

ISSN: 2063-5346

**A STUDY ON RURAL MARKETING IN INDIA****Shilpa A C¹, Hemanth Patel², Hemanth Kumar³, Girish B⁴****Article History: Received: 29.03.2023****Revised: 12.05.2023****Accepted: 30.06.2023****Abstract**

The Rural Marketing refers to the activities undertaken by the marketers to encourage the people, living in rural areas to convert their purchasing power into an effective demand for the goods and services. The rural market has been growing and caught the attention of marketers due to the fact that 740 million Indians which is 70% population live in rural India and general economic growth of the country has considerably increased rural people purchasing power. Saturation in Urban market has made rural market to gain more Importance. Offering various opportunities like large population, untapped market, advantage of first mover, and huge scope for penetration, etc, rural market became more potential for success. Similarly rural market has some challenges too. Being an untapped market has a greater degree of potentiality for expansion strategy. Rural people economic condition has been improved considerably, this increased their purchasing power.

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1. Introduction

Rural marketing refers to the all marketing activities in a rural area. Large portion of the population and geographical area of the country belongs to rural area. According to the census of 2001, 740 million Indians forms 70% of population of India live in rural areas. Increase in rural population is also more comparing to urban population. Therefore, the rural region has more opportunities for success. Finding all these opportunities marketers focusing on needs and requirements of people living in rural area and they are taking steps to motivate people to buy their products leading to improving living standards rural people.

In rural marketing there are two way marketing process, which includes products inflow into the rural markets for consumption or production and products outflow to urban area. The products like fast moving consumer goods such as agricultural supplies cosmetics, textiles, soap, detergents etc., will move from urban to rural market. And the products like sugar, rice, wheat, cotton etc., will move from rural to urban market for consumption of production.

Objectives of the Study

- To study the rural market current scenario in India
- To study rural marketing strategies
- To understand the limitations and challenges of rural marketing

Review of Literature

Harsh Kumar(2023) has observed that rural India has enormous chances for businesses to expand and prosper. To capture these opportunities marketers have to develop tactics that take into account the characteristics and consumer base in rural areas.

V V Devi Prasad Kotni (2012) has reported about Indian rural markets prospects and problems. The author is also of the opinion that the governmental role is very important in solving the issues of rural markets. Implementation of rules effectively and infrastructure building, laws and regulations will safeguard the interest of consumer.

Aditi Naidu(2017) have stated that the 4 As(Acceptance , Affordability , Awareness, Accessibility) of rural marketing drives the rural marketer's efforts for substantial growth in rural markets. The author also of the opinion that organizations need to offer products customized according to the consumer needs, which are perceived as value for money, are rich in feature, user friendly products that fit rural customer requirements.

Dr. Ashfaque Ahmed(2013) have studied in his article about challenges and strategies for selling products and services in rural market. And he has

observed that rural people highly price sensitive. He stated that budget problem is not a main problem. Major issue is cash flow problem. This problem is all because the villagers get funds only twice a year. There is a cash flow crunch during the lean season, Companies must provide financial products, schemes or solutions that is suitable to rural population needs.

Manpreet Kaur(2013) have stated that Hindustan Unilever Limited the first company to step into the rural marketing in India. In his paper he has tried to discover the different initiatives taken by the company to satisfy the rural customer. He also stated that digital maps technology, improved road infrastructure, television reach to rural area, these are few major changes which will impact distribution plan of HUL in rural area.

Anil Kumar S. Hagargi(2011) have reported that companies plans to target rural market face various challenges. Some important challenges are understanding need of rural customer, good distribution channel, and effective communication strategy to convey their marketing messages to rural customer etc.. and he has suggested that bringing some innovative techniques in marketing and distribution can help those companies to earn more profit and market share.

Dr. S. Nadarajan and M. Josephin Rangith(2018) have stated the comparative study in SWOT shows that the difference between strength, weaknesses, and the difference between opportunities and threats in rural marketing which helps the trading organizations to framing new marketing strategies. P.Sandhya Rani(2016) have reported that have reported that in economy Rural marketing have untapped potential. The author opined that rural market is now evolving gradually, and the sector faces various challenges, which includes understanding of dynamics of the rural markets and strategies to supply and satisfy the rural consumers. Bhavika Pandita Hakhroo(2020) has stated that rural market is changing and innovating If corporations wants to tackle this market needs to adopt changing and innovative strategies. The organizations have to establish a connection with the rural customers and then accordingly develop and sell products.

Challenges of Rural Marketing

The following are the major challenges which are common in rural marketing

1. **Poor Communication:** Many villages in our county are deprived of communication. Especially in the monsoon. Communication infrastructure is underdeveloped in many villages.
2. **Low literacy:** Rural areas literacy rate is low comparing to urban areas. This is leading to the problem of communication. Print media becomes irrelevant and ineffective. Marketers

have to face challenges like educating the customer about the quality and usages of the products.

