



1st SEM. 2015/2016

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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 (25) MARKS
3. DO NOT WRITE ON THIS QUESTION PAPER

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CHIEF INVIGILATOR**

Question 1

- a) Marketing function is among several ways of approaching the study of marketing sector of the national economy by economists. Discuss the three subdivisions of marketing functions listed below:
 - i) Exchange Marketing Function
 - ii) Physical marketing Function
 - iii) Facilitation Marketing Function

(20 Marks)

- b) Relate the creation of utility to the above explained marketing function

(5 marks)

Question 2

- a) Briefly discuss the factors influence the price elasticity of demand

(8 Marks)

- b) Calculate the price elastic of demand of good X and cross elasticity of demand XY using the information provided in the Table below.

Good X	Good Y	Price X	Price Y	Price Elasticity of Demand for good X	Cross elasticity of Demand e^{xy}
2	10	60	30		
3	12	55	26		
4	14	50	22		
5	16	45	18		
6	18	40	16		
7	20	35	12		

(10marks)

- c) Define income elasticity of Demand

(2 marks)

- d) A rural farmer wants to engage in small-scale commercial farming and indicates that she spent E5 per seedling and E5 for labour per unit output. The farmer's overhead costs were estimated at 10%. As an agricultural marketing student, help farmer to estimate the most profitable wholesale price and retail price of the product.

(5 Marks)

Question 3

- a) The Agricultural based company employs you as a marketing manager to help improve on their sales through marketing communication. For better results what are possible forms of marketing communication and which criteria should they follow when choosing the marketing communication media.

(8 Marks)

- b) Operational efficiency is increased when marketing costs are reduced as outputs are either maintained or expanded. What ways can be employed to reduce on marketing costs of farm products?

(4 marks)

- c) Swaziland is a net food importer and its small-scale maize farmers are faced with high risks of market price competition as imports may bare low price. What should be done to minimize these market price risks?

(4 marks)

- d) There are basically three methods by which the countries try to reduce on its imports of some goods. With well labeled diagrams, explain how the three methods are manipulated to reduce/restrict imports in Swaziland.

(9 Marks)**Question 4**

- a) Market structures refers to those organizational characteristics of a market which influence the nature of competition, pricing and affects the conduct of business firms;

- i) Identify three types of market structures and give an example for each structure
- ii) List the main elements that make up market structure

(13 marks)

- b) Explain the “**Institutional Support**”, and “**Seed, fertilizer and other input distribution**” marketing challenges faced by and suggested solutions among rural small-scale farmers in Swaziland.

(6 Marks)

- c) Marketing managers are responsible for most of the activities necessary to create the customers the organization wants; these activities include:

(6 Marks)