA) November 2015 in Commerce subject. The analysis shows how the students performed in each question by indicating the students' strengths and weaknesses in various aspects when attempting the questions. It also shows the questions which were well performed by majority of the students, those which were moderately performed, and those which were poorly performed.

The paper consisted of seven (7) questions divided into three sections: A, B and C. Section A had three (3) questions of which each carried ten (10) marks. Section B consisted of two (2) questions which carried 15 marks each, and section C consisted of two (2) questions which carried 20 marks each. Students were required to answer all questions.

A total of 95,029 students sat for the assessment. The results show that 42,417 (44.6%) students passed with the following grades: grade A - 2,254 (2.4%), grade B⁺ - 6,171 (6.5%), grade B - 7,420 (7.8%), grade C - 11,335 (11.9%) and grade D - 15,237 (16.0%). Students, who failed the assessment (55.4%), obtained grade E and F. This data analysis shows that there was a slightly increase in the students' performance as compared to the 2014 assessment whereas 42.65 percent of students who sat for the assessment passed and 57.35 percent failed. In respect with the Commerce subject, the analysis shows that the performance in the 2015 examination has increase by 1.99%.

This analysis presents the requirements of each question, the performance of students and the possible reasons for their performance. Extract samples obtained from candidates' responses are presented in order to provide a general picture of how students responded according to the demand of each question.

The performance of the candidates in each question was categorized as *good*, *average* and *weak*. The pass rate for each question was 30 percent and above the marks allocated to the question. The candidates who scored an average of 50 to 100 percent fell under good category, those who scored

from 30 to 49 percent fell under an average category while those who scored from 0 to 29 percent fell under weak category. The students' performance is summarized in the appendix attached in page 33 whereby green colour represents good performance while yellow and red colours imply average and weak performance respectively.

2.0 ANALYSIS OF THE STUDENTS' PERFORMANCE IN EACH QUESTION

2.1 Question 1: Multiple Choice Items

The question consisted of ten multiple choice items composed from various topics namely: *Warehousing, Wholesale Trade, Production, The Scope of Commerce, The Theory of Demand and Retail Trade*. The question had a total of 10 marks where each item carried 1 mark. The question intended to measure student's knowledge on various commercial concepts and application of such knowledge in their daily life.

The question was attempted by (100 percent) the students out of which, 31.5 percent scored from 0 to 2 marks. Among them, 3.5 percent scored 0 and, 34.2 percent scored from 3 to 4 marks. On the other hand, 34.3 percent of the students scored from 5 to 10 marks. The general performance in this question was good as illustrated in figure 1.

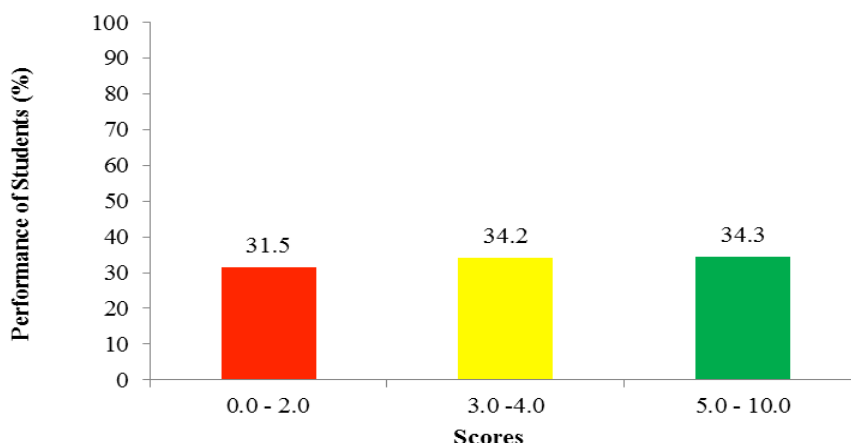


Figure 1 is an illustration of different categories of students' performance in percentage.

In item (i), the question required the students to identify the type of warehouses which belong to manufacturers, wholesalers, or individuals. The students who chose correct response C “private warehouse” understood the meaning and features of the private warehouses. However, some students who opted for incorrect responses were either confused with the key features of the types of warehouses or they did not understand the meaning of the other types of warehouses listed as distractors. Other students who opted for A “bonded warehouse” failed to realize that bonded warehouses are used to store imported goods while waiting for customs clearance. This type of warehouse can either be owned by individuals or companies or the government but managed by the government officials through the customs and excise departments. Moreover, the students who opted for B “specialized warehouse” failed to understand that such type of warehouse can be owned by the government or individuals, but they are built to store special kind of goods owned by individuals or the government. Likewise, those who opted for D “public warehouse” did not understand that public warehouse can either be owned by individuals or private firms or government for public use, but those which are privately owned can be rented to the public.

Items (ii) required the students to show the appropriate channel of distribution for perishable goods to the final consumers. The students who opted for D “producers, small scale retailers to the final consumers” were correct because perishable goods need to be channeled through shortest channel so that they can reach the final users within a short time before they perish. On the other hand, the students who opted for the other distractors failed to relate the nature of goods and the appropriate channel to distribute them. They were not aware that perishable goods need careful handling and short time to reach the final users, hence shortest channel is the proper channel. For example, the students who opted for A “producers, wholesalers, retailers to the final consumers” were wrong because it is a normal channel of distribution which is more suitable for durable goods and not for perishable ones. A normal channel of distribution takes long time for the goods to reach the final user. For the students who opted for B “producer, wholesalers to final consumers” and C “producer, large scale retailers to final consumers” were also incorrect because when goods are in

large quantities they need to be broken into small units so that selling can be done easily.

