

# CIMG Programme Pathway 6 Professional Marketer

**Agri-Business Marketing (PMS 608)**

**DECEMBER 2023**

**DURATION: 3 HOURS**

The examination comprises of two parts:

**Part A - a compulsory case study, worth 40 marks**

**Part B - answer any three questions, worth 60 marks in total**

## **PART A – COMPULSORY**

### **CASE TITLE: ARAS FARMS AND SUSTAINABILITY AGENDA**

Aras Farms is a large-scale livestock company established by Mr. Kwame Aras Appiah in 1995. Aras Farms currently boasts of ten (10) farms in the country with the largest of them situated in Ashanti Akyem Agogo. The firm has other branches spread across the country, with two farms in Wenchi, one farm in Konongo, three in the Afram Plains, two in Upper West and the rest at Amedzofe in the Volta Region. Aras Farms has over 8,000 livestock comprising 1,500 cattle, 3,000 goats, 1,500 sheep and 2,000 pigs. In the year 2015, Aras Farms ventured into cat-fish production and currently has an annual cat -fish stock of 10,000.

### **CHALLENGES AT ARAS FARMS**

With the demise of its founder and CEO, Mr. Kwame Aras Appiah in 2017, the farm has encountered challenges, especially in financing, a situation that has stagnated the growth of the company. Delay in payment of employees' salaries is now a common occurrence at Aras Farms. Secondly, inputs and logistics required for the daily running of the farms are in short supply. The farm was recently fined by the Environmental Protection Agency (EPA) over its deteriorating environmental conditions at most of its farms, improper handling and disposal of waste at the farms and the increasing rate of work-place accidents on the farms. Aras Farms, once the pride of the country, is now a pale shadow of itself.

### **SEARCH FOR INVESTORS**

At a recent board meeting to deliberate on ways to resuscitate the company and put it back on the slope of profitability, two main options were tabled, debt financing and equity financing as a way of raising capital. Equity financing was adopted as the approach to implementing it and a five-member committee was set up to seek investors willing to inject capital in exchange for a controlling stake in the company.

The five-member committee, led by Mr. Kwame Nyamekye approached Comms Invest SA, a South Arican Impact Investing over the possibility of the latter investing resources in Aras Farms in exchange for equity. Although thrilled by the prospect of investing in Aras Farms,

Comms Invest SA has tabled the adoption and integration of sustainability practices at Aras Farms as a pre-requisite. This is in line with their status as an impact investor. Resultantly, Comms Invest SA has requested a report from Aras Farms on how it intends to integrate and implement sustainability practices in its operations.

### **QUESTION ONE - COMPULSORY**

As a marketing manager of Aras Farms and a member of the five-member committee, you have been tasked to present a briefing paper to the Board of Directors and Management team of your company on how best they can go on with the implementation of sustainability strategies.

The objective of your briefing paper is to introduce to the Board and Management the concept of sustainability, and the vital role it can play in assisting Aras Farms bounce back to become a formidable player in the livestock industry and achieve competitive advantage in the marketplace.

Your briefing paper should

- a. Clearly explain the concept of ***People, Planet and Profit*** as the sustainability approach to be adopted. **(10marks)**
- b. Recommend with justification **FOUR** practical areas of Aras Farms where the concept of People, Planet and Profit can be implemented. **(10 marks)**
- c. Critically appraise **FOUR** benefits for the adoption of the concept of People, Planet and Profit to Aras Farms. **(12marks)**
- d. Evaluate **TWO** potential disadvantages the adoption of the concept of People, Planet and Profit can pose to the operations of Aras Farms. **(8 marks)**

**(Total 40marks)**

## **PART B**

### **ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION ONLY**

#### **QUESTION TWO**

AgroWam is an agrotech company that supports smallholder farmers to grow, aggregate, and sell agricultural produce in Ghana and on international markets. The company began operations in the last quarter of 2019 but was duly registered under the laws of Ghana in March 2020 as a limited liability company. Currently AgroWam has a presence in Tamale, Walewale, Tumu, Nandoli, and Yendi. WamiAgro is a Small and Medium Enterprise (SME) with 10 core permanent staff and 14 part-time and contract staff. The company has its head office in Accra and a branch office in Tamale.

