



KENYATTA UNIVERSITY
UNIVERSITY EXAMINATIONS 2011/2012

SECOND SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR OF SCIENCE
(AGRIBUSINESS MANAGEMENT AND TRADE)

KBT 102: AGRICULTURAL MARKETING

DATE: THURSDAY, 29TH MARCH 2012

TIME: 2.00 P.M. – 4.00 P.M.

INSTRUCTIONS: ANSWER QUESTIONS ONE AND ANY OTHER TWO.

Question 1:

- a. Define the following:
 - i. Common market
 - ii. Marketing efficiency
 - iii. Marketing channel
 - iv. Standardization
 - v. Grading (5 marks)
- b. Explain the factors that influence distribution channel selection in Kenya. (6 marks)
- c. Describe vertical marketing system. (5 marks)
- d. Explain the objectives of establishing marketing boards. (6 marks)
- e. Explain challenges for grain marketing system in Kenya. (6 marks)
- f. Define three levels at which a product can be marketed. (6 marks)
- g. Explain the functions of packaging. (6 marks)

Question 2:

- a. Discuss the theory of absolute advantage. (5 marks)
- b. Explain the importance of market testing in the development of new product. (5 marks)
- c. With the aid of a diagram, show the effect of a change of consumer income on the market demand and equilibrium price. (5 marks)

Question 3: Discuss the importance of agricultural marketing in economic development of Kenya. (15 marks)

Question 4:

- a. Discuss the physical functions of an agricultural marketing system. (9 marks)
- b. Explain the various forms of discriminatory pricing that are used in agricultural marketing. (6 marks)
