



1. Study of the various agencies and business structure which perform the marketing process?

- a. Functional Approach
- b. Institutional Approach
- c. Commodity Approach
- d. Structure-conduct-performance Approach

2. What is the primary goal of agricultural economics?

- a. To maximize agricultural production
- b. To allocate resources efficiently
- c. To increase agricultural exports
- d. To promote organic farming

3. Which marketing function involves the physical movement of goods from the producer to the consumer?

- a. Buying
- b. Selling
- c. Transportation
- d. Storage

4. What is the main advantage of crop rotation in agriculture?

- a. It increases soil fertility
- b. It reduces the need for irrigation
- c. It improves crop flavor
- d. It enhances mechanization

5. Which economic concept explains the relationship between supply, demand, and price in the market?

- a. Elasticity
- b. Opportunity cost
- c. Market equilibrium
- d. Comparative advantage

6. What is the role of government subsidies in agriculture?

- a. To increase food prices
- b. To support farmers' income
- c. To reduce agricultural imports
- d. To encourage urbanization

7. In which type of market structure do many sellers offer differentiated products?

- a. Perfect competition
- b. Monopoly
- c. Monopolistic competition
- d. Oligopoly

8. Which pricing strategy involves setting a low price to enter a competitive market and then gradually increasing it?

- a. Skimming pricing
- b. Penetration pricing
- c. Cost-plus pricing
- d. Dynamic pricing

9. What is the primary function of agricultural cooperatives?

- a. To maximize individual profits
- b. To reduce competition
- c. To enhance collective bargaining power
- d. To increase government regulation

10. Which financial instrument is commonly used by farmers to hedge against price fluctuations in the agricultural market?

- a. Stocks
- b. Bonds
- c. Futures contracts
- d. Mutual funds

11. What does GDP stand for in economics?

- a. Gross Domestic Product
- b. Gross Development Policy
- c. General Domestic Policy
- d. Gross Development Product

12. Which term refers to the cost of the next best alternative that is foregone when a decision is made?

- a. Opportunity cost
- b. Sunk cost
- c. Fixed cost
- d. Variable cost

13. Which factor does not directly influence the supply of agricultural products?

- a. Weather conditions
- b. Market price
- c. Consumer preferences
- d. Government policies

14. What is the concept of 'economies of scale' in agricultural production?

- a. Increasing average costs with increased output
- b. Decreasing average costs with increased output
- c. Constant average costs regardless of output
- d. Decreasing total costs with increased output

15. What is the role of a marketing board in the agricultural sector?

- a. To regulate prices and supply
- b. To provide technical assistance

16. Which type of elasticity measures how the quantity demanded of a good responds to a change in income?

- a. Price elasticity of demand
- b. Cross elasticity of demand
- c. Income elasticity of demand
- d. Supply elasticity

17. What is 'agribusiness'?

- a. The business of agricultural production and services
- b. Government policy on agriculture
- c. Agricultural research and development
- d. Farming techniques and methods

18. Which type of utility is created when products are made available to the area where they are most wanted?

- a. Time
- b. Form
- c. Place
- d. Possession

19. What does the term 'food security' mean?

- a. Access to sufficient, safe, and nutritious food
- b. Protection of food from contamination
- c. Insurance coverage for food products
- d. Government control over food prices

20. Which crop is most commonly associated with the term 'cash crop'?

- a. Wheat
- b. Corn
- c. Rice
- d. Cotton

21. What is 'sustainable agriculture'?

- a. Agriculture that maximizes yield at any cost
- b. Agriculture that meets current needs without compromising future generations
- c. Organic farming methods
- d. Intensive farming practices

22. Which factor is not considered in the calculation of GDP?

- a. Consumption
- b. Investment
- c. Government spending
- d. Environmental sustainability

23. What is the primary purpose of agricultural marketing?

- a. To sell products at the highest possible price
- b. To create a balance between demand and supply
- c. To reduce agricultural imports

24. What is 'agricultural extension'?

- a. Expanding farm sizes
- b. Training and advising farmers on best practices
- c. Developing new crop varieties
- d. Exporting agricultural products

25. Which economic principle is described by 'more of a good will be bought at a lower price than at a higher price, all other things being equal'?

- a. Law of Supply
- b. Law of Demand
- c. Law of Diminishing Returns
- d. Law of Comparative Advantage

26. Which term describes the situation where a small change in price results in a large change in the quantity demanded?

- a. Inelastic demand
- b. Elastic demand
- c. Unit elastic demand
- d. Perfectly inelastic demand

27. Which marketing channel involves the sale of agricultural products directly from farmers to consumers without intermediaries?

- a. Wholesalers
- b. Retailers
- c. Farmers' markets
- d. Export markets

28. Which concept in agricultural economics involves reducing the costs per unit of output by increasing the level of production?

