



Effectiveness of 4 A's in Rural Marketing Mix with Reference to FMCG Products

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Abstract

The future of India lies in the hands of Rural India. As 64.1 % of India is Rural companies are trying their best to enter into rural markets specially the FMCG sector. The 4 P's are compared to 4 A's in rural market. This paper focus on the effectiveness of 4 A's in rural market with reference to FMCG products. A sample of 111 consumers were taken for the study from rural village hear by Hubli Taluk in Karnataka. Convenient sampling method was used for data collection. Factor Analysis is used for analyzing the data. It is found that in 4 A's various factor such as village Mela Radio Jingles, Retailers influence awareness factor. In Accessibility Credit and services and Monthly account facilities are influenced. influence the buying behavior of consumer. In affordability factor is when products are available in small packets and low price. In acceptability factor rural consumers accept value with satisfaction. The overall marketing mix focuses on positive relationship with other factors. 4 A's concept of marketing mix is effective to rural consumers.

Keywords: Rural Markets, Awareness, Acceptability, Affordability, Accessibility.

1. Introduction

The future prosperity of the Indian market is in the hands of rural marketers. C K Prahalad correctly observed, "Companies that see the poor as their consumers have the future." The four P's of marketing are compared to the four A's in the rural section. In current scenario, the rural markets have risen in term of consumption, lifestyle, income, and habits. Rural markets were formerly untapped, but as urban markets got saturated and demand for FMCG products increased, businesses began to explore for opportunities in rural areas. Rural areas require a different set of marketing techniques than urban markets. The four A's of the rural market are affordability, acceptability, accessibility, and product awareness.

The 4 A's model in Rural marketing incorporates the 4 P's of Marketing Mix. As 4 A's are seen as the benchmark for success in the rural market compared to 4 P's in rural markets (Ramachande, 2018).

In presence of all the resources available to the promoters, the 4As are focused on activities that ultimately increase the success of marketing initiatives aimed at final consumers. In contrast to 4Ps, which concentrate on "implications," 4As are focused on objectives. (Sheth,

2003). From product to customer value and object, acceptance is changed. The complex combination of tangible and intangible features that set the product apart from competing entities in the market can be defined as the product. (Czinkota, 2010). The focus of affordability shifts from price to cost and goals. According to the fundamental principles of supply and demand in economics, people will purchase more goods when prices are lower, hence boosting demand. (Casassus, 2009). Promotion of awareness is followed by communication and action. The components of promotion include things like direct mail, billboards, television, radio, print, and online advertising, coupons, and personal selling (also known as direct marketing). (Peng, 2009). One of the unexpected outcomes of categorizing consumers and developing interaction tactics using demographic factors as the primary variables is accessibility. But because accessibility means different things to different clients, different operational approaches should be used. (Baker, 2002).

The market presumes that urban markets are saturated, the market is now focusing on the rural segment. Customers' preferences, tastes, and lifestyles in rural areas have been rapidly changing in recent years. The market is evolving at a faster rate as income levels rise, connectivity to rural communities improves, and people are exposed to new products and brands. In the rural economy, demand for commodities is expanding. Companies now consider rural as the most promising market. Many corporations, such as HUL and ITC, have studied the market and attempted to comprehend the needs of rural customers. They are also developing new inventive techniques to reach out to rural consumers and suit their needs. One of the differences in the rural market is that the techniques utilized in the urban market are not appropriate for the rural market.

In emerging economies, rural customers are one of the largest and fastest-growing categories. (Douglas, 2011). Prahalad (2006) and Mahajan and Banga (2006) cite how the vast majority of lower-income consumers are found in rural areas as having the greatest growth potential. Huhmann (2001) claims that the size of the Indian market would be 2.5 times the population of the US and that the rural markets are expanding twice as quickly as the urban markets. (Nagaraja, 2004) expresses - Consumer income growth, the desire to consume, and altered societal rhetoric that is pro-consumption are all having an impact on Indian consumers' rural purchasing behavior today, particularly in rural India. The majority of businesses now adhere to the GO RURAL philosophy. Where admission into this market yields profit, although at a sluggish pace. Consumers buy items, but at a price that reflects the product's worth. Shampoos range in price from a sachet to high-tech smart items. As a result, the rural market is critical to our country's economic development.