Item (iii) required the students to identify the disadvantage of division of labour. The correct response was A “unemployment”. Division of labour limits workers from employment opportunities because it could be difficult to employ many people who specialised in the same field. On the other hand, the students who opted for the incorrect answers had insufficient knowledge on the advantages and disadvantages of division of labour because option B “high degree choice”, C “employment opportunity”, and D “efficiency” were all advantages of division of labour.

In item (iv) the students were required to choose from the four given alternatives what is referred to as the exchange of good and services. The correct option was B “Trade”. Those who opted for a correct response understood the meaning of the term trade. Some students, who opted for A “Aids to trade” did not understand that aids to trade are all activities which facilitate trade to take place smoothly which include: banking, insurance, warehousing, advertising, transport, and communication. Moreover, the students who opted for C “Barter trade” failed to differentiate trade from barter trade. Barter trade is a form of trade which involves exchange of goods with goods excluding services; while in trade, the exchange involves both goods and services and it is done in monetary terms. Some students who chose D “Commerce” were incorrect because commerce involves both trade and aids to trade.

Item (v), required the students to show the side from which demand curve normally slopes. The correct response was D “left to right down wards”. Students who responded correctly were familiar on the drawing of curves. However, the students who opted for A “left to right upwards” failed to differentiate demand from supply curve and the rules for drawing the two curves. The supply curve normally slopes from left to right upwards, which indicates that at higher price, more quantity of the commodity is supplied while at a lower price, less quantity of the commodity is supplied. Furthermore, some students who opted for B “right to left downwards” were wrong because demand curve never slopes to the right. Those who opted for C “right to left upwards” had an idea of the curve but failed to

obey the rules applied to draw demand curve. These students had inadequate knowledge on the theory of demand and supply.

Item (vi) required the students to identify the example of retailers who do not have permanent premises. The students who chose C “Mobile shops” were correct because mobile shop retailers use large vans to display and transport merchandise from one place to another aiming at selling them to different customers. These students had knowledge on the features of some of the retailing business. The rest of the options A “Single shop”, B “Tied shops” and D “Multiple shops” were characterized by having permanent premises but they differ in the type of products sold and the ownership. Therefore, the students who opted for incorrect responses had either misinterpreted the question or failed to identify the characteristics of the retailing business with no fixed premises and responded to the retailers with permanent premises.

In item (vii), the students were required to identify reward for capital as a factor of production. The correct response was B ‘interest’. The students who opted for the correct answer had adequate knowledge on the factors of production and their rewards. The students who opted for A “wage”, C “profit” and D “rent” were wrong because wage, profit, and rent are the rewards for labour, entrepreneur, and land respectively. These students had inadequate knowledge hence failed to identify correct reward to the correct factor of production.

In item (viii), the question required the students to identify the type of price elasticity of demand whose price elasticity of demand is greater than 1. The correct response was A “elastic”. Students who opted for the correct response were able to interpret the price elasticity of demand because whenever the price elasticity demand is greater than 1, the price elasticity of demand is interpreted as elastic. The price elasticity of demand is interpreted from the result obtained from change in quantity demanded for a certain commodity over original quantity demanded and divided by change in price of a certain commodity over the original price of the same commodity. However, the students who opted for B “perfectly elastic” were not aware that in perfectly elastic the price elasticity of demand is equal to infinity. Furthermore, those who opted for C “inelastic” did not

understand that when the price elasticity of demand is less than 1, it reflects that the price elasticity of demand is inelastic. The students who opted for D “unitary” failed to understand that unitary price elasticity of demand occurs when the price elasticity is equal to 1.

In item (ix), the students were required to identify an example of perishable goods from the given alternatives. The question intended to measure the ability of the students to differentiate perishable goods from durable goods. The correct response was C “natural flowers”. The students who opted for the correct answer were aware that perishable goods cannot stay over a long period of time. The students who opted for any of the distractors: A “processed coffee” and B “wheat flour” did not understand that processed coffee and wheat flour are durable in nature. However, the students who opted for D “processed vegetables” were attracted by the word vegetables because unprocessed vegetables are grouped under perishable goods. Therefore, they failed to realize that processed vegetables are categorized as durable goods.

In item (x), the students were given an average stock of shs. 120,000 and the cost of goods sold as shs. 480,000. Then, they were asked to determine the rate of stock turn. The students who opted for the correct response D “4 times” were able to apply the correct formula used in the computation of the rate of stock turn which is cost of goods sold over average stock. The answer must be presented in number of times in which the stock is replaced in a particular period. These students were also good in simple calculation. On the other hand, the students who opted for the wrong answers failed to apply the appropriate formula to arrive at the right answer. Those who opted A “0.25 times” reversed the formula, while those who opted for B “shs 600,000” added average stock to cost of goods sold, and all who opted for C “shs 360,000” deducted average stock from the cost of goods sold.

2.2 Question 2: Matching Items

The question consisted of ten (10) matching items, which each carried 1 mark. These items were composed from the topic of The Scope of Commerce. The students were required to match the items in List A with the responses in List B by writing the letter of the correct response in the table provided.

This question was attempted by all (100%) the students and their performance was average as 20.2 percent scored from 5 to 10 marks, 23.3 percent scored from 3 to 4 marks, and 56.5 percent scored from 0 to 2 marks of which, 15.6 percent scored 0 mark. The students who managed to match the sentences with the appropriate items had sufficient knowledge on the topic of stock administration.

In item (i), students were required to select the item which match with an arrangement of stocks in stores in a way that old stocks can easily be distinguished from new stock. The correct response was N “placing of items”. The students who opted for E “receiving of stock” did not understand that receiving of stock involves comparing of an invoice against the order form when receiving the goods and not the arrangement of stocks. Those who opted for G “stock control” were attracted by the new and old stock from the sentence since the meaning of stock control involve checking and keeping of records of old and new stocks in a given period. However, the students who opted for “L” “issuing of stock” related the words “old ones” from the question with the same words that appeared in the meaning of “issuing of stock”. Issuing of stock is one of the functions of stock administration whereby the seller issues the stock according to the orders received while the old stocks are to be issued first to avoid selling of outdated goods.

