



NATIONAL OPEN UNIVERSITY OF NIGERIA
14-16 AHMADU BELLO WAY, VICTORIA ISLAND LAGOS
MARCH/APRIL 2016 EXAMINATION
SCHOOL OF AGRICULTURAL

Course Title: Agricultural Marketing and Cooperatives
Course Code: AEM716
Credit Unit: 2
Time Allowed: 2 Hours
Instruction: Answer section A and any other 3 questions out of five (5) questions in section B

SECTION A: (Compulsory 25 marks)

- (a) With the aid of a well labeled diagram illustrate in details the process of price determination. =20marks
- (b) Pricing objectives vary from one firm to another; they can be classified into six major groups. Enumerate five (5) them. =5marks

SECTION B (25 marks)

- 1. (a) Define the concept of customer perceived value as one of the key concepts which lie at the heart of marketing?
- 2. (b) If the benefit derivable from the purchase of fifty cartoons of *Clarias gariepinus* is N56, 000 and ten cartoons of Tilapia fish is N34, 000. What would be the customer perceived value of these fish product if the cost of acquiring it is N12, 000 and N4000 respectively. =10marks
- 3. (a) Define and state two most important usefulness of breakeven point in marketing of Agricultural products?
(b) A fertilizer manufacturer's NPK Production facility carries fixed costs of N700, 000.00. Assume that the variable cost of production, per bag of NPK, is N40.00 and that the company is considering selling to wholesalers at N30.00. How many units of bags of NPK does the company need to sell before it breaks even?
- 4. (a) Enumerate the three distinct types of birds from which poultry farmers have to select their flocks.

(b) List the 5 distinct stages of development egg production and Management characteristics pass through in a typically poultry enterprises

5. (a) List the internal and external factors affecting pricing decisions?
(b) Briefly explain the external factors affecting pricing decisions?