3. **Low per capita income:** Compared to urban area per capita income rural area is low. Because of land holding pattern distribution of income skewed.
4. **Transport:** Nerve centre of any business is transportation. Majority of the villages have no connection with main roads. During monsoon season most of the villages disconnected for very long. These hurdles in transportation hinder marketing activities in rural areas.
5. **Seasonal demand:** It is difficult for companies to focus on rural segment as it's difficult to plan, because rural demand is seasonal and irregular. Similarly income of the rural customer influence the demand and there is a uncertainty in income because it's depends on agriculture, and agriculture is depends on monsoon.
6. **Standards of living:** Rural customer standard of living is low. This is because low income, low purchasing power, and low literacy rate and so on. Low standard of living restricts their buying ability and product adoptability.
7. **Multiple languages:** Multiple languages are spoken in rural areas that make marketing activity difficult. While planning advertising, personal selling, and publicity companies cannot fulfill different language expectation of all rural people.
8. **Scattered market:** In promotion and distribution it is difficult to reach wide and scattered market. In India rural area is spread in the entire country in around 6 lakhs villages of different sizes while urban population is concentrated in around 3200 cities. It is challenging task to select market. Serve them effectively.
9. **Lethargic lifestyle:** Rural people are not fond of fashion and innovation because they don't have desire for new lifestyle. So marketer cannot convince rural people to use and adopt products with innovative features and better qualities.

Strategies of Rural Marketing

Product Strategies

In rural marketing firstly marketer must study the rural customer and understand their needs and demands, then they have to come up with customized products and services. The products sold in urban areas will not be accepted by rural customer.

Pricing strategies:

Rural customer has less brand conscious and they are very price sensitive people. Hence marketer's

pricing decision in rural market must be depended on the income pattern and occupation.

Following strategies can be followed by marketers

- **Differential Strategy of Pricing:** The price of the product which are going to offer in rural market should be priced slightly cheaper than that in urban market to attract the rural consumers.
- **Create Value:** Majority of the people in rural area gives more importance to the durability of the product. They are ready to pay higher for quality products and services.
- **Special Events:** Rural people celebrate and value many festivals and occasions. Therefore, marketers can utilize this opportunity to sell their products and services by attracting rural consumers by offering them different kinds of offers and discounts.
- **Packing:** Standard of living of rural consumer is low. They don't want to spend on fancy packaging and labeling. Therefore marketer need not to spend too much amount on packaging.
- **Retailers:** Retailers are the main medium of selling in rural market. The marketer must make strategies to offer various gifts, cash discounts, offers and quantity discounts ect.. this all needed to build the loyalty of retailers

Distribution Strategies

For the success of any company regular demand is very essential, to create order regularly company make sure uninterrupted goods supply. Following strategies are helpful to create regular demand.

- **System of Public Distribution:** There are fair price shops in the villages run by government to sell the daily utility at a nominal price.
- **Retailers:** Rural consumer gets the products and services from retail shops located in rural areas. So supply chain management should be in such a way that the goods and services are regularly available.
- **Company Depots:** Marketer can maintain depots and warehouses in some rural areas so that goods can be made available uninterruptedly to rural customer
- **Local Markets:** Fares, farmers' market, Sunday market and feeder market and so on can be seen in rural areas, where rural people gather and buy the goods and services. This can be utilized to supply products.

Promotion Strategies

Promotion is very important stage in marketing. During this stage products are introduced in the target market. Majority of the rural customers are illiterates. So marketers must plan the promotion mix in such a way that rural customer can easily

understand the features of products offered rural market.

Strategies of promotion are as follows:

- **Mass media:** Rural people are deprived of all kinds of entertainments. They just have only limited source such as Television, radio, cinema, press etc.. The marketer can promote his products and services only through these medias.
- **Personalized Media:** Sales person will be appointed to conduct door to door sales and gathering information and queries about products and company.
- **Local Media:** Audiovisual van, fares, animal parades, programme of folk is part of local media. With the help those medias companies can advertise their products and services
- **Actors and Models for Promotion:** Rural people are very fond of and models and television actors. They are like role models to rural people. Therefore marketer can hire models and Television actors to promote their products and services.
- **Paintings advertisement:** Representation which is more colorful and attractively picturised will eye catching for rural customer. Therefore painting advertisements are very much suitable for rural customer.

2. Conclusion

Rural marketing concept is evolving as a part of economy and has high potential for success. Recently companies have realized the opportunities of rural marketing. There are several challenges the marketers are confronting in rural marketing. Understanding the dynamics of rural markets and making best strategies enables marketers serve the rural customer better and able to achieve the objectives of the company. The rural marketers have to develop network with rural customer, then they need to develop and sell products according to their needs and demands. Opportunities in rural market are vast, to capture those opportunities one must undergo detailed study and get to know about countryside people and their characteristics and also marketer can make best use of various strategies.

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