In item (ii), the question demanded the students to specify the level of stock which should always be kept to safeguard sales against unforeseen delay of delivery. The question intended to measure students understanding on different levels of stocks held in a business. The correct answer was D “Minimum stock level”. The students who responded correctly had adequate knowledge on different levels of stock. However, the students who opted for H “Maximum stock level” had misinterpreted the term

“maximum stock level” as the large quantity of stock held in store instead of the highest level of stock arrived after receiving a new stock/order. Some who matched the sentence with M “Stock level” related the words “level of stock” from the stem of the statement in list A with stock level from the responses in list B. These students failed to realize that stock level consists of minimum, maximum, and average stock levels.

Item (iii) required the students to identify the correct response that match with the average number of stock level within a given period. The correct answer was K “Average stock”. The students who opted for the correct response had sufficient knowledge hence managed to differentiate various related terms in stock administration like rate of stock turn and average stock. Nevertheless, the students who opted for J “Rate of stock turn” failed to realize that the rate of stock turn involves average stock and cost of goods sold to determine the number of times in which the business turns its stock. Those who opted for B “Opening stock” did not understand the meaning of opening stock, which is, the value of goods held in stock at the beginning of the trading period. These students confused the term opening stock with the formula used in computation of average stock which is opening stock plus closing stock divide by two (2).

Item (iv) required the students to analyse the level of stock which is arrived immediately after the receipt of new delivery. The correct response was H “Maximum stock level”. The analysis shows that students who opted for the correct answer were knowledgeable enough on different levels of stock. However, most of the students who failed to identify the correct response had opted for I “Closing stock” while others opted for C “order point”. Those who opted for “I” failed to differentiate maximum stock level and closing stock. Therefore they took for granted that, as closing stock is determined at the end of the financial year of a stated period of time, automatically it could be regarded as maximum stock level. The students who opted for “C” did not understand the meaning of “order point” which is the level at which the placing of a new order is to be made.

Item (v) required the students to identify the item used for checking and keeping records of quantity and value of items in stock. The correct response was G “Stock control”. However, some students who opted for (F) “Stock care” were wrong because stock care means cleaning, sorting of

spoilt/decayed items from good one, and dusting of items in store or shop. So they were attracted by the words “checking” and “keeping” of records from the question and related it with sorting. The students who opted for A “Stock taking” did not understand that stock taking is one of the steps used in stock control. Moreover, the students who opted for O “Stock administration” which means the management of stock in business from the meaning of stock administration, were attracted by the word management and thought it could be termed as checking and keeping. The students failed to realize that stock control is a function of stock administration. Others who matched it with other options lacked knowledge on the topic of stock administration so they matched by guess.

Item (vi) required the students to identify one of the steps necessary in stock control which involves making a list of all stocks held at the end of a given trading period. The correct answer was A “Stock taking”. However, there were some students who opted for I “Closing stock”. These students were attracted by some words from the statements like *stock held at the end of the trading period* which also appeared in the meaning of closing stock. Others had inadequate knowledge hence, matched the sentence with different incorrect responses.

In item (vii), students were required to state the correct function of stock administration which deals with sorting out of spoilt items, cleaning, and dusting of all goods in store. The correct answer was F “Care of stock”. The students who opted for the correct response had adequate knowledge on the functions of stock administration. Those who opted for N “Placing of items” or E “receiving of stock” assumed that, on receiving of stocks, spoilt items should be sorted out and returned to seller. Their idea was correct but receiving of stock is more than sorting. The students who opted for L “issuing of stock;” did not understand the meaning of term *issuing of stock* as used in stock administration.

In item (viii), students were required to identify the correct name for the value of goods or merchandise held by the business at the beginning of the financial trading period. The correct answer was B “Opening stock. The students who matched the sentence with the correct response had adequate knowledge on different types of stock held in the business and their meaning”. Others matched it with either K “average stock” or D “minimum

stock level” which was wrong. For those who matched with *minimum stock* confused it with opening stock.

Item (ix) required the students to identify the level of stock at which placing of a new stock must be done. The correct answer was C “Order point”. Students who opted for correct answer had sufficient knowledge on different levels of stock. However, some students who opted for the incorrect response, such as D “minimum stock level”, H “maximum stock level”, and K “average stock”, based their responses on different levels of stock. These students who had inadequate knowledge on various levels of stock were attracted by the words “*levels of stock*” found in the statement.

In item (x), the question required the students to identify the term whose meaning is a management of stock in a business to ensure that always goods for selling are available without running out of stock or overstocking. The correct response was 0 “Stock administration”. Majority of the students who matched it with incorrect response failed to differentiate various terminologies used in stock administration topic.

2.3 Question 3: Completing the Sentences by Filling in the Blanks with the Correct Word(s)

The question was constructed from various topics such as *The Scope of Commerce, Production, The Theory of Supply, Wholesale Trade, The Theory of Demand, and Retail Trade*. The students were required to complete the sentences given with the appropriate word(s) by filling in the blanks. The question consisted of ten (10) items (i - x) each item carried 1 mark.

The question was attempted by 100 percent of the students whereby, 26.5 percent scored from 5 to 10 marks, 22.7 percent scored from 3 to 4.5 marks, and 50.8 percent scored from 0 to 2.5 marks of which 20.2, percent scored 0 mark. Generally, the performance was average as illustrated in Figure 2.