2. Literature Review

The 4 A's model is considered as a customer-oriented model and 4 P's are seen from the organizations point of view. To be successful in rural market the 4 P's has to be fine-tuned to 4 A's model (Rithvikaa Kripanithi, 2018). Rural Marketing mix traditionally includes 4 P's to sell its goods in the market. It also includes 4 A's model Affordability, Availability, Awareness and Acceptability. (Puneet Bansal, 2013). Rural marketing at macro-level should focus on availability, accessibility and affordability (Kumar, 2019). The 4 A's of Rural Marketing are an endeavor for sustainability in the rural markets; this model is more appropriate and effective for rural markets. The 4 A's of Rural Marketing have been a consumer-oriented approach towards understanding the rural consumer. The future of rural

marketing and development in rural areas looks bright for the growth of rural economies and a better life for those who live there. (Hakhroo, 2020). Rural consumers do not try new products unless there is a purchasing factor. The researcher also suggests attracting and retaining young rural consumers. (Mohd Shuaib Siddiqui, 2017). The assessment of rural marketing mix as 4 A's may lead to specific directions in its better performance. (B.K.Suthar, 2013). To succeed in rural market organization should offer products which are in need to rural consumers, they buy the products if it has a perceived value for money. The product offered should have rich features with easy to use and it should also fit rural customer usage requirement. (Naidu, 2017). The customization of marketing mix for rural markets were examined, it revealed the marketer entering rural markets required to surpass barriers which includes 4 A's of marketing mix which they have to rural environment (Menon N., 2008). It was found that rural markets differ from urban market, before entering rural markets the marketers have to develop the right marketing mix. (Himani Joshi, 2011)

3. Objective of the Study

1. The Assess the effective of 4A in FMCG products.
2. To determine the most influential factor on buying behavior of FMCG goods among 4 A's.

4. Research Methodology

The study aims to analyze the efficiency of 4 A's in the rural market with regards to FMCG products. Questionnaire was created to study the availability, affordability, accessibility and awareness among rural customers. Consumers in Hubli's surrounding villages are sampled using convenience sampling techniques. A total of 111 people was included in the study. The study includes both primary and secondary data were included. A 7-point Likert Scale was used to create the questionnaire (Strongly disagree to Strongly Agree). The information gathered is used to create a demographic questionnaire to assess the effectiveness of the four A's of rural marketing products in relation to FMCG products. To investigate the study's aims, hypothesis was developed.

5. Data Analysis Method

Respondents Demographic Characteristics.

Group	Respondents	No. of Respondents	Percentage (%)
Gender	Male	97	87.4 %
	Female	14	12.6 %
Age	< 20	15	13.5 %
	20 - < 35	50	45 %
	35 - < 50	34	30.6 %
	>50	13	11.7 %
Marital Status	Married	62	55.9 %
	Unmarried	49	44.1 %
Education	Primary	25	22.5 %
	Secondary	36	32.4 %
	Graduate	50	45 %
Occupation	Student	28	25.2 %
	Service	06	05.4 %

Group	Respondents	No. of Respondents	Percentage (%)
	Small Business	26	23.4 %
	House Wife	03	02.7 %
	Farmer	24	21.6 %
	Professionals	17	15.3 %
	Others	07	06.3 %
Annual Income	< 10000	40	36.0 %
	10000 < 25000	57	51.4 %
	25000 < 50000	10	09.0 %
	>50000	04	03.6 %
Financial Status	Dependent	46	41.4 %
	Independent	65	58.6 %
Monthly Exp on FMCG	< 2000	39	35.1 %
	2000 - < 5000	56	50.5 %
	5000 - < 10000	12	10.8 %
	>10000	04	03.6 %

The above table shows the demographic characteristics of 111 respondents used in this article.

6. Data Analysis

To evaluate the efficacy of the 4 A's model in rural marketplaces, the principle components with varimax rotation of factors were used in the data factor analysis.

i. Scale: Reliability Analysis with a pilot study of 111 respondents

Reliability Statistics	
Cronbach's Alpha	No. of Items
.953	37

The reliability analysis value of 111 items is 0.958 which is found satisfactory among the responses.

ii. Descriptive Statistics

Descriptive Statistics					
	N	Min.	Max.	Mean	Std. Deviation
Awareness	111	1	7	4.54	1.119
Acceptability	111	1	7	4.63	1.194
Affordability	111	1	7	4.39	1.115
Accessibility	111	1	7	4.53	1.113
Valid N (listwise)	111				

