



College of Agriculture Fisheries and Forestry

School of Agricultural Science

Department of Crop Production

## Certificate III in Commercial Agriculture

### MKT 301 – Marketing of Agricultural Products

TRIMESTER 2 - 2017

Final Examination

Time Allowed: 3 hours

(An extra 10 minutes is allowed for reading this paper)

Total marks: 100

#### INSTRUCTIONS

1. This paper has **three** (3) sections, A, B and C. **All are compulsory.** The paper has 8 pages.
2. Answer all your questions in the answer booklet provided.
3. Show all you're working where necessary.
4. Silent and non-programmable calculators are permitted.

#### Summary of questions

Section	Guideline	Marks
A	10 multiple choice questions. All are compulsory.	10
B	5 questions, objective and subjective type. All are compulsory.	50
C	4 questions. All are compulsory.	40

*Turn over*

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Section A

Multiple Choice

(10 marks)

1. Electronic commerce or E-commerce had formed an integral part agricultural marketing process. Which of the following listed below best describes the term above?
  - A. Business or commercial transaction where information is transferred via internet.
  - B. Transactions where information is sent through letters or mail box.
  - C. Business where extension officers are used to deliver the intended messages.
  - D. Business in which firms agents transit the information to its intended clients.
  
2. An exchange function is:
  - A. Storage.
  - B. Buying.
  - C. Grading.
  - D. Transportation.
  
3. Which one of the following listed below is not a mechanism of marketing?
  - A. Storage.
  - B. Transport.
  - C. Social service.
  - D. Transportation.
  
4. Utility measures the ..... of customers.
  - A. Purchasing power.
  - B. Income level.
  - C. Interest.
  - D. Satisfaction.

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5. Grading and standardization makes marketing of agricultural product's more feasible. Which of the following listed below best describes grading process in agricultural marketing?
- A. Sorting of produce in different groups according to its size.
  - B. Collection of produce for sale in mandis or larger markets
  - C. Is the process of converting farm produce into more consumable form?
  - D. Holding of produce from time of production until needed by the consumers.
6. Which of the following factors **do not affect** the pricing decision of an agricultural commodity?
- A. Competition.
  - B. Income elasticity.
  - C. Cost.
  - D. Pricing objectives.
7. Packaging covers the product in such size and pattern that it becomes most marketable. Which of the following listed below is **not** an objective of packaging?
- A. Facilitate easy handling.
  - B. Reduce storage cost.
  - C. Makes product bulky.
  - D. Make product more attractive.
8. Agricultural marketing process is often dominated by controllable and uncontrollable factors. Which of the following listed below is an example of controllable factors?
- A. Political condition.
  - B. Economic condition.
  - C. Social condition.
  - D. Price.

9. Marketing plan should always have:

- A. Executive summary.
- B. 10 year plan.
- C. 3 different alternative plan.
- D. Glossary of terms.

10. Branding is a key component of product presentation strategy. Which of the following listed below best describes branding process.

- A. Exclusive right, given to an originator or an assignee to print or publish product.
- B. Term, symbol or design that identifies seller's product.
- C. Exclusive right granted for an intervention
- D. All of the above.

**Section B**

**(compulsory)**

**(50marks)**

There are 5 questions in this section. Each question carries 10 marks. Attempt all questions.

**Question 1**

**True or False**

**(10marks)**

**Write 'T' if you think statement is correct and 'F' if you think statement is incorrect.**

- 1. Buying and selling is the first and most important function of marketing process.
- 2. Physical distribution includes transportation and storage of goods.
- 3. Producers must decide how much to produce and how to market the production.
- 4. Agricultural marketing consist all activities which involves the transfer of goods from site of production until they are in the hands of the ultimate consumers.

***Turnover***

- 5. Risk taking is one of the important facilitating function of agricultural marketing.
- 6. Assembling of agricultural produce involves wholesaling and retailing of the products at various points.
- 7. Substitute goods are those which are used together.
- 8. Price responsiveness is a measure used in economics to show the responsiveness of quantity demanded of a good or service to change in its price.
- 9. In thumb rule of demand elasticity, if the calculated PED is  $> 1$ , then we conclude demand is price elastic.
- 10. Storage is holding the product form time of production until they are needed by customers.

**Question 2**

**Matching**

**(10marks)**

Match the terms in the left column with the descriptions given in the right column. With every term write an alphabet from column B against the numeric from column A.

<b>Terms</b>	<b>Description</b>
----- 1. Market	A. Safest packaging option for extremely fragile products.
----- 2. Price	B. Demand and supply curve intersect.
----- 3. Word of mouth	C. Challenge in marketing of agricultural produce.
----- 4. Harvesting	D. Machine used to cut grains.
----- 5. Reaper	E. Place of buying and selling
----- 6. Shock mount	F. Involves wholesaling and retailing activities.
----- 7. Equilibrium	G. Is a component of marketing mix?

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|-----------------------|--|
| ----- 8. Distribution | H. Type of promotion.                  |
| ----- 9. Bulky        | I. Gathering ripe products from field. |
| ----- 10. Merchants   | J. Type of intermediaries.             |

**Question 3**

**Definitions**

**(10marks)**

Define the following terms in your words. Support your answers with examples where possible.

1. Agrichemical companies.
2. Risk taking.
3. Grading and standardization.
4. Intermediaries.
5. Merchant wholesaler.
6. Marginal cost.
7. Breakeven analysis.
8. Price elasticity of demand.
9. Packaging.
10. Sickle.

**Question 4.**

**Short answer questions.**

**(10 marks)**

1. List and briefly describe 4 essential functions of agricultural marketing process. **(4m)**
2. Briefly describe the role of biosecurity authority of Fiji in relation to export and import of agricultural products. **(2m)**
3. List and briefly describe two advantages of processing agricultural produce. **(2m)**
4. Describe the term marketing function in your words. **(2m)**

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**Question 5****(10 marks)**

1. The table given below shows the hypothetical demand schedule of a single consumer who is purchasing units of product X at varying price.

Price per unit (\$)	Quantity demanded per week
5	10
4	20
3	35
2	55
1	80

- In your answer book, draw a pair of axis and sketch the information provided above. **(1m)**
2. Determine how individual demand is different from market demand. **(2m)**
  3. Demonstrate your understanding on law of demand. **(1m)**
  4. Price of dalo raises from \$15 per bundle to \$20 a bundle. The corresponding change in quantity demanded is 150 bundles to 90 bundles.
    - I. Calculate price elasticity of demand. **(4m)**
    - II. What type of elasticity is this? **(2m)**

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**Section C**

**(40 marks)**

**There are 4 questions in this section. Each question worth's 10 marks. Attempt all. This section contains long answer questions.**

**Question 1**

**(10 marks)**

List and describe any **5 challengers** faced by our local producers in marketing of their agricultural products.

**Question 2**

**(10 marks)**

List and describe the **importance of agricultural sector** to Fiji's economy.

**Question 3**

**(10 marks)**

Marketing mix consists of **4 major components**. List down each one of those and briefly describe each with your own local examples.

**Question 4**

**(10 marks)**

List and describe any **5 factors** which affects the demand of any agricultural commodity of your choice.

**THE END**