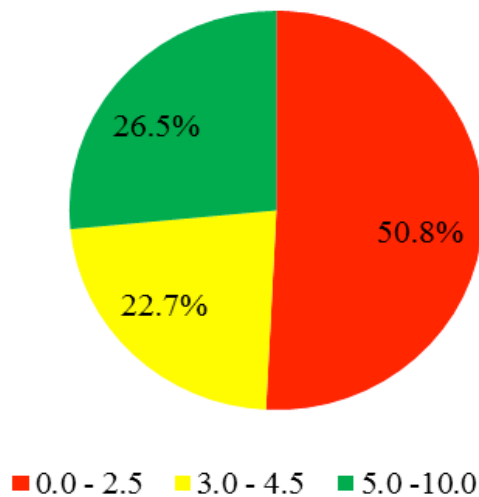


Figure 2 Students' performance in percentage.

The students (26.5%) who scored from 5 to 10 marks managed to differentiate, identify the meaning, and spot features of various commercial terms. However, their scores varied according to their responses. The items which were not attempted correctly by most of these students in this category were (iii), (vii) and (x). In item (iii), the correct response was supply, but the majority wrote supply curve. The students failed to differentiate supply from supply curve. They failed to realize that supply curve is graphical presentation of supply schedule. In item (vii), the correct response was “specialized wholesalers”, but some students responded incorrectly by writing other types of wholesalers like *general wholesalers*, *regional wholesalers*, and *national wide wholesalers*. Other students wrote *brokers* and *jobbers* which are the types of agents in wholesale trade and not types of wholesalers. Extract 3.1 is a sample of good response from one of the students who scored full marks.

Extract 3.1

3. Complete the following sentences by filling in the blanks with correct word(s).

- (i) An aid to trade whose major aim is to compensate the insured who suffered losses out of the stated risk is called Insurance.
- (ii) Industries which are involved in changing the form of raw materials into finished goods are classified as Manufacturing Industries.
- (iii) The quantity of goods that producers are willing and able to offer for sale at a given price in a given period of time is known as Supply.
- (iv) In hire purchase agreement, whenever the buyer failed to pay only the last installment the property bought will remain in the hands of the Seller.
- (v) Variable cost are the costs of production which change as the output changes.
- (vi) Trade which involves exchange of goods by goods commercially is termed as Barter Trade.
- (vii) Wholesalers who handle a particular type of goods but offer a greater variety within their particular field are known as Specialized wholesalers.
- (viii) The responsiveness of demand for a product to a change in price represents Price Elasticity of Demand (P.E.D).
- (ix) Human needs which consist of food, shelter and clothes are called Basic or primary needs.
- (x) Roadside sellers are retailers who sit next to bus stand, market place, public/private halls or around the schools offering small items like sweets, fresh fruits, pen, drinks, etc. to customers.

Extract 3.1 presents a sample of a good response from the script of one of the students who provided the correct word(s) to the question.

The students with average performance scored from 3 to 4.5 marks. These students had partial knowledge which enabled them to respond correctly to item (i), (v), (vi) and (ix). Item (v) was correctly answered by most of the students by filling in the blank with the words “variable cost”. They related the word *change* which was the key word to the sentence with the types of

cost which change as output changes. This shows that these students had knowledge on the cost of production.

However, the students (30.6%) who scored from 0.5 to 2 marks had insufficient knowledge in the topic tested. Hence, they failed to provide the correct answers to most of the items. Majority of the students in this group provided the correct responses to item (i), (vi) and (ix). They managed to answer items (vi) and (ix) because barter trade and human needs are also taught in other subjects like History and Civics. So, they transferred knowledge from such subjects to arrive at correct responses. Other items were provided with wrong words like *retailers*, *buyer*, *cost of production*, *production*, and *fixed cost* which did not match with the sentences given. The main reasons for their low scores were poor understanding/misinterpretation of the questions and inadequate knowledge on the subject matter.

The students who scored 0 mark either left the spaces blank or wrote incorrect word(s) against the sentences given. The analysis shows that these students lacked knowledge and misinterpreted some of the items in this question. Most of them confused some of the correct answers with the opposite of the corresponding responses. For example in item (ii), the correct answer was *manufacturing industries* but some of these students wrote *secondary industries* which consisted of both manufacturing and contractive industries, and others wrote *extractive industries*. Likewise, in item (iii), (iv), (v) and (ix); the correct responses were *supply*, *seller*, *variable cost*, and *basic needs* respectively. Other students responded incorrectly to the same items by writing *supply curve or demand or elasticity of supply*, *customers or buyer*, *fixed or marginal cost*, and *basic wants or wants*. These students had misinterpreted the statements hence, providing incorrect responses. Moreover, others responded by providing irrelevant response to the question, many of them copied some word(s) from question 2 List B. Extract 3.2 is a sample of a response from the script of one of the students who failed to provide correct answers.

Extract 3.2

3. Complete the following sentences by filling in the blanks with correct word(s).

- (i) An aid to trade whose major aim is to compensate the insured who suffered losses out of the stated risk is called Consumer
- (ii) Industries which are involved in changing the form of raw materials into finished goods are classified as second production
- (iii) The quantity of goods that producers are willing and able to offer for sale at a given price in a given period of time is known as demand.
- (iv) In hire purchase agreement, whenever the buyer failed to pay only the last installment the property bought will remain in the hands of the storage.
- (v) fixed cost are the costs of production which change as the output changes.
- (vi) Trade which involves exchange of goods by goods commercially is termed as retailer trade
- (vii) Wholesalers who handle a particular type of goods but offer a greater variety within their particular field are known as retailers.
- (viii) The responsiveness of demand for a product to a change in price represents demand curve.
- (ix) Human needs which consist of food, shelter and clothes are called Human wants.
- (x) retail trade are retailers who sit next to bus stand, market place, public/private halls or around the schools offering small items like sweets, fresh fruits, pen, drinks, etc. to customers.