The descriptive statistics of total Awareness, Acceptability, Affordability, and Accessibility were calculated on Mean and Std. Deviation with Awareness Mean – 4.54 and SD – 1.119, Acceptability Mean – 4.63 and SD – 1.194, Affordability Mean- 4.39 and SD – 1.115 and Accessibility Mean – 4.53 and SD – 1.113.

iii. KMO and Bartlett's Test

KMO and Bartlett's Test

KMO Measures of Sampling Adequacy		0.883
Bartlett's Test of Sphericity	Approx. Chi-Square	2964.750
	Df	666
	Sig.	0.000

The Kaiser–Meyer–Olkin Measure of value of 0.883 It showed that the sample was adequate and sufficient for the inquiry. At a 5% level of significance, the level of 0.000, which is less than 0.05, is acceptable.

iv. Communalities

Initials	Statements	Extractions
AW1	I get attracted to the products displayed in our village during religious events and often buy them.	0.548
AW2	I get influence to the message of the product painted on walls of our village	0.537
AW3	I come to know about the product from Posters and banners in our village.	0.578
AW4	The products available at our village Mela's inspires us to buy.	0.618
AW5	I purchase the product because I like the song of the product which I listen in the Radio.	0.608
AW6	I come to know about the products as I watch regional TV channels	0.490
AW7	I visit those retail stores where retailer provides good service and is very friendly.	0.143
AW8	I often buy products which I read in our local News Paper.	0.560
AW9	I get to know about the product through our local doctor / village panchayat / Teacher	0.448
AW10	The retailer updates me about the new products available in the market. FB	0.548
ACC1	I buy products which are easily available at our village retail stores	0.569
ACC2	I have a monthly account at our village retail store	0.689
ACC3	I go to the retailer who provides me credit facility	0.777
ACC4	The Products reach the retailer at the time when I require the product	0.674
ACC5	I buy the products were after sales services are available at the retail stores.	0.634
ACC6	The company provides prompt services for its products if required by the customer.	0.597
ACC7	The complaints are handled politely by the company through retailer	0.709

ACC8	The company provides services to the customer promptly	0.706
ACC9	I prefer to buy products which has flexible exchange offer.	0.726
AFF1	I purchase the products which meets my expectation	0.656
AFF2	I purchase those products which have good promotional offers.	0.554
AFF3	I Prefer to buy products in small sachets / packers	0.535
AFF4	Product exchange offers are flexible by the retailer for me	0.473
AFF5	I have a monthly account with our village retailer	0.768
AFF6	I prefer buying a product at low price.	0.556
AFF7	I buy products from the retailer who gives me credit facilities.	0.743
AFF8	Price plays an important role for purchase of a product than value for me	0.472
AFF9	I don't mind paying extra to get a good brand.	0.300
ACP1	The products purchased are for basic requirement.	0.705
ACP2	Products create a value of satisfaction after consumption	0.658
ACP3	Brand plays an important den price and discount	0.513
ACP4	Word Of Mouth marketing plays an important role for purchase decision	0.632
ACP5	Retailer creates a personal relationship after purchase of products	0.505
ACP6	Products need to be communicated to customers strongly	0.695
ACP7	Products are repurchased if given goods results after consumption	0.643
ACP8	Product name should be easily pronounced	0.609
ACP9	Products have to be informed to the customers through demonstration.	0.588

Extraction Method: Principal Component Analysis.

The above table shows that more initial communalities are relatively high, and most variables have a lot of variation among themselves, which is the perfect environment for factor analysis.

