



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)