Extract 3.2 shows a sample of a poor response from a student who scored 0 mark due to inadequate knowledge on concepts examined.

2.4 Question 4: Production, Warehousing and Retail Trade

This question had five parts (a) to (e). The question required the students to provide a brief description on the terms: (a) Foreign trade (b) Super market (c) Del credere agent (d) Direct services, and (e) Departmental store.

All (100%) students attempted this question. The performance of the students was poor as 83 percent scored 0 to 4 marks of which 47.4 percent scored 0 mark. 9.8 percent scored from 4.5 to 7 marks and 7.2 percent scored from 7.5 to 15 marks. Overall this question was poorly performed as 83 percent of the students scored low marks. Graphically, the data is presented as shown in Figure 3.

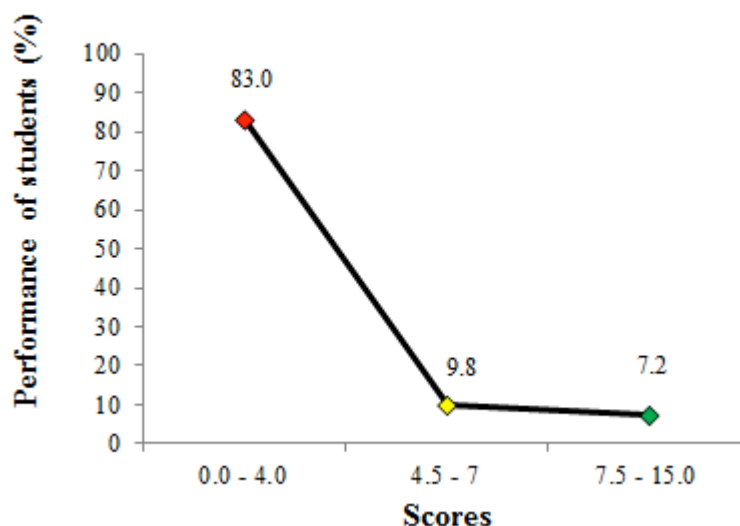


Figure 3 the graph shows that the performance of students in this question was poor as 83 percent of the students failed.

The students who scored 0 mark had inadequate knowledge as they failed to correctly describe any of the terms. They copied some of the sentences from List A of the question 2 which did not answer the question. The question 2 was composed from the topic of *Stock Administration* and not from the topics of *Wholesale Trade*, *Retail Trade*, and *The Scope of Commerce* which were examined in question 4. Furthermore, the terms like “Del-credere agents”, and “Direct services” proved to be difficult to some students as a result they failed to attempt. These students also provided

incorrect descriptions to other parts of the question. For example in part (a), *foreign trade*; some students wrote the meaning of *home trade* while others explained it as the activities that facilitate trade which was irrelevant response to the question. The majority of the students explained supermarkets as *a big building or open space where goods are sold* while in part (e) the students described departmental store as *a warehouse where manufactured goods are to be kept before sale*. Moreover, some students provided irrelevant responses which did not match with any of the term.

The students whose scores ranged from 0.5 to 4 marks were also categorized under low performers. Their scores variation depended on their ability to explain each concept and the number of terms correctly attempted. Majority of them managed to answer correctly only part (a) *Foreign trade* by providing correct description with examples. However, some scored few marks on the terms *supermarkets* and *direct services* because they provided partial explanations in each term. Many of them omitted part (c) and (e). Extract 4.1 is a sample of a response from a student who scored 0 mark. This student failed to provide a brief explanation to any of the terms given in the question. This indicates that some students lacked knowledge on some of the commercial terms hence opted to write some irrelevant points.

Extract 4.1

4. Briefly describe the following terms:

(a) Foreign trade
this are the branch of commerce which is used to a business

(b) Supermarkets
is the large market which are buying good and services

(c) De-credere agents
is the person who help to transport a goods from one place to another

(d) Direct services
is the process of people to manage or control business

(e) Departmental stores
is the process of store a good before going to buy

Extract 4.1 is a sample of a poor response which did not reflect the requirement of the question. It shows irrelevant sentences as regard with the different commercial terms. This student scored 0 mark.

The students who scored from 4.5 to 7 marks managed to adhere to the demand of the question in some of the terms. Some students provided correct explanations to some of the terms with examples and partial explanations to some of the terms.

Few students (7.2%) who scored from 7.5 to 15 marks were able to describe the terms with appropriate examples. The variation of their marks depended on how they described each term. Extract 4.2 is a sample of a good response from the script of a student who scored full marks.

Extract 4.2

4. Briefly describe the following terms:

- (a) Foreign trade
Is the trade that takes place between two or more countries.
In foreign trade exchange can be between two countries only that is bilateral trade or more than two countries that is multilateral trade.
Foreign trade is further divided into import and export trade. Example Tanzania imports goods from Kenya this is foreign trade.
- (b) Supermarkets
Are large stores that offer self-services of different household items and other materials for consumers. They have the area of 2,500 square feet of sales floor normally. They have goods with price tags on them where customers pass and pick on their own. Example Pugu supermarket.
- (c) De-credere agents
Are agents who ensure the principal that he will receive payment for goods he sells on his behalf. De-credere agents undertake risks and sell goods and may sometimes offer credit transactions. This agent is paid a higher commission rate known as de-credere commission as remuneration.
- (d) Direct services
These are a classification of occupation that deals with rendering services directly to the consumers. They may either be public services example army, civil service or personal services example doctor and barber. These services are produced in the tertiary sector of production.
- (e) Departmental stores
These are large-scale retail shops that consist of a number of single shops housed under one roof and under one management. They sell goods of one class only and each single shop has its own manager who all receive orders from the main manager. Example is Intimani city which has variety of shops inside.