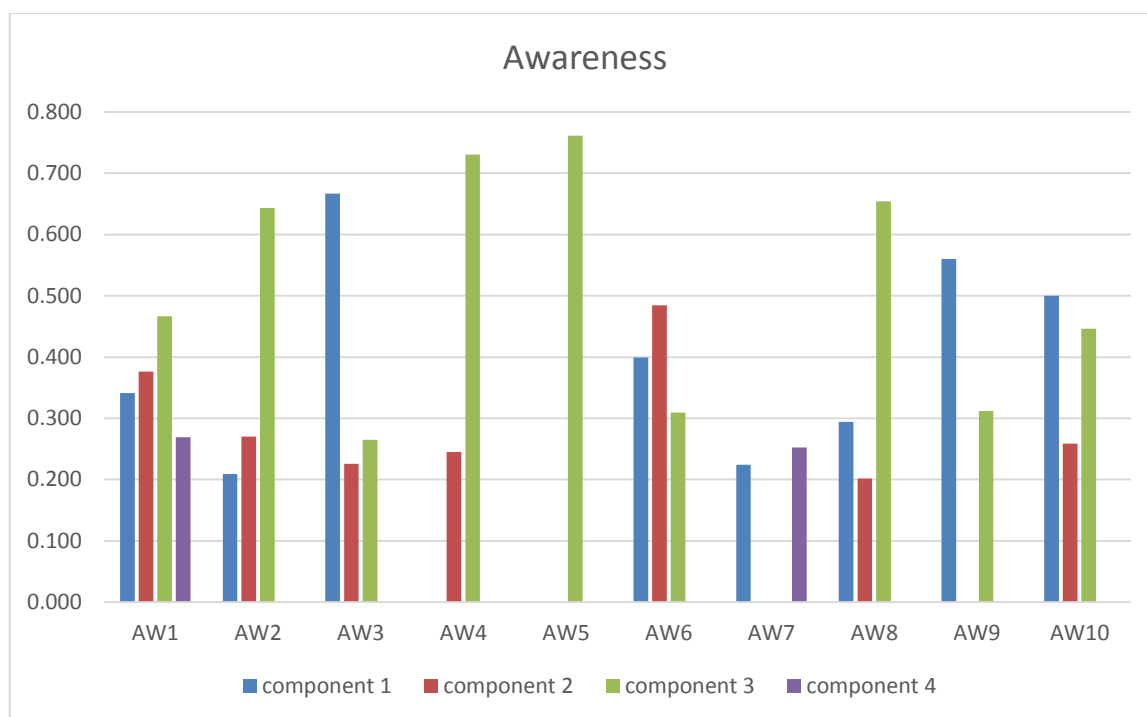
v. Rotated Component Matrix

	Component			
	1	2	3	4
ACC9	0.770	0.318		
ACC8	0.748	0.211		0.303
ACC7	0.726		0.379	
AW3	0.667	0.226	0.265	
ACP7	0.634	0.418		0.257
ACC4	0.616		0.492	0.220
ACC5	0.607		0.497	
ACC6	0.600		0.433	

	Component			
	1	2	3	4
AW9	0.560		0.312	
AFF4	0.523	0.277	0.342	
AW10	0.500	0.259	0.446	
AFF1	0.419	0.676		
ACP9		0.669	0.291	0.221
AFF3	0.255	0.625	0.256	
ACP2		0.619	0.306	0.384
ACP4	0.319	0.615	0.388	
ACP6	0.372	0.609		0.423
ACC1	0.384	0.608		
AFF2		0.606	0.265	0.323
ACP1	0.499	0.583	0.322	
AFF6	0.332	0.562	0.353	
AW6	0.399	0.484	0.309	
ACP3	0.331	0.463	0.435	
AW5			0.761	
AW4		0.245	0.731	
AW8	0.294	0.202	0.655	
AW2	0.209	0.270	0.644	
ACP8	0.290	0.463	0.554	
AFF8	0.355		0.510	0.226
ACP5		0.434	0.489	0.277
AW1	0.341	0.376	0.466	0.269
AFF9		0.282	0.432	
ACC3				0.850
AFF5		0.235		0.838
ACC2				0.804
AFF7	0.322			0.778
AW7	0.224			0.253
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.				
a. Rotation converged in 10 iterations.				

The above table is important for interpretation of the values of the data which can be useful for factor analysis.

