
Question 26 (9 marks)

- (a) Identify THREE external factors that affect food product development, and give a relevant example for each. 3

<i>External factor</i>	<i>Example</i>
Consumer Demand	what consumer wants can change what food is developed.
Finance.	Financial status can determine food development and what foods are made.
Technology	Technology can also affect how food is developed and what foods are produced.

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Question 26 (continued)

- (b) How does the food industry adjust its pricing structures in response to changes in the economy?

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The food industry relies on the economy for support. If their price structures are too high then the economy will not buy. Therefore the economy determines the price of the food. If a product is costing more to produce than it can be sold for then the food industry will stop the production of it. Each time the economy changes the food industry will assess the situation and will regard their prices on the economic situation. The food industry responds to the economy and general public through research and assessment.

End of Question 26