Extract 4.2 is a sample of good answer from the script of a student who managed to provide brief description on the terms with some examples: foreign trade, supermarkets, del-credere agents, direct services, and departmental stores.

2.5 Question 5: Retail Trade

This question had two parts. In part (a), the students were required to explain the meaning of the term retail trade. In part (b), they were required to describe briefly the functions of retailers.

This question was attempted by all (100 percent) the students of which 25.1 percent scored from 7.5 to 15 marks, 18 percent from 4.5 to 7 marks, and 56.9 percent from 0 to 4 marks. Out of them 31.3 percent scored 0 mark.

Generally the performance in this question was average. The students who scored high marks (25.1%) had sufficient knowledge and skills on the topic. As a result this facilitated them to provide correct answer to the question. Very few students (1.3%) managed to score full marks as they were able to: (a) define retail trade and (b) describe briefly the retailers' functions with sufficient points as required by the question. Other students responded correctly in part (a) but in part (b), they managed to explain at least three functions out of five that were required. However, some students listed all the functions with unsatisfactory explanations. The variations of marks scored by the students in this category depended on their ability to provide correct responses. Extract 5.1 presents a sample of good answer from a script of one of the students who were able to meet the requirements of the question.

Extract 5.1

5. (a) What is meant by the term retail trade?

Retail trade is the trade that involves buying goods in large quantities from wholesalers and selling them in smaller quantities to the consumers.

(b) Briefly explain five functions of retailers.

(i) **Buying goods.** A retailer buys goods in large quantities from the wholesaler. The retailer needs to know what type of goods to buy so as to meet the need of the customers.

(ii) **Selling goods.** A retailer sells goods in smaller quantities to his/her customers. He/she breaks the bulk and sells goods in quantity needed by the consumers.

(iii) **Storage of goods.** A retailer stores his/her goods at his warehouse while waiting to sell them to the consumers. By storing them, he reduces the burden of the wholesaler.

(iv) **Display and advice.** A retailer displays his/her goods in order for the consumers to choose the goods they want. Also, he/she provides advice to the customer on how to use the goods.

(v) **Transporting goods.** A retailer transports goods from the wholesalers to the customers or to the warehouse where he/she stores his/her goods.

Extract 5.1 shows a sample of response from a student who was able to provide correct meaning of retail trade and briefly explained the functions of retailers.

The students who scored from 4.5 to 7 managed to give the meaning of *retail trade* and explain few *functions of retailers* but the majority in this category mentioned the common functions like *buying, selling, storage and transportation* without giving brief explanations.

Students with low performance, their score ranged from 0 to 4 marks. Some of them managed to list down few *functions of retailers*. Others attempted partially part (a) by providing incomplete meaning of *retail trade*. The students who scored 0 mark had misinterpreted the question while other candidates lacked knowledge on *retail trade*.

These students responded contrary to the demand of the question by either defining a *retailer* or *trade* instead of *retail trade* in part (a). The students perceived the *term retail trade* as two separate terms; *retailer* and *trade* which was a wrong perception. Others responded on retail trader instead of retail trade. In part (b), some students explained the *qualities of a retailer* instead of the *function of retailers*. They failed to differentiate functions from qualities of retailers. Additionally, some students mentioned the types of *small scale retailers* such as *itinerants, roadside sellers and hawkers*. Moreover, there were students who copied sentences from other questions, which led them to score a 0 mark. These students had inadequate knowledge on retail trade. Extract 5.2 illustrates a sample of poor response from a student who misinterpreted the question.

Extract 5.2

5. (a) What is meant by the term retail trade?
is a type of trade where a retailer buys goods from a whole seller and sells them in affordable quantities to retailer
- (b) Briefly explain five functions of retailers.
- (i) He should be a good listener; retailer should listen to the opinions of consumers on how to improve the goods he sells so as to improve sales.
 - (ii) He should be a good buyer; Any retailer should know where to buy his products and to whom he is supposed to sell to them.
 - (iii) He should be a good administrator. He should manage his business well knowing the losses and gains of his business. Also he should be able to forecast his demand.
 - (iv) He should be pleasant and humble; A retailer should be polite so as to make customers go to his shop but also he must advise consumers on the best goods to buy.
 - (v) He should be honest; A retailer is supposed to be honest to his consumers and sell to them goods at fair prices and quantities.

Extract 5.2 is a sample of incorrect response from a student who failed to define retail trade in part (a) and in (b) explained the *qualities* of a good retailer instead of the *functions* of retailers.

2.6 Question 6: The Theory of Demand

The question required the students to: (a) Briefly describe four types of demand and (b) Explain four factors that cause change in demand for a certain products.

This question was attempted by all (100 percent) the students and the performance was poor as 73.3 percent scored from 0 to 5.5 marks; of which 36.6 percent scored 0 mark, 14.8 percent scored from 6 to 9.5 marks, and 11.9 percent scored from 10 to 20 marks. The overall performance in this question was poor.

The students (36.6%) who scored 0 mark failed to identify the task of the question as most of them mentioned the forms of price elasticity of demand such as *unitary elasticity*, *perfect elasticity*, *inelastic*, and *elastic*. Some students explained the key terms from the definition of *demand* such as *ability to buy*, *willingness*, *price*, *commodity*, and *time*. Others wrote various terms used in the theory of demand and supply like *demand curve*, *demand schedule*, *equilibrium point*, and *quantity demanded* which did not give an answer to the question in both part (a) and (b). Still, some few students copied some sentences from question 3. This might be influenced by poor understanding of the question and inadequate knowledge on the topic of the theory of demand. Extract 6.2 is a sample of a response from the script of one of the students who performed poorly.

