



“Investing in Africa’s future”

COLLEGE OF HEALTH, AGRICULTURE AND NATURAL SCIENCES

NAEC402: AGRICULTURAL MARKETING

END OF FIRST SEMESTER FINAL EXAMINATIONS

NOVEMBER 2021

LECTURER: DR K. MUKUMBI

DURATION: 5 HRS

INSTRUCTIONS

Answer **ONE** question

All questions carry equal marks (100).

QUESTION 1

Read the passage below and answer the questions that follow.

No boundaries: Livestock farming without fencing

Norwegian start-up Nofence has transformed the way livestock farmers work by using technology which allows animals to graze without the need for traditional fencing.

Norway is home to the world's first virtual fencing, produced using GPS and cellular communication to help farmers graze on pasture without the need for traditional penning or electrical fencing. The technology allows farmers to change the boundaries of grazing zones throughout the day and avoid over-grazing.

The new system could prove more cost-effective in terms of labour and moving fences, resources, and allows grazing in a wider area.

Synne Foss Budal, who is in charge of the roll out in the UK, said: "In Norway we are getting to the point where we are as well used as electrical fencing, everyone knows who Nofence are. We have about 17,000 collars in the market'.

"The Norwegian topology has a lot of area without many people and the majority of the land is unincorporated, we want to put animals on that to graze as they are really the only ones who can utilise it to its full potential. "For a lot of Norwegian farmers the option is use Nofence, or do not graze at all because the areas are vast and hard to fence," she said.

How does it work?

To operate the system, farmers use a mobile app set out specific virtual boundaries, as well as exclude areas that may be occupied by dangerous obstacles.

The animals wear patented Nofence collars that use GPS to individually locate each animal within the herd. Collars are currently available for cattle, sheep, and goats, and are charged using inbuilt solar panels.

The collars generate a sound that gradually increases up to a defined tone when the animal crosses out of the grazing area. If the animal continues towards the boundary an electric pulse is emitted that persuades it to turn back. Over a short period of time the animals learn to act on the sounds they hear. Instead of using their eyes to see a physical fence, they are using their ears to hear it. There is a fixed price to buy the collars and then users pay a subscription to use the system because it roams on the 2G network. Prices very much depend on herd size and the length of the grazing season.

Success in the UK?

With widespread success in Norway, Nofence is finding its way in the UK. According to Synne, this technology is not just something for those who farm large areas, but everyone. She said: "We have 25 customers in the UK from up in Scotland all the way down to the South West. "At the moment it is only conservation grazing that is using the system in the UK, but we are hoping to become more farming specific.

"Commercial sale of Nofence in the UK will begin next year, and Synne said that the expansion into UK farming is the next big step.

"Legally it was very easy to introduce our system into UK conservation organisations because they had already been using a system that involved a wire in the ground." "We are currently working with the appropriate organisations to have this approved for other livestock. "We have put a large amount of research into ensuring the animal is able to turn around on an audio cue and have data that shows they do turn around and know exactly when to turn."

The strength of the pulse from a Nofence collar is only 1-2% of the shock given from a standard electrical fence. "Everyone is familiar with electrical fencing and so they are okay with that, but when something new comes along people naturally ask questions about animal welfare," she added. "Until they become more affordable it is difficult to see them being used on a widespread basis in mainstream farming, but for people who have big areas of land that are difficult to fence it definitely opens up new opportunities. "Hopefully as demand grows the price will come down over the next few years."

- a) Nofence would like to enter the Zimbabwean market. You have been asked to prepare a marketing plan for Nofence products in Zimbabwe. Your marketing plan should include the following:
- i. Name and describe two marketing philosophies you will use. Justify each choice. (6 marks)
 - ii. Marketing Objectives – list 2 specific objectives for the marketing of the product. Explain why those objectives are important to you. (4 marks)
 - iii. Target Market - describe your primary target customer in one or two sentences. Explain why you chose them as your target customer. (3 marks)
 - iv. Points of Difference - what sets you apart from your competitors? What is your competitive advantage? (4 marks)
 - v. Positioning - one or two sentences explaining where your product will be positioned in the market. Justify each choice. (5 marks)
 - vi. Product Strategy - discuss all product elements; product line, packaging, quality, branding (develop a new brand name for the product). Justify each choice. (8 marks)
 - vii. Promotion strategy- describe the media and strategies you will use to promote the product. Justify each choice. (10 marks)
 - viii. Place strategy– describe which distribution channels you will use and why. (10 marks)
 - ix. Price strategy– name and describe 3 pricing strategies you will use. Also include the exact price and your justification. (10 marks)

- b) You have been assigned to work on a research study on the factors that could influence adoption of Nofence's virtual fencing products in Zimbabwe. Develop a questionnaire that you will use as part of the data collection process for Nofence. Your questionnaire should have 10 questions. (15 marks)
- c) Describe 10 strategies that Nofence can implement to ensure that their products succeed and do not fail when launched on the Zimbabwean market. Explain why you think these 10 strategies are particularly important. Your response should be in essay format 2-3 pages. (25 marks)

End of Question 1

QUESTION 2

AU farm has decided to start producing pork sausages.

