

**UNIVERSITY OF KABIANGA**

**UNIVERSITY EXAMINATIONS**

**2016/2017 ACADEMIC YEAR**

**THIRD YEAR FIRST SEMESTER EXAMINATIONS**

**FOR THE DEGREE OF BACHELOR OF SCIENCE IN AGRICULTURAL ECONOMICS AND RESOURCE MANAGEMENT**

**COURSE CODE: ARE 330**

**COURSE TITLE: AGRICULTURAL MARKETING PRACTICES**

**TIME: 3 HOURS**

**INSTRUCTIONS TO CANDIDATES:**

Answer any **FIVE** Questions.

**Question One**

1. What do you understand by “Agricultural marketing”? (2 marks)
2. State and briefly explain factors affecting marketing costs of agricultural products. (6 marks)
3. Using illustrations, explain various approaches used in the study of agricultural marketing. (12 marks)

**Question Two**

1. Write short notes on the following terms and concepts:
2. Cost-plus pricing. (2 marks)
3. Price floor. (2 marks)
4. Vertical integration. (2 marks)
5. Marketing programme. (2 marks)
6. Comparative advantage. (2 marks)
7. Operational efficiency in agricultural marketing aim to reduce or lower marketing costs while at the same time maximizing the output/returns. Explain the factors to be considered in evaluating operational efficiency. (10 marks)

**Question Three**

Successful marketing activity creates various utilities. Using relevant illustration, state and explain major utilities created by successful marketing of agricultural products in Kenya. (20 marks)

**Question Four**

1. What is international trade? (2 marks)
2. Differentiate between absolute and comparative advantages in international trade. (6 marks)
3. State and explain using illustrations factors affecting gains from international trade. (12 marks)

**Question Five**

“Agricultural markets in Kenya are fully liberalized.” Discuss. (20 marks)

**Question Six**

Explain using illustrations the major problems affecting agricultural markets in Kenya. (20 marks)