Extract 6.1

6. (a) Briefly describe four types of demand.

- (i) Demand schedule is the list of Quantity of a Commodity stocks held of a given price at a given period of time.
- (ii) Demand curve is the process graphical of demand curve which represent the demand schedule.
- (iii) Individual demand schedule is the list of ability to by a certain Quantity of a Commodity at a given price in a period of time.
- (iv) Individual demand curve is the process of graphical of individual demand curve which represents the individual demand schedule.

(b) Explain four factors that cause change in demand for a certain product.

- (i) Elastic demand is the process of demand which are price elasticity of demand is greater than 1 of the demand.
- (ii) Inelastic demand is the process of demand which are price elasticity of demand is greater less than 0.5 of the demand.
- (iii) Unitary demand is the process of demand which are price elasticity of demand is the size of 1 and 2 of the demand.
- (iv) perfectly elastic demand is the process of demand which are price elasticity of demand is greater than elastic demand in the changes of demand.

Extract 6.1 is a sample of a response from a script of a student who answered the question wrongly. This candidate explained different terms used in the theory of demand instead of the types of demand in part (a) while in part (b) the students explained the terms used in the interpretation of price elasticity of demand instead of the causes of change in demand for a product.

The students (14.8%) who scored an average marks (7.5 to 9.5) managed to answer correctly to some parts of the question especially in part (a). They provided brief explanation on the types of demand. In part (b) they mentioned few points about the factors that cause change in demand without giving any explanations. However, there were students who just mentioned the types in part (a) and the factors in part (b) instead of explaining them.

The students who scored high (10 to 20) marks were able to provide explanations on the types of demand such as *derived demand*, *composite demand*, *joint demand*, and *competitive demand*. In part (b) majority of students adhered to the question's demand. They managed to explain the factors such as *change in taste and preference of consumers*, *change in price of the product*, *population size*, *change in consumers' income* and *change in price of other commodities*. Their capacity to provide satisfactory explanations and the number of correct types of demand varied from one student to another. The students who scored full marks managed to explain correctly all the required points with examples using proper language. Extract 6.2 shows a sample of a good response.

Extract 6.2

6. (a) Briefly describe four types of demand.

(i) Joint demand:

This is the demand of commodities or goods which are demanded together. E.g. bread and butter.

(ii) Derived demand:

This is the demand of goods which are resulted after the demand of other goods. E.g. Raw materials.

(iii) Composite demand:

This is the demand of goods which has many uses. E.g. Steel (for making roofs, for making spoons, for making cooking pans)

(iv) Competitive demand:

This is the demand of goods which are closely related to each other. E.g. beans and meat.

(b) Explain four factors that cause change in demand for a certain product.

(i) Change in taste, fashion and habit:

If the taste and fashion of a product changes negatively, it will lead to a decrease in demand. And if it changes positively, there will be an increase in demand.

(ii) Change in income: For instance, if the income of the customer is high, then the demand of the product will increase, but if the customer's income is low, then the demand of the product will decrease.

(iii) Change in population: If the population of a certain place is small in number, therefore the demand of the product will decrease, but if the population is in large numbers, therefore the demand of the product will increase.

(iv) Change in price of substitute goods: If the price of Coca-Cola increases and the price of Pepsi decreases, there will be an increase in demand for Pepsi and a decrease in demand for Coca-Cola, and vice versa.

Extract 6.2 is a sample of a good response. This student correctly explained with examples the types of demand and the factors that cause change in demand of a product.

2.7 Question: 7 The Scope of Commerce

In this question students were required to: (a) list the branches of aids to trade, and (b) explain the importance of commerce in daily life.

This question was attempted by 99.9 percent of the students out of which, 19 percent scored from 10 to 20 marks, 27.3 percent scored from 6 to 9.5 marks, and 53.7 percent scored from 0 to 5.5 marks of which, 14.7 percent scored 0 mark. Overall, this question had an average performance.

The students (19%) whose scores ranged from 10 to 20 marks showed better understanding of the topic of *the scope of commerce* specifically the *commerce chart* which encompassed *trade* and *aids to trade* that resulted into the *importance of commerce*. The students also related the role of aids to trade *in connection* with the importance of commerce. For example, *transportation*, *storage facilities* and, *advertisement* as taught in *production*, *retail trade* and *wholesale trade*. The importance of commerce can directly be observed from the daily activities. Most of the students in this group managed to list correct branches of *aids to trade* in part (a) and explain at least three importance of commerce in part (b). These students were knowledgeable of the topic of *The Scope of Commerce* and managed to respond by giving examples to some of the points on the importance of commerce. However, variations of marks scored were caused by individual explanations in part (b) and the number of correct points explained. Extract 7.1 is a sample of good response.

Extract 7.1

7. (a) List five main branches of aids to trade.
- (i) Insurance.
 - (ii) Banking.
 - (iii) Transport and communication.
 - (iv) Advertising.
 - (v) Warehousing.
- (b) Explain the importance of commerce in our daily life. Give five points.
- COMMERCE
- Commerce is the study of the exchange of goods and services and the aids to trade or services that help in the distribution of goods and services.

from producers to consumers.

Commerce has many importances in our daily life. Some importances are as follows:

Bridge the gap between producers and consumers; Commerce enables the distribution of goods and services from the producers to the consumers leading to the bridging of the gap between the producers and consumers.

Acquisition of capital; Commerce enables business men and women to acquire capital in form of loans from banks.

Compensation for losses; Commerce enables the compensation for losses which occurred by unforeseen events through insurance.

Consumers enjoy a variety of goods; Commerce enables the production of different types of goods therefore consumers have the choice of choosing the goods they prefer thus enjoy a variety of goods.

