

University of Fort Hare

Honours Examinations

November Examination 2018

AGE 404 / 504 / 606

Agricultural Marketing, Prices and Policy

Time: 3Hours

Marks: 100

This paper consists of one page, excluding the cover page

Internal Examiners

External Examiner

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Instructions

Answer any four questions of your choice

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Question 1:

The level of customer service provided by a company is part of the marketing mix and for many customers the level of customer service provided by the agribusiness enterprise is as important as any other attribute which it may possess, including the excellence of its products. Discuss nine indicators that may be used in evaluating the service level offered by an agribusiness. [25]

Question 2:

The marketing systems differ widely according to the commodity, the systems of production, the culture and traditions of the producers and the level of development of both the particular country and the particular sector within that country. Against this background discuss seven main stages of agricultural commodity marketing. [25]

Question 3:

McVey states that; "You can do away with middlemen but you can't do away with his functions". Using two diagrams of a direct marketing system and a marketing system with intermediaries justify McVey's hypothesis. [25]

Question 4:

Using a partial budget estimate the viability (change in net income) of the following post-harvest value chain initiatives commonly used by farmers:

Drying rape as a post-harvest value addition initiative;

- Yield (fresh rape) = 8t/ha.
- Yield (dried rape: assume 66% weight loss).
- Producer price for fresh rape = R5.30/kg.
- Producer price for dried rape = R3.50/kg.
- Labour cost for drying & packaging = R2/kg.
- Packaging material cost = R1/kg.

Calculate the change in net income for the farmer and recommend whether the farmer should adopt the post-harvest value addition initiative or not. [25]

Question 5:

Discuss aims of marketing communications (advertising) under each of the following portfolios:

- a) Customer communications (5 aims). [5]
- b) Trade communications (5 aims). [10]
- c) Corporate communications (5 aims). [10]