

**FIJI NATIONAL UNIVERSITY****College of Agriculture, Fisheries & Forestry****School of Agricultural Sciences****Department of Agricultural Economics and Extension Education****Bachelor of Science in Agriculture, Year 3****Trimester II Final Examination - 2017****AEC 706 Agricultural Marketing and Trade****Time Allowed: 3 hours plus (10 minutes reading time) Total Marks: 100****INSTRUCTIONS:**

1. This paper consists of six pages including one page of Answer Sheet.
2. Please check that your paper has complete set of questions.
3. Answer all the Questions.
4. The paper is divided into three sections.
5. The Answer sheet for SECTION A is provided.
6. No written or printed material and mobile phones are allowed in the examination hall
7. Calculators are allowed.

I. SECTION A (40 Marks) to be answered only on the Answer Sheet.

PART I, Multiple choices - Attempt ALL questions (10 marks)

PART II, Fill in the blanks - Attempt ALL questions (10 marks)

PART III, True and False - Attempt ALL questions (10 marks)

II. SECTION B (30 Marks)

Provide short answers - Attempt ALL questions (30 marks)

III. SECTION C (40 Marks)

Essay questions - Attempt ALL questions (40 marks)

SECTION A Multiple Choices (10 Marks)

1. **The components of a market includes;**
 - A. the existence of a good or commodity for transactions.
 - B. the existence of buyers and sellers.
 - C. business relationship or intercourse between buyers and sellers.
 - D. all of the above

2. **For a satisfactory market performance, the market structure should keep pace with the following changes:**
 - A. production and demand pattern
 - B. costs and patterns of marketing functions
 - C. technological change in Industry
 - D. all of the above

3. **Marketing benefits to the society by;**

A. enhancing quality of life	B. lower product prices
C. providing employment	D. all of the above

4. **On a farm, marketable surplus depends on the following factors;**

A. price of the Commodity	B. size of family
C. only A	D. both A and B

5. **Facilitating function includes;**

A. financing	B. storage
C. transportation	D. processing

6. **A market in which there are more than two but still a few sellers of a commodity is termed as;**

A. monopoly market	B. commodity market
C. douply market	D. oligopoly market

7. **Possession utility is;**

A. storage and freezing	B. consumer acquiring & taking the title of food
C. bread from wheat and flour	D. railroad and trucker adds place utility

8. **The main advantages of the transport function are:**

A. widening of the Market	B. narrowing Price Difference over Space
C. creation of Employment	D. all of the above

9. **Important functions of warehouses includes;**

A. scientific storage	B. assemble the goods
C. market yard	D. none of the above

10. Important features of regulated markets includes;

- A. principle assembling market B. market area
C. both A and B D. none of the above

SECTION A PART II Fill in the blanks (10 Marks)

1. The market structure is referred to as the size and design of the market.
2. A trade _____ occurs when we sell more goods & services than we buy.
3. Merchant _____ own the product they handle
4. _____ middlemen are those individuals who take title to the goods they handle.
5. _____ means, the wrapping and crating of goods before they are transported.
6. The _____ function adds the time utility to products.
7. _____ method produce is given to the highest bidder after taking the consent of the seller farmer.
8. Purchase and sale of a commodity takes place at time but the exchange of the commodity takes place on some specified date in future is termed _____ market.
9. A _____ market is one in which have large number of buyers and sellers.
10. _____ is a schedule of differing quantities that will be offered for sale at different prices at given time and place.

SECTION A

PART III True or False (10 Marks)

1. A market is the sphere within which price determining forces operate.
2. Efficiency of the system decrease with facilitative middlemen when they engage in business.
3. Competitive conditions of agriculture tend to keep farm prices close to the cost of production.
4. Regulated market is one which aims at the elimination of the unhealthy and unscrupulous practices, reducing marketing charges and providing facilities to producer-sellers in the market.
5. Physical function includes storage.

6. Demand indicates the relationship between quantity (Q) and price (P) from the buyers view point.
7. A trade deficit occurs when we buy more goods & services than we sell.
8. Law of demand states that the higher the price, the more that will be purchased, and the lower the price the less that will be purchased.
9. Marketable surplus is that quantity of the produce which the producer farmer actually sells in the market, irrespective of the requirements for family consumption, farm needs and other payments.
10. Marketing intelligence as alternative routes of product flows from producers to consumers.

SECTION B

Short answers (30 Marks)

1. Provide with examples the components of creation of utility (the process of making useful goods and services) (4 marks)
2. Demonstrate the characteristics of agricultural produce. (4 marks)
3. Analyse Price Competition and Non-price Competition (4 marks)
4. Analyse Fiji's Regional Trade Agreements (8 marks)
5. Describe factors causing shift in Consumer Demand Curves (4 marks)
6. Calculate the Marketable Surplus of a grower having 350 tonnes of total production, P, with 25% of total production as C which is total requirements (family consumption, farm needs, payment to labour, artisans, landlord and payment for social and religious work) (6 marks).

SECTION C

Essay (40 Marks)

There are four questions in this section. Answer all four questions. One question is worth 10 marks.

1. The farm gate price of a kg of Cassava is \$2.30 and the wholesale price is \$3.80 / kg while the retail price in NZ is \$4.90 / kg. Calculate the Farmers Share, Wholesalers Margin, Retailers Margin and Total Margins. (10 marks)
2. Demonstrate the importance of Marketing Mix in agricultural marketing system production. (10 marks)
3. Select an agricultural produce. Describe the Product Life Cycle. Illustrate using the product cycle diagram. Explain strategies to be used for maintain the produce in the market. (10 marks)
4. Analyse the fresh produce marketing structure of Fijian Agricultural sector. Explain the supply chains and supply chain stakeholders. (10 marks)

END

ANSWER SHEET SECTION A

Date:

Marks obtained:

Name:

Student I D No.:

BSc.Ag Trimester II Final Examination-2016
Course No. & Title: AEC 706: Agricultural Marketing and Trade
SECTION A - Answer Sheet

PART I	1.		
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PART II	1		
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PART III	1		
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