AgroWam offers the following range products and services:

- **AgroWam Credit** – an input finance service that provides smallholder farmers with seeds, fertilizers, and mechanization services on credit.
- **AgroWam Market** – accepts repayment of credit through the purchase of produce from farmers from its network, which is sold to large trade partners.
- **AgroWam Info** – provides climate-smart agricultural training and information to farmers in their local dialects.
- **AgroWam Farms:** cultivation of rice, soya bean, sorghum, and maize in Ghana.

Based on your expertise as an agribusiness marketer, produce a report to the Senior Management Team of AgroWam that critically assesses in detail FIVE potential risks the company can be exposed to because of its operations in the agricultural sector.

**(20marks).**

#### **QUESTION THREE**

AgriVenture International, a leading agribusiness company based in Ghana, specializes in the production of high-quality organic cocoa and a range of agricultural services. The company, after achieving significant success in the local market, is now planning to expand into foreign markets to sell its products and services globally. AgriVenture International has set its sights on international expansion, aiming to export its organic cocoa products and offer its

agricultural expertise to markets beyond Ghana. As the appointed consultant, the company has sought recommendations for market entry strategies and insights into potential trade barriers. Prepare a presentation to the board of AgriVenture International in which you:

- a) Recommend with justification, considering the benefits and risks associated with **FOUR** market entry approaches available to AgriVenture International in its international expansion strategy. **(10marks)**
- b) Critically assess any **FOUR** international business trade barriers that AgriVenture International will likely face in its quest to develop new markets and suggest practical approaches to overcoming these obstacles. **(10 marks)**

**(Total 20 Marks)**

#### **QUESTION FOUR**

The Faculty of Agriculture at the Kumasi Nkrumah University of Science and technology has instituted a bi-monthly thought-leadership webinar series to bridge the gap between academia of Agribusiness Marketing. As an astute Agribusiness Marketer, you have been selected to be the presenter for its inaugural webinar on the topic: *Optimising Value Creation in Agribusiness for Competitive Advantage: Lessons from a contemporary agribusiness marketer.*

Your presentation should:

- a) Recommend in detail, with examples **THREE sectors** of the Agric industry where value creation can be implemented to achieve competitive advantage. **(8 marks)**
- b) Critically evaluate with relevant examples any **THREE forms of value creation** agribusinesses can undertake to enhance their competitiveness in the marketplace. **(12marks)**

**(Total 20marks)**

#### **QUESTION FIVE**

You have been recently appointed as Agribusiness Consultant for Ampomah Farms; a medium scale agribusiness company located at Ahafo Mim. Ampomah Farms is into cultivation of maize, cassava, plantain, cashew, fish farming and the rearing of goats and cattle. Upon engaging with the various senior management team of the firm, you found out that the operations of Ampomah Farms are carried out without adherence to ethical standards in the industry. You have advocated for the adoption of ethical practices by the

farm and as a result you have been tasked to present a REPORT to the managing director. He has specifically asked you to:

- a) **Clearly identify and explain** in detail any four agribusiness ethical issues that currently face Ampomah Farms and recommend with examples solutions to these identified issues. **(14marks)**
  
- b) **Identify and explain in detail the role of THREE** regulatory bodies that have oversight responsibility over Ampomah Farms. **(6marks)**

**(Total 20marks)**

### **QUESTION SIX**

Ekoso is an Aggrotech firm with over fifteen years of providing services to firms in the agricultural sector in Ghana. Ekoso has over the years rolled out very innovative and technology based revolutionary services to significantly enhance efficiency, productivity, and sustainability across the entire agricultural value chain. As a result, your company, Adepa Farms is considering engaging the services of Ekoso to optimize the various stages of its value chain. The stages currently been considered are the Production, Processing and Storage, Distribution and Marketing aspects of the firm's value chain. As the marketing manager, you are to present a paper to your management team on how the integration of technology and digital platforms can be a game changer for the company.

Your presentation should:

Clearly explain in detail how partnering with Ekoso will results in efficiency, cost savings, increased productivity and enhanced sales in the Production, Processing and Storage, and Distribution and Marketing at Adepa Farms. **(20marks)**

**(Total 20marks)**