



1st SEM. 2014/2015

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UNIVERSITY OF SWAZILAND

FINAL EXAMINATION PAPER

**PROGRAMME: BSc. in Agric. Economics and Agribusiness Management Year 4
BSc. in Animal Science Year 4
BSc. in Animal Science (Dairy) Year 3
BSc. in Food Science, Nutrition & Technology Year 4
BSc. in Horticulture Year 4**

COURSE CODE: AEM 402

TITLE OF PAPER: AGRICULTURAL MARKETING

TIME ALLOWED: TWO (2) HOURS

**INSTRUCTION: 1. ANSWER ALL QUESTIONS
2. EACH QUESTION CARRIES TWENTY FIVE (20) MARKS**

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CHIEF INVIGILATOR**

Question 1

- a) Like in most developing and low middle-income countries, Swaziland agricultural sector is faced with persistent challenges that hinder the smooth operation of agro-produce marketing system. Briefly describe at least three problems faced by Swaziland agricultural marketing, and suggest possible solutions to these challenges.

(12 Marks)

- b) Differentiate between the following: Market effectiveness and Marketing efficiency

(4 Marks)

- c) With examples, describe the two types of risks associated with marketing and suggested solution of minimizing the corresponding risks?

(4 marks)

Question 2

- a) You have decided to start-up a business with new products as an entrepreneur. Using the knowledge gained from the agricultural marketing lectures, identify the possible pricing strategies you would use to ensure survival of the business.

(6 Marks)

- b) Fill in the corresponding type of price elasticities of demand

Value of Elasticity	Interpretation	Type
$e = 0$	Quantity demanded does not change at all in response to price changes.	
$0 > e > (-)1$	Quantity changes by a smaller amount than price.	
$e = (-)1$	Quantity changes by the same amount as price.	
$(-) 1 > e > (-) \infty$	Quantity changes by a larger amount than price.	
$e = (-) \infty$	Consumers will purchase all they can at a particular price but none of the product at all above that price.	

(5 Marks)

- c) In a few sentences explain the four forms of agricultural marketing communications

(4 marks)

- d) What are the factors that influence the agricultural marketing communications mix?

(5 Marks)

Question 3

- a) As a market specialist, explain with available theories, the need for Swaziland to trade with other countries, and give examples. (9 Marks)
- b) What are the gains that Swaziland derive from such trade (9 Marks)
- c) Identify two ways that can be used by Swaziland to reduce on the amount of imports of goods from other countries. (2 Marks)

Question 4

- a) Agricultural marketing plays an important role not only in stimulating production and consumption, but in accelerating the pace of economic development. Its dynamic functions are of primary importance in promoting economic development. For this reason, it has been described as the most important multiplier of agricultural development. Describe three indicators how agricultural marketing impacts economic development. (6 Marks)
- b) Briefly describe the utilities created by marketing for a product (4 Marks)
- c) The facilitation function is sub-divided into four functions which are critical in agricultural marketing management. Briefly describe the four-sub function and give examples of each. (8 Marks)
- d) What are the two sub-functions that makeup the exchange functions of marketing? (2 Marks)

Question 5

a) Mr. Zizo is a human resource manager and his company wants to recruit a marketing manager, he has hired you as a consultant to advice on the recruitment process. Marketing managers are responsible for most of the activities necessary to create the customers the organization wants; what are these activities?

(6 Marks)

b) Marketing Mix is the set of controllable variables that the firm can use to influence the buyer's response". The Marketing mix is consists of the 4Ps. In a sentence, briefly describe the 4Ps?

(4 Marks)

c) Briefly explain the main elements that make up market structure

(7 Marks)

d) Based on the knowledge gained from agricultural marketing lectures suggested at least three important channels of distribution (marketing channels)

(3 Marks)