Encourages production; Commerce encourages production by supplying of goods to consumers. The consumers will use and finish the goods which will lead to the need of more goods thus encouraging production of goods.

In conclusion, commerce is very important in our daily life that is why the government should enable the study of commerce.

Extract 7.1 is a sample of good responses. The candidate listed the branches of *aids to trade* and explained correctly the importance of commerce in daily life.

The students who scored from 6 to 9.5 marks showed some weakness on their explanations on the importance of commerce. Some of them mentioned the importance in part (b) without giving explanations while others explained less number of points and some of the points mentioned were wrongly explained. The points which were explained correctly by most of the students in part (b) were: *creation of employment, bridging the*

gap between the producers and final consumers. However, some failed to list all the branches in part (a). For example, majority of the students mentioned *transport* and *communication, banking, and insurance.*

The students who scored low marks (0.5 to 5.5) had attempted only part (a) of the question and some failed to differentiate verbs from nouns used in *aids to trade* so they wrote nouns instead of verbs. For example, *bank* instead of *banking*, *warehouse* instead of *warehousing* and *advertise* instead of *advertising*. Therefore, these students scored marks from transport and communication and insurance. However, some students confused the word “aids” as it was used in the question. They listed branches of trade as *home trade* including *retail* and *wholesale trade*, and also *foreign trade* formed by *import* and *export trade*, instead of the branches of aids to trade. Nevertheless, others managed to provide few relevant points on the importance of commerce. Majority of these students who scored low marks showed poor command of English language, an aspect which hindered them from expressing themselves using the appropriate words.

On the other hand, the students who scored 0 mark (14.7%) could neither list the branches of *aids to trade* nor explain the *importance of commerce*. For example, one of these students listed the *branches of production* instead of the branches of *aids to trade*. These students misunderstood the question in part (a) and also wrote irrelevant responses in part (b). Others listed different terms used in commerce like *producers, consumers, retailers* and *wholesalers*, which were irrelevant to the question. Extract 7.2 is a sample of response from a script of one of the students who performed poorly.

Extract 7.2

7. (a) List five main branches of aids to trade.

(i) Wholesale

(ii) Aids to trade

(iii) Banks

(iv) Interpreneurship

(v) Trade

(b) Explain the importance of commerce in our daily life. Give five points.

- Commerce to bridge a consumer to ~~as~~ person to goods and services

- it help people to satisfy goods

- it help people to understand goods and services

- it help to bridge people to satisfy goods

Extract 7.2 shows a sample of incorrect response with different commercial terms and with irrelevant, meaningless, and disorganized sentences.

3.0 PERFORMANCE OF STUDENTS IN EACH TOPIC

The analysis of the students' performance in each question showed that one (1) question out of seven (7) had good performance, four (4) questions had average performance, and two were poorly performed. Question one (1) which was composed from various topics had good performance as 68.6 percent of the students scored an average of 30 percent and above. Students' performance in question 2, 3, 5, and 7 was average as their performance was 43.5, 49.2, 43.1, 46.3, and 49.2 percent respectively. These questions were composed from various topics such as *Stock Administration, The Scope of Commerce, Wholesale Trade, The Theory of Demand and Supply* and *Production Retail Trade*.

However, overall the students had weak performance in questions 4 and 6 which were composed from the topics of *The Scope of Commerce, Retail Trade, Wholesale Trade*, and *Theory Demand*. In question 4 only 26.7

percent of the students scored an average of 30 percent and above. Question 6 which was composed from the topic of *The Theory Demand*, only 17 percent of the students scored an average of 30 percent and above. The summary of the students' performance question-wise is indicated in the Appendix in page 33.

4.0 CONCLUSION AND RECOMMENDATIONS

4.1 Conclusion

The Form Two National Assessment (FTNA) 2015 general performance of the students in 061 Commerce subject was average as 44.46 percent of the students who sat for this assessment passed. The analysis showed that majority of the students' performance in question **2, 3, 5, and 7** was average and in questions **4 and 6** was poor. The average performance of the students was a result of a number of factors like misinterpretation, failure to identify the requirements of the questions, partial attempting of the questions, lack of knowledge on the topics examined, and poor command of English language.

4.2 Recommendations

In order to improve students' performance in future, the following are recommended:

- (a) Students should carefully read the questions in order to identify the requirements of the questions.
- (b) Students should be given a lot of exercise which will help them read various Commerce books which cover the Form One to Form Two topics.
- (c) Teachers should remind their students to prepare themselves well for the examination in order to answer the questions correctly.
- (d) Students should be encouraged to read English story books, English newspapers and magazines, and using English to English dictionaries that can help them improve their English vocabulary and conversation skills.

- (e) The School inspectors should make follow ups of the learning and teaching processes in schools to identify the challenges noted during school inspections so as to improve the teaching and learning processes.
- (f) All teachers should make sure that all Form One and Form Two topics are covered as stipulated in the syllabus before the FTNA and they encourage the students to make revisions in various topics.
- (g) The teachers should be monitored to see if they teach the contents accordingly.

Summary of Students' Performance per Topic

S/n	Topic	Question number	Percentage of students who scored an average of 30% and above	Remarks
1	Warehousing, Wholesale Trade, Production, The Scope of Commerce, The Theory of Demand, Retail Trade and Stock Administration	1	68.5	Good
2	Production, The Theory of Demand and supply Wholesale trade, The Scope of Commerce and Retail trade,	3	49.2	Average
3	The Scope of Commerce,	7	46.3	Average
4	Stock Administration	2	43.5	Average
5	Retail Trade	5	43.1	Average
6	Retail Trade, Wholesale Trade and Production	4	26.7	Weak
7	, The Theory of Demand	6	17	Weak

