

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

FACULTY OF COMMERCE

DEPARTMENT OF BUSINESS MANAGEMENT

AGRI-BUSINESS MARKETING – CBU 4206

FINAL EXAMINATION - AUGUST 2009

TIME ALLOWED: 3 HOURS

INSTRUCTIONS TO CANDIDATES

- (i) Answer **Question One (1) and any other Three (3) Question.**
- (ii) All questions in **SECTION B** carry **25** marks each
- (iii) Questions may be answered in any order
- (iv) As much as possible, use relevant examples

SECTION A

Agribusiness in practice: The case of Poultry Marketing in Zimbabwe.

The Zimbabwe Farmers Development Trust (ZFDP) has urged the Government to restrict poultry imports which are adversely affecting local producers. ZFDT executive director Mr Tichasiyana Wonder Mapondera said local poultry farmers were struggling to make profits as the market had been flooded with cheap imports. "Our poultry farmers produce better quality products and the chicken has better taste than imported brands. There is need for government to restrict imports and stimulate local industry" he said.

He said some people were importing poultry from as far as Brazil which are popular on the local market because of their size.

"The chickens imported from Brazil are bigger compared to local produce due to their artificial means of growth" said Mr. Mapondera.

He said many farmers had suspended poultry production because it was no longer viable.

A poultry farmer, Mrs. Tarisayi Zvoma said she had stopped a chicken project as the feed was expensive while returns were low.

She said on selling, she would have to sell at a cheaper price since the market was flooded making no profit.

"We suspended the poultry project due to the expensive feed as soya beans cost US \$ 300 a tonne while the residue which is mixed with maize costs US \$400 said Zvoma.

Farmers associations have in the past called on the Government to restrict poultry imports to save the local industry from collapse.

Most of the imported chickens are cheaper because they are genetically modified making them grow faster than local breeds.

Source : Business reporter, "Government Urged to restrict Poultry Imports", The Chronicle May 18 2009. Bulawayo.

QUESTION 1

- (a) Drawing your answers from the case, discuss the role of technology in International Agri-business Marketing. **[5 Marks]**
- (b) Discuss any one method which farmers can use to protect themselves against price risks in agri-business marketing. **[5 Marks]**
- (c) Basing your answer in the Zimbabwean context, discuss the rationale for governments to intervene in international agricultural marketing. **[15 Marks]**

SECTION B

QUESTION 2

Using relevant examples, describe the nine stages of agricultural marketing. **[25 Marks]**

QUESTION 3

Discuss the role of government policies in the development of agricultural marketing in a developing country of your choice. **[25 Marks]**

QUESTION 4

Using a local industry of your choice, discuss the role that proper agribusiness marketing plays in the development of that industry. **[25 Marks]**

QUESTION 5

Discuss how prices are determined in agribusiness markets. **[25 Marks]**

QUESTION 6

a) Using relevant agri-business examples, describe the rationale for forward contracting **[15 Marks]**

d) Discuss the reasons which may cause market failure. **[10 Marks]**

QUESTION 7

Discuss the role of grades and standards in agribusiness marketing. **[20 Marks]**

END OF EXAMINATION