vi. Extracted factors after Rotation Component Matrix

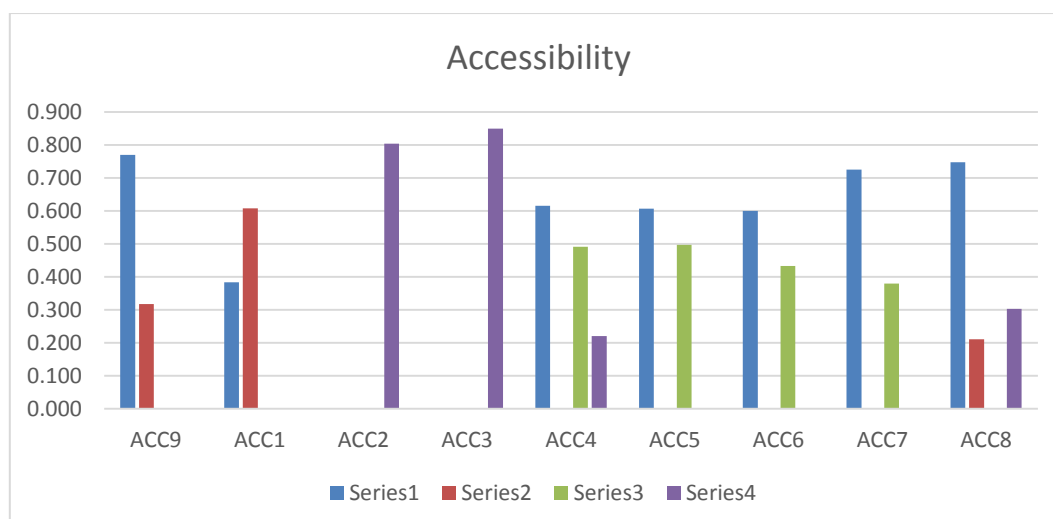


Factor 1: Factor which are Important for creating Awareness among Rural Consumers.

AW1	I get attracted to the products displayed in our village during religious events and often buy them.	0.548
AW2	I get influence to the message of the product painted on walls of our village	0.537
AW3	I come to know about the product from Posters and banners in our village.	0.578
AW4	The products available at our village Mela's inspires us to buy.	0.618
AW5	I purchase the product because I like the song of the product which I listen in the Radio.	0.608
AW6	I come to know about the products as I watch regional TV channels	0.490
AW8	I often buy products which I read in our local News Paper.	0.560
AW9	I get to know about the product through our local doctor / village panchayat / Teacher	0.448
AW10	The retailer updates me about the new products available in the market	0.548

The important factor which creates awareness among the rural consumers are

1. Village Mela's, Jingles in Radios.
2. Banners, Newspapers, Retailer and religious events display and Wall paintings.

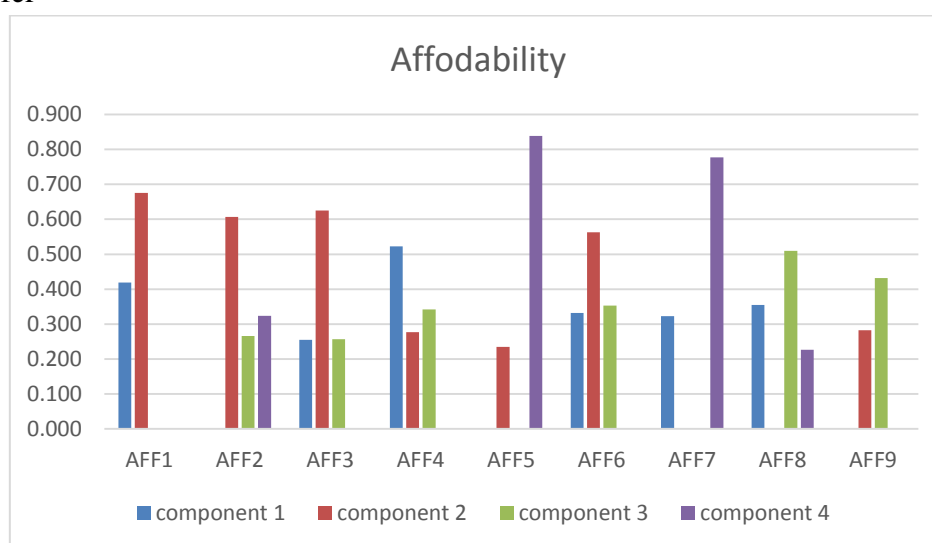


Factor 2: Factor which are Important for creating Accessibility among Rural Consumers

ACC1	I buy products which are easily available at our village retail stores	0.569
ACC2	I have a monthly account at our village retail store	0.689
ACC3	I go to the retailer who provides me credit facility	0.777
ACC4	The Products reach the retailer at the time when I require the product.	0.674
ACC5	I buy the products were after sales services are available at the retail stores.	0.634
ACC6	The company provides prompt services for its products if required by the customer.	0.597
ACC7	The complaints are handled politely by the company through retailer	0.709
ACC8	The Retailer provides services to the customer promptly	0.706
ACC9	I prefer to buy products which has flexible exchange offer.	0.726

The important factor which creates accessibility among the rural consumers are

1. Credit facilities, handling of complaints, services
2. Monthly account facilities availability of the product. Sales services and exchange offer

