UNIVERSITY EXAMINATIONS

2ND SEMESTER 2023/2024 ACADEMIC YEAR

FOURTH YEAR EXAMINATION FOR THE DEGREE OF BACHELOR OF SCIENCE (AGRICULTURAL EDUCATION AND EXTENSION)

AGEC 331: AGRICULTURAL MARKETING

STREAM: AGED   **TIME: 2 HRS**

DAY: WEDNESDAY [11.30-1.30 P.M]   **DATE: 17/04/2024**

THIS QUESTION PAPER CONSISTS OF THREE (3) PAGES

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INSTRUCTIONS

    (i) Answer Question One and any other Two Questions

QUESTION ONE (30 MARKS)

    a) One of your friends is contemplating opening a farm produce grocery shop near the campus. She seeks your advice about size of the prospective customer base and how to market the business according to the four Ps. What strategies can you share with your friend to assist in launching the business? **(10 marks)**

    b) i) Given that the demand for maize is given by P=40-0.2Qd and the supply for maize is given by P=10+0.1Qs. Determine the equilibrium price and quantity in the maize market. **(3 marks)**

    ii) With the aid of a diagram explain the effect of price ceiling on market equilibrium price in the maize market. **(4 marks)**

    iii) Explain three functions of agricultural marketing channels in the maize markets in Kenya. **(3 marks)**

    c) Discuss the argument that "*marketing research is the driving force for the entire agricultural firm and gives its direction and purpose*" **(5 marks)**

    d) Using at least two promotional tools discuss the importance of promotion in today's competitive environment **(5 marks)**

QUESTION TWO (20 MARKS)

    a) You have been appointed as a marketing manager for a flour company in Kenya. The company has some challenges in developing flour products for the local market. Identify five strategies that could be used to improve the marketing of flour

        (10 marks)

    b) i) Define price efficiency **(2 marks)**

    ii) Giving relevant agricultural examples explain four indicators of price efficiency

        (8 marks)

QUESTION THREE (20 MARKS)

    a) Market integration is a situation where independent marketing functions or firms are brought together under a single enterprise. In view of this statement and citing

agricultural examples explain the impact of the three major types of integration on market efficiency. **(12 marks)**

b) As an agricultural marketing specialist, you have been tasked by government to provide some economic reasons for the increase in prices of agricultural inputs for the year 2022. Explain the factors that you would share with the government for this recent trend. (**8 marks**)

QUESTION FOUR (20 MARKS)

a) Explain four importance of international trade to a small developing economy like Kenya. **(8 marks)**

b) The type of market structure conduct and performance that emerge depends on several factors. Explain four factors that determine the structure, conduct and performance of maize markets in Kenya. **(8 marks)**

c) Briefly describe the role of government in marketing of cereals in Kenya **(4 marks)**

QUESTION FIVE (20 MARKS)

a) Everyone talks about the fact that customers are central to the company and need focus and attention. Explain in your own words why the customer is so important in agricultural marketing (**10 marks**)

b) Give a brief account of five agricultural marketing functions **(10 marks)**

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