- a. Marginal cost
- b. Average cost
- c. Economies of scale
- d. Diseconomies of scale

29. What is the primary focus of 'agrarian reform'?

- a. Industrialization of agriculture
- b. Redistribution of land to the landless
- c. Expansion of agricultural exports
- d. Development of new agricultural technologies

30. What is the significance of 'price elasticity of supply' in agriculture?

- a. It measures the responsiveness of quantity supplied to a change in price
- b. It measures the responsiveness of quantity demanded to a change in price
- c. It indicates the cost of production
- d. It shows the profitability of farming

31. Which economic theory explains why countries engage in trade based on their ability to produce goods more efficiently?

32. What is the main function of a 'marketing mix' in agriculture?

- a. To regulate production processes
- b. To balance supply and demand
- c. To determine product pricing, placement, promotion, and distribution
- d. To promote agricultural research

33. Which term refers to the ability of a market to allocate resources efficiently?

- a. Market failure
- b. Market equilibrium
- c. Market efficiency
- d. Market saturation

34. Which financial tool allows farmers to lock in a price for their crops before harvest?

- a. Loans
- b. Futures contracts
- c. Insurance policies
- d. Grants

35. What is 'vertical integration' in the context of agricultural businesses?

- a. Merging with competitors
- b. Expanding into new markets
- c. Controlling multiple stages of production and distribution
- d. Increasing product variety

36. Which type of farming focuses on producing crops and livestock for direct sale to consumers, often emphasizing quality and sustainability?

- a. Industrial farming
- b. Subsistence farming
- c. Organic farming
- d. Conventional farming

37. What is the primary benefit of diversification in agricultural production?

- a. Increasing yield of a single crop
- b. Reducing financial risk
- c. Lowering production costs
- d. Simplifying farm management

38. Which term describes a market condition where a few large firms dominate the industry?

- a. Monopoly
- b. Oligopoly
- c. Perfect competition
- d. Monopolistic competition

39. What is the primary objective of 'farm management'?

- a. Maximizing production at any cost
- b. Balancing resources to achieve sustainable profitability
- c. Reducing labor costs
- d. Increasing farm size

40. Which term refers to the benefits or satisfaction gained from consuming a good or service?

- a. Utility
- b. Profit
- c. Revenue
- d. Cost

41. What is 'price discrimination'?

- a. Charging different prices for the same product in different markets
- b. Offering discounts to loyal customers
- c. Charging the same price for different products
- d. Setting prices based on production costs

42. What does 'input-output analysis' in agriculture study?

- a. The relationship between different inputs and outputs in production
- b. The effect of agricultural policies on production
- c. The financial performance of farms
- d. The environmental impact of farming

43. What is the primary goal of 'rural development'?

- a. Urbanization of rural areas
- b. Diversification of rural economies
- c. Maximization of agricultural production
- d. Protection of natural resources

44. Which factor is not typically included in the calculation of a farm's gross income?

- a. Sales of crops and livestock
- b. Government subsidies
- c. Operating expenses
- d. Rental income from farm property

45. What is the significance of 'value-added' agriculture?

- a. Increasing the physical output of farms
- b. Enhancing the economic value of agricultural products
- c. Reducing the cost of agricultural inputs
- d. Expanding agricultural land

46. Which term refers to the financial support provided by the government to farmers to help stabilize their incomes?

- a. Taxes
- b. Subsidies
- c. Tariffs
- d. Grants

47. What is the primary function of 'crop insurance'?

- a. To increase crop yields
- b. To protect farmers against loss of income due to crop failure
- c. To provide loans for purchasing seeds
- d. To support research in crop production

48. Which of the following is considered as the point of consumption?

- a. Point of transaction
- b. Point of transportation
- c. Point of last sale
- d. Point of no return

49. What is 'organic farming'?

- a. Using genetically modified organisms for higher yields
- b. Relying on synthetic chemicals for pest control
- c. Avoiding synthetic inputs and emphasizing natural processes
- d. Implementing high-tech solutions for farming

50. What is the primary purpose of 'rural credit'?

- a. To buy urban properties
- b. To finance agricultural activities and rural development
- c. To support industrialization in rural areas
- d. To promote tourism in rural areas

Answer Key

1.	b	2.	b	3.	c	4.	a	5.	c
6.	b	7.	c	8.	b	9.	c	10.	c
11.	a	12.	a	13.	c	14.	b	15.	a
16.	c	17.	a	18.	c	19.	a	20.	d
21.	b	22.	d	23.	b	24.	b	25.	b
26.	b	27.	c	28.	c	29.	b	30.	a
31.	b	32.	c	33.	c	34.	b	35.	c
36.	c	37.	b	38.	b	39.	b	40.	a
41.	a	42.	a	43.	b	44.	c	45.	b
46.	b	47.	b	48.	c	49.	c	50.	b