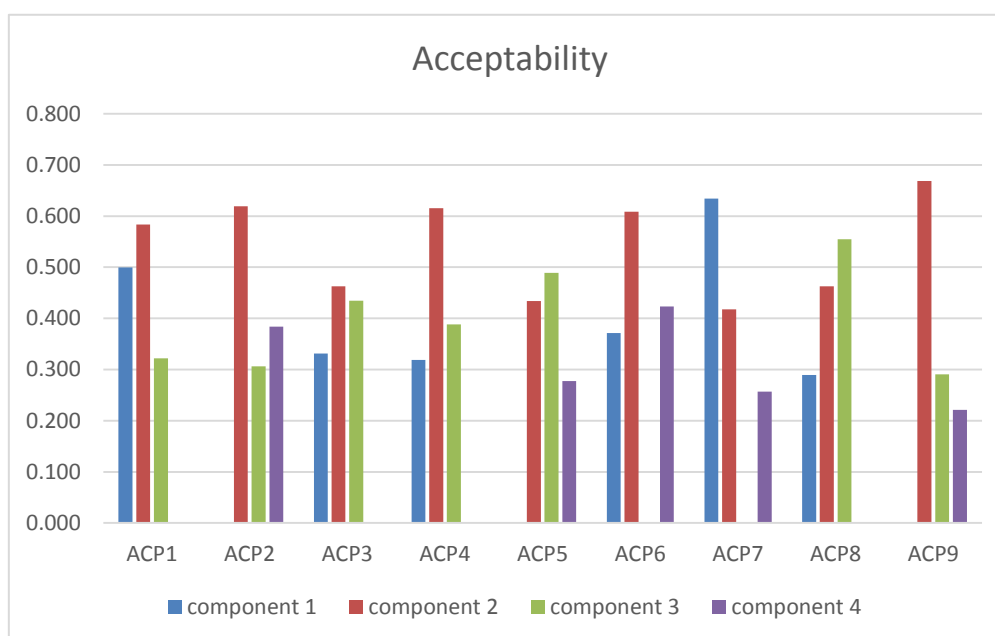


Factor 3: Factor which are Important for creating Affordability among Rural Consumers

AFF1	I purchase the products which meets my expectation	0.656
AFF2	I purchase those products which have good promotional offers.	0.554
AFF3	I Prefer to buy products in small sachets / packers	0.535
AFF4	Product exchange offers are flexible by the retailer for me	0.473
AFF5	I have a monthly account with our village retailer	0.768
AFF6	I prefer buying a product at low price.	0.556
AFF7	I buy products from the retailer who gives me credit facilities.	0.743
AFF8	Price plays an important role for purchase of a product than value for me	0.472
AFF9	I don't mind paying extra to get a good brand.	0.300

The important factor which creates affordability among the rural consumers are

1. Monthly account, credit facilities,
2. Products which meets expectation, offers, available in small packets and low price.



Factor 4: Factor which are Important for creating Acceptability among Rural Consumers

ACP1	The products purchased are for basic requirement.	0.705
ACP2	Products create a value of satisfaction after consumption	0.658
ACP4	Word of Mouth marketing plays an important role for purchase decision	0.632
ACP6	Products need to be communicated to customers strongly	0.695
ACP7	Products are repurchased if given goods results after consumption	0.643
ACP8	Product name should be easily pronounced	0.609
ACP9	Products have to be informed to the customers through demonstration.	0.588

The important factor which creates acceptability among the rural consumers are

1. Basic requirement
2. Value with satisfaction, Word of Mouth, which is communicated, gives good results and name can be easily pronounced.

7. Conclusion

The results indicated that several of the elements, including pricing, accessibility, awareness, and acceptance, as well as the overall marketing mix, had been successful in achieving the study's objectives. The factor "Overall Marketing Mix" focuses on positive relationship with other factors. The 4 A's concept of marketing Mix is effective for Rural Consumers. Awareness, Acceptability, Accessibility and Affordability are the 4 A's Marketing Mix of Rural Market.

8. Limitations and Scope for Further Research

There are some restrictions on this study, including its time frame, field of study, choice of sample size, and the types of questions must be asked in order to get primary data. In this study, a questionnaire is used to gather primary data, and each of the four criteria has nine items. By extending the study's scope and adding a few additional questionnaire items, more research can be conducted. Additionally, the sample size can be expanded.

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