



**1<sup>st</sup> SEM. 2016/2017-SUPP**

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**UNIVERSITY OF SWAZILAND**

**SUPPLEMENTARY 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. DO NOT WRITE ON THIS QUESTION PAPER  
3. ALL ANSWERS SHOULD BE WRITTEN IN THE BOOKLET PROVIDED

**DO NOT OPEN THIS PAPER UNTIL PERMISSION HAS BEEN GRANTED BY THE CHIEF INVIGILATOR**

choice  
SECTION A: MULTIPLE CHOICE QUESTIONS

(PICK THE MOST APPROPRIATE ANSWER, & EACH QUESTION CARRIES 2 MARKS)

1. Anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need is called a (n):  
A) Product  
B) Idea  
C) Demand  
D) Service
2. Which of the following best defines marketing?  
A) The maximisation of company sales  
B) Matching the resources of organisations with identified customer needs  
C) Improving the market share of organisations  
D) Increasing the profitability of buyer - supplier relationships
3. A farmer decides to stop growing crop A and instead use the land to grow crop B. The amount of potential profit lost by not growing crop A represents the farmer's:  
A) Variable costs.  
B) Opportunity costs.  
C) Marginal costs.  
D) Fixed costs.
4. Which of the following is not one of McCarthy's Four P's?  
A) Product  
B) Place  
C) Price  
D) Profit
5. In a market with a small number of high value buyers which promotional technique is most appropriate?  
A) Public relations (PR)  
B) Advertising  
C) Point of sale displays  
D) Personal selling
6. The buying process starts when the buyer recognizes a .....  
A) Product  
B) an advertisement for the product  
C) problem or need  
D) a salesperson from a previous visit
7. Adding new features to a product is advocated by which of the approaches?.....  
A) Production Approach  
B) Product Approach  
C) Marketing Approach  
D) Sales/Selling Approach
8. The ..... holds that the organization's task is to determine the needs, wants, and interests of target markets and to deliver the desired satisfactions more effectively and efficiently than competitors in a way that preserves or enhances the consumer's and the society's well-being.  
A) Customer-centred business  
B) Societal marketing concept  
C) Focused business model  
D) Ethically responsible marketing
9. Market structure may be defined as.....  
A) The size of the market  
B) The physical layout of the market  
C) Market sharing and price setting policies  
D) Organizational characteristics of the market affecting the nature of competition, pricing and conduct of firms



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10. The pattern of behaviour of firms in relation to pricing and their practices is called....
- A) Market performance
  - B) Market conduct
  - C) Market integration
  - D) Market function
11. Marketing management is .....
- A) Managing the marketing process
  - B) Monitoring the profitability of the company's products and services
  - C) Developing marketing strategies to move the company forward
  - D) The art and science of choosing target markets and getting, keeping, and growing customers through creating, delivering, and communicating superior customer value
12. The ..... is a pricing objective where the pricing decisions of managers have more to do with sales maximization than profit maximization.
- A) Profitability Objectives
  - B) Competition Objectives
  - C) Volume Objective
  - D) Strategic Objective
13. The four utilities include?
- A) Exchange, processing, transporting, distribution, possession
  - B) Form, processing, time and transport
  - C) Time, form, place and exchange
  - D) None of the above
  - E) All the above
14. The following are important in defining marketing
- A) Products and services, exchange, transactions, and relationships
  - B) Needs, wants, demands, Value, satisfaction, quality and markets
  - C) None of the above
  - D) All the above
15. Overhead costs are also known as
- A) Employees' salaries
  - B) Fixed costs
  - C) Labour wages
  - D) Variable costs
16. Mr Dlamini spends cost of supplies of E5, labour costs of E5 and his overhead cost are 10% of variable costs, using cost pricing what would be the retail price of the good?
- A) E11
  - B) E20
  - C) E22
  - D) E44
17. The marketing communications key objectives include:
- A) Provision of information
  - B) Stimulation of demand
  - C) Differentiating the product or service
  - D) All the above
18. Sales promotion is a tactical marketing instrument used to address short term problems like:
- A) Reducing the cash burden of overstocked products
  - B) High demand of produce
  - C) Low production
  - D) None of the above



19. Market effectiveness can be defined as:
- A) Achievement of goals without consideration of the cost
  - B) The ratio of inputs to outputs
  - C) The efficient allocation of resources by a marketing system
  - D) Marketing costs are reduced as outputs are either maintained or expanded.
20. Marketing price risks can be minimized through:
- A) Selling products in large volumes
  - B) Dissemination of price information to all sections of society over space and time
  - C) Insurance of the product
  - D) None above
21. The Purchase or sale of a commodity at the present price with the object of sale or purchase at some future date at a favourable price is called.
- A) Hedging
  - B) Speculation
  - C) Future markets
  - D) Insurance
22. Which trade theory holds that nations can increase their economic well-being by specializing in the production of goods they produce more efficiently than anyone else?
- A) The factor endowment theory.
  - B) The international product life cycle theory.
  - C) The theory of comparative advantage.
  - D) The theory of absolute advantage.
23. In country SD, it takes 10 labor hours to produce cloth and 20 labor hours to produce grain. In country SA, it takes 20 labor hours to produce cloth and 10 labor hours to produce grain. Which country should produce grain?
- A) Both A and B should produce grain.
  - B) A.
  - C) No country should produce grain.
  - D) B.
24. Which of the following factors influence trade?
- A) The relative price of factors of productions.
  - B) Government.
  - C) The stage of development of a product.
  - D) All of the above.
25. Adding new features to a product is advocated by which of the approaches?.....
- A) Product Approach
  - B) Production Approach
  - C) Marketing Approach
  - D) Selling Approach

**SECTION B****QUESTION 1**

- a) Although Swaziland is regarded as a low-middle income country, its agricultural sector is faced with persistent challenges that hinder the smooth operation of agro-produce marketing system. Briefly describe at least four problems faced by Swaziland agricultural marketing, and suggest possible solutions to these challenges.

(16 Marks)

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

(4 Marks)

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

(5 marks)

**QUESTION 2**

- a) The consultancy firm has recruited you as a specialist in marketing. Using the knowledge gained from the agricultural marketing lectures, describe the product concept, production concept, and sales concepts, respectively.

(6 Marks)

- b) As a marketing expert, using examples explain the strategic pricing and relationship pricing objectives

(10 Marks)

- c) There are basically 3 means by which the countries try to reduce on its imports of some goods. With the aid of diagrams explain how tariff and quotas work to control imports in Swaziland

(4 Marks)

- d) Future trading is a device for protecting against the price fluctuations which normally arise in the course of the marketing of commodities. What conditions does a commodity need to satisfy this type of trading.

(5 Marks)