- a) You have been asked to prepare a marketing plan for the AU pork sausages. Your marketing plan should include the following:
- i. Name and describe two marketing philosophies you will use. Justify each choice. (6 marks)
 - ii. Marketing Objectives – list 2 specific objectives for the marketing of the product. Explain why those objectives are important to you. (4 marks)
 - iii. Target Market - describe your primary target customer in one or two sentences. Explain why you chose them as your target customer. (3 marks)
 - iv. Points of Difference - what sets you apart from your competitors? What is your competitive advantage? (4 marks)
 - v. Positioning - one or two sentences explaining where your product will be positioned in the market. Justify each choice. (5 marks)
 - vi. Product Strategy - discuss all product elements; product line, packaging, quality, branding (develop a brand name for the product). Justify each choice. (8 marks)
 - vii. Promotion strategy- describe the media and strategies you will use to promote the product. Justify each choice. (10 marks)
 - viii. Place strategy– describe which distribution channels you will use and why. (10 marks)
 - ix. Price strategy– name and describe 3 pricing strategies you will use. Also include the exact price and your justification. (10 marks)
- b) After launching the new product, you notice that sales are very low. You are asked to conduct a study on factors that could influence pork sausages sales.
- i. What is the research problem you're trying to solve? (5 marks)
 - ii. Why is this study important? (5 marks)
 - iii. List 2 research objectives for your study (5 marks)
 - iv. Develop a questionnaire that you will use as part of the data collection process. Your questionnaire should have 15 questions. (25 marks)

End of Question 2

QUESTION 3

After graduation you decided to start an agribusiness training company.

- a) Prepare a marketing plan for the agribusiness training company. Your marketing plan should include the following:
- i. Name and describe two marketing philosophies you will use. Justify each choice. (6 marks)
 - i. Marketing Objectives – list 2 specific objectives for the marketing of the product. Explain why those objectives are important to you. (4 marks)
 - ii. Target Market - describe your primary target customer in one or two sentences. Explain why you chose them as your target customer. (3 marks)
 - iii. Points of Difference - what sets you apart from your competitors? What is your competitive advantage? (4 marks)
 - iv. Positioning - one or two sentences explaining where your product will be positioned in the market. Justify each choice. (5 marks)
 - v. Product Strategy - discuss all product elements; product line, packaging, quality, branding (develop a brand name for the product). Justify each choice. (8 marks)
 - vi. Promotion strategy- describe the media and strategies you will use to promote the product. Justify each choice. (10 marks)
 - vii. Place strategy– describe which distribution channels you will use and why. (10 marks)
 - viii. Price strategy– name and describe 3 pricing strategies you will use. Also include the exact price and your justification. (10 marks)

b) Read the passage below and answer the questions that follow

Schweppes under fire for making changes to Mazoe brands

BY MTHANDAZO NYONI

SCHWEPPE'S Zimbabwe has come under fire for changing the ingredient formulation on the Mazoe syrups and Mazoe Orange Crush without informing consumers. Angry consumers have gone on social media platforms fuming and threatening to boycott the

products forthwith. The company recently changed its ingredient formulation on the two Mazoe brands to adopt one which it says contains less sugar and low calories or non-nutritive sweeteners. But in doing so, the company did not inform the public through advertising in newspapers or any other media.

Their approach has angered consumers across Zimbabwe, many of whom have taken to social media threatening to stop purchasing their products and moving on to their competitors. “Schweppes Zimbabwe Limited, the least you could have done was to alert your faithful customers of your idea to reinvent Mazoe and get our buy-in. But no, it appears you decided to take us for granted,” wrote Thando Nkomo, a public relations expert, on his Facebook timeline.

“By not informing us in advance of your intentions to change a product which is by and large a part of our national heritage, you have shown us just how little you value our opinions and interests. Your response to queries about this change states that you conducted consumer taste testing. I suppose this was done in your labs,” he wrote.

Another Facebook user, Fidelity Chauke, said: “It’s utterly confounding. “They paid someone a lot of money to kill a beverage of national pride. Maybe they thought no one would notice. From a PR perspective, I can understand why they were mum about the change in formula, there’s the historic example of ‘new Coke’ and how it was rejected by the American public even after extensive and aggressive PR campaigns.”

Ndagala Mpofu, a consumer and Facebook user, said Schweppes blundered by changing “a winning formula”. “But honestly who changes a winning formula? I was in Zimbabwe last month and while there, my Zambian friends were asking me to bring them some Mazoe. Clearly, the brand has or in this case had regional impact,” Mpofu said.

- i) What are the lessons you have learned from Schweppes’ experience? (20 marks)
- ii) What could have been done to ensure success of the Mazoe with the new formula? (20 marks)

End of Question 3