

**UNIVERSITY OF KABIANGA**

**UNIVERSITY EXAMINATIONS**

**2015/2016 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 II (APPLICATION)**

**TIME: 3 HOURS**

**INSTRUCTIONS TO CANDIDATES:**

ANSWER ANY **FIVE** QUESTIONS

**Question One**

1. Give a clear definition of the term ‘market’. (4 marks)
2. What are the components of a market? (4 marks)
3. Special characteristics differentiate the marketing of agricultural commodities from the marketing of manufactured commodities. Discuss at least six special characteristics which make agricultural sector unique. (12 marks)

**Question Two**

1. State the scope and subject matter of agricultural marketing. (1 mark)
2. Outline the importance of agricultural marketing. (9 marks)
3. Successful marketing activity creates various utilities. State and explain major utilities created by successful marketing of agricultural products. (10 marks)

**Question Three**

1. State two categories of marketing strategies that are used by farmers to achieve their goals. (2 marks)
2. Citing a specific agricultural product, distinguish between the functional approach and the institutional approach to agricultural marketing. (8 marks)
3. “Institutional support for the farmers is lacking in Kenya.” Indicate whether the statement is true or false and give reasons to support your answer. (10 marks)

**Question Four**

1. Define agricultural trade policy and state the two categories of government trade policies. (2 marks)
2. Outline at least four of the ways through which exporters of agricultural products can expand and develop new export markets. (4 marks)
3. “Agricultural markets in Kenya are fully liberalized.” Discuss. (14 marks)

**Question Five**

1. Distinguish between free trade policy and protectionism trade policy. (4 marks)
2. Using an agricultural commodity marketed in Kenya, identify and describe any two types of group marketing strategies. (4 marks)
3. International trade is based on four principle theories. Outline the four theories. (12 marks)

**Question Six**

1. What is WTO trade policy? (3 marks)
2. State the functions of WTO. (3 marks)
3. Protectionism is used to shelter local farmers against the negative effects of international trade. Give examples of protectionism policies that can be used. (6 marks)
4. State the importance of international trade to Kenya’s agricultural sector. (8 marks)