MACHAKOS UNIVERSITY

University Examinations for 2017/2018 Academic Year

SCHOOL OF AGRICULTURAL SCIENCES

DEPARTMENT OF DEPARTMENT OF AGRIBUSINESS MANAGEMENT AND TRADE

THIRD YEAR FIRST SEMESTER EXAMINATION FOR BACHELOR OF EDUCATION

KBT 309: AGRIBUSINESS STRATEGY AND MARKETING PLANS

DATE:13/12/2017   TIME:2.00-4.00 PM

Instructions:
Answer question one and two other questions

QUESTION ONE (20 MARKS)

(a)   Define the following terms

	i.	Product concept	(2 marks)
	ii.	Market channel	(2 marks)
	iii.	Competitive advantage	(2 marks)
	iv.	Consumer sovereignty	(2 marks)
	v.	Strategic management	(2 marks)

(b)   i)   Describe three external factors that affect pricing of products in agribusiness

(3 marks)

ii)   Explain two functions of advertising in a mango juice company in Kitui (2 marks)

(c)   i)   Explain three ways in which primary consumer data can be used in competitor analysis.   (3 marks)

ii)   Describe two functions of a Mission statement within an agribusiness firm

(2 marks)

(d)   i)   Differentiate between a defensive and diversification strategy   (2 marks)

ii)   Describe three functions of a marketing plan in a ranch in Nanyuki   (3 marks)

(e)   i)   Describe three financing functions in strategic management   (3 marks)

ii)   Explain the difference between environmental scanning and customer orientation

(2 marks)

QUESTION TWO (20 MARKS)

(a)   Describe five stages that would be followed in the strategic management process within a Flower farm in Naivasha.   (10 marks)

(b)   As an agribusiness officer in Machakos County describe five steps that you should follow in using an External Factor Evaluation (EFE)Matrix.   (10 marks)

QUESTION THREE (20 MARKS)

(a)   Describe the five circumstances under which consumers can increase their bargaining power within the Porters Five force model.   (10 marks)

(b)   i)   Losho Agribusiness Company Limited intend to introduce a pesticide into the market. Use a Boston Group consulting matrix (BGC) to show different phases the product could encounter in the market.   (5 marks)

ii)   Describe five components of a growth strategies in an agribusiness industry

(5 marks)

QUESTION FOUR (20 MARKS)

(a)   Explain five factors that affect the pricing decisions in strategic management (10 marks)

(b)   i)   Calculate stock turnover ratio from the following information: (5 marks)

Opening stock Ksh 90000

Closing stock Ksh 110000

Purchases Ksh 320000

ii)   Calculate the debtors' turnover from the following information for one year ended 31st March 2017. (5 marks)

Annual credit sales -1000000

Debtors in the beginning -160000

Debtors at the end 200000

Debt to be taken for the year 360 days

QUESTION FIVE (20 MARKS)

(a) i) Describe five factors that are considered in segmenting a fertilizer market

(5 marks)

   ii) Explain 5 roles of public relations in a wheat milling company in Narok (5 marks)

(b) Kilo Agro processing Company limited in Kitui have approached you as an agribusiness officer for advice. Describe two approaches used in value added marketing   (5 marks)

(c) Describe five challenges that a cotton farm would face in implementing a marketing strategy in Kibwezi.   (5 marks)