

EASTERN UNIVERSITY, SRI LANKA



FINAL YEAR, FIRST SEMESTER EXAMINATION IN AGRICULTURE-2008/09

AEC 4106: AGRICULTURAL MARKETING

Answer **ALL** questions (Parts A and B)

Time: 02 hours

Part A

1. a) What does **Agricultural Marketing** mean to you?
 - b) Briefly explain the four **types of utilities** created by marketing for a farm product.
 - c) Outline the **major components** of a rural market.
 - d) Classify markets on the **basis of area** from which buyers and sellers come for transactions.
 - e) Briefly **differentiate** between Retail and Wholesale markets.

2. a) What are the **characteristics** of a **Perfect Market**?
 - b) Explain briefly **Monopolistic Competition** in a tea market.
 - c) What is **Marketable Surplus**, and what factors affect it?
 - d) Explain how **Market Price** is determined under perfect competition.
 - e) Explain briefly the **Price Elasticity of Demand** for a farm product.

Part B

3. a) Explain briefly the **factors affecting** the demand for farm products.

b) "When the **Own-price Elasticity** of demand for a farm product is **relatively elastic**, quantity demanded by consumers **increases substantially** for a small price change". Clearly explain the above statement with illustrations.

4. a) Explain clearly what is '**Market Integration**'.

b) Elucidate the **importance** of food marketing in a region, with respect to **producers and consumers**.
