

NATIONAL UNIVERSITY OF LESOTHO
FACULTY OF AGRICULTURE

DEPARTMENT OF AGRICULTURAL ECONOMICS & EXTENSION
UNDERGRADUATE EXAMINATIONS

SEMESTER 2

AEC 3307: AGRICULTURAL MARKET ANALYSIS

MAY 2023

TIME: 3: HOURS

MARKS: 100

INSTRUCTIONS:

1. Answer **ALL** questions in Section A and choose any two questions in Section B.
2. Start each question on a new page.
3. Marks allocated for each question are in brackets.

Section A: Answer all the Questions.

1. Define and describe in detail the following terms:
 - a. Market (3)
 - b. Futures Market (3)
 - c. Spot Market (3)
 - d. Local Market (3)
 - e. National Market (3)
 - f. Commodity market (3) [15]

2.
 - a. Discuss the essential features of a market (10)
 - b. State and discuss how determinants of price elasticity of demand (8)
 - c. Define the following and describe in detail:
 - i. Market share (2)
 - ii. Market positioning (2)
 - iii. Competitive advantage (2)
 - iv. Niche (1)

3. Discuss the importance of conducting a market research and provide examples of the different circumstances under which it is necessary (10)

SECTION B: Choose any two questions.

1.
 - a. Distinguish between a buyers and seller's market (5)
 - b. Discuss the determinants of demand and how they influence market conditions (15)
 - c. Discuss the influence of price elasticity of demand on pricing different products in the market (5)

2.
 - a. Describe how you can conduct an effective market research before launching new product (15)
 - b. Distinguish between market research and market analysis (10)

3.
 - a. Describe possible demand forecasting methods used by businesses to determine the size of market and plan for demand for the products (10)
 - b. Identify examples of typical markets you can conduct a market analysis and provide examples of tools you would use as a market analyst to analyze the market (15)