



**MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY
(MMUST)**

MAIN CAMPUS

**UNIVERSITY EXAMINATIONS
2021/2022 ACADEMIC YEAR**

THIRD YEAR SECOND SEMESTER EXAMINATION

FOR THE DEGREE OF

**BACHELOR OF SCIENCE IN AGRICULTURAL ECONOMICS AND
RESOURCE MANAGEMENT AND BACHELOR OF SCIENCE IN
AGRIBUSINESS MANAGEMENT AND MARKETING
(MAIN EXAMINATION)**

COURSE CODE: AEC 312

**COURSE TITLE: AGRICULTURAL MARKETING AND PRICE
ANALYSIS**

DATE: 19/4/2022

TIME: 3-5 PM

INSTRUCTION TO CANDIDATES

Answer question one and any other two in section B

Time: 2hrs

MMUST observes ZERO tolerance to examination cheating

This paper consists of THREE printed pages. Please turn over

SECTION A: Answer ALL questions

QUESTION ONE

- a. Clearly define the following concepts as used in agricultural marketing
- i. Agricultural marketing (4 marks)
 - ii. Marketing chain (3 marks)
 - iii. Market conduct (3 marks)
- b. Despite the critical contribution of agriculture to the Kenyan GDP, there has been persistent challenges that farmers' encounter. Clearly discuss any five problems experienced in agricultural marketing (10 marks)
- c. Citing relevant examples, clearly explain the any six advantages of grading of farm produce for better marketing. (6 marks)
- d. State any four features that are critical in assessment of a particular market performance (4 marks)
- e. Explain the role of middlemen in the marketing of agricultural commodities (10 marks)

Section B: Answer any two questions

QUESTION TWO

Recently there has been uncertain price variations of both agricultural and none agricultural commodities. Clearly explain the three measures that can be used by government and/or farmers to reduce impact of price variations. (15 marks)

QUESTION THREE

- i. Define the term marketing margin (3 marks)
- ii. Describe any five characteristics that influence the marketing margin of any agricultural produce (10 marks)
- iii. Explain the meaning of Price elasticity of demand (2 marks)

QUESTION FOUR

Using well labelled illustration, clearly explain the stages of a product's life cycle and the accompanying characteristics (15 marks)

QUESTION FIVE

- i. Define the concept "Terms of Trade" (3 marks)
- ii. Explain any six methods a country can utilize in controlling the international trade (12 marks)