

Agricultural marketing – marketing management (kenya) assignment

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Permissibility of unprocessed products. Demand is relatively inelastic I. E. Increase of supply, leading to the lowering of prices, doesn't substantially increase the consumption of agricultural products. Factors leading to the Emergence of Agricultural Marketing organizations. 1 . Weaknesses of farmers as bargainers In the market. A) In poor countries, they are more than the buyers. B) An Individual farmer's output does not significantly influence the total supply. Thus they have no say on market price. C) Poor knowledge regarding market conditions.

Different grades, which are unknown in advance. D) Mass illiteracy. Leading to common. E) High Permissibility means farmers can't store produce until price improves. 2. Inelastic supply a) Farmers lack full control over the productive process. If demand increases after planting, they can't alter their output in the short term. B) Factors beyond anyone's control e. G. Diseases, pests etc. May destroy the crop. C) Duration of some trees to bear fruit. Some take years, so if prices change, the farmer can't do anything. 3. Inelastic demand a) Availability of substitutes. Necessities vs. luxuries. C) Alternative uses of a product. A product with many uses tends to be more elastic, where as one with only one use tends to be inelastic.

Different boards perform different combinations of the listed functions. Types of marketing boards Regulatory boards. Kenya Dairy Board. Regulation and development of efficient production, marketing and distribution of dairy produce. Commercial boards. Kenya Meat Commission. Promotion of cattle and small stock industries by providing holding, processing and marketing facilities. Development boards. National Irrigation Board. Development,

control, improvement and administration of national irrigation schemes.

Financing boards. Agricultural Finance Corporation.

Agricultural credit, land purchase, development loans and short term loans. 2.

CO-OPERATIVE SOCIETIES These are defined as, an association of producers, who voluntarily or through a government directive, join together to form a controlled enterprise to market their produce and/or to purchase their inputs jointly. Functions Stimulate and develop agricultural leadership. Reduce costs. Maintain high quality. Make marketing more efficient and farming more profitable. Give farmers the profits of marketing that would usually go to intermediaries.

Problems Co-operatives face Poorly qualified personnel and mass illiteracy among farmers. Misappropriation of funds. Inability to prevent excessive supply, which depresses the market price. Excessive political influence in their running. Inadequate financial resources to pay farmers before produce is sold. In spite of these problems, co-operative marketing is still the solution, particularly for cash crops produced by small farmers. For example, harvesting a bag of coffee berries and selling them to an overseas consumer.