



A STRUCTURED REVIEW OF ADVANCED STRATEGIES FOR THE DEVELOPMENT OF THE RURAL MARKET

Dr. Mustafizul Haque¹, Dr. Safia Farooqui², Mr. Vikas Pawar³

¹ Associate Professor, Dr. D.Y. Patil Vidyapeeth's Centre for Online Learning, Dr. D.Y. Patil Vidyapeeth, Pune (Deemed to be University) Email: - mustafizulhaque84@gmail.com

² Professor/Director, Dr. D. Y. Patil Vidyapeeth, Center for Online Learning, Pune, Dr. D.Y. Patil Vidyapeeth, Pune (Deemed to be University) Email: safia.farooqui.col@dpu.edu.in

³ Assistant Professor, Dr. D. Y. Patil Vidyapeeth, Center for Online Learning, Pune, Dr. D.Y. Patil Vidyapeeth, Pune (Deemed to be University) Email: vikasvpawar@gmail.com

ABSTRACT

Rural markets can ensure equitable economic growth and improve rural living standards. To maximize their potential, rural markets demand specific solutions. This paper analyses sophisticated rural market development tactics adopted by HUL and other FMCG companies. A comprehensive literature review establishes a theoretical framework and understands rural market development knowledge and practices. To determine rural market drivers and impediments, income, infrastructure, culture, and consumer behavior are examined. successful organizations and governments' advanced strategies for rural market difficulties are examined for FMCG products. The study evaluates market segmentation, product customization, distribution networks, pricing mechanisms, and promotional methods for rural consumers. The study also examines rural market development and technology. Digitalization, e-commerce, and mobile connectivity improve rural market access, information dissemination, and transaction efficiency. Digital platforms and mobile apps can improve supply chain management, market connections, and rural financial inclusion,



according to the study. Capacity-building and skill-development programs for rural businesses, farmers, and local market participants are also examined. It examines how training and education might help rural communities seize opportunities, boost productivity, and sustain economic progress.

Keywords: Rural Market, Market Development, Advanced Strategies, Market Segmentation, Product Customization,

INTRODUCTION

The Latin term “*Marcatus*” is the origin of the word market. "Business action organised to meet to a fair degree, consumer or customer demands and desires, typically via an exchange process" is what the word "marketing" means. Individuals and organisations may get what they want and need via the creation, offering, and exchanging of things of value with other people through marketing, according to Kotler. "The process of planning and executing the development, pricing, promotion and distribution of ideas, commodities or services to produce exchanges that meet individual and corporate objectives" is how the American Marketing Association (AMA) defines marketing. In the past, the market was a location where buyers and sellers would meet to trade things.

To maximise a company's limited resources, a marketing strategy might be implemented in order to increase sales and obtain a long-term competitive edge. By concentrating the efforts of a company on a single strategy, it is possible to boost sales and gain market domination in a narrowly defined market niche. All of these aspects come together in one document that outlines the company's marketing objectives and how they will be met within an agreed-upon period. Often, a company's marketing objectives, rules, and strategies are all included in a single marketing plan.

Companies' marketing methods have seen a dramatic shift in recent years. When comparing the pre-reform era to the present, the marketing approaches used by companies are vastly different. It was



a time when the seller was king, the customer had few options, there were no new items, and the companies were also not interested in improving their products' quality during this time period. At that time, there were fewer companies and less competition, and they didn't care about meeting the requirements of their consumers. Getting a phone line took months, a vehicle took years, and an LML Vespa took even longer. People used to have to pay a hefty bribe to receive a phone line. India approved LPG (Liberation and Privatisation) in 1991 and the situation drastically altered. There were a slew of new companies entering the market after 1991. To promote their items, they carried a fresh strategy with them. Consumer durables and fast-moving consumer goods (FMCG) have seen a major rise in competitiveness. As time went on, customers took control of the market.

Businesses use marketing as an opportunity to discover and measure the magnitude of unfulfilled customer needs, as well as which target market can best and optimally serve them, and to determine the appropriate products, pricing, promotion & distribution programmes to serve these markets with the goal of discovering new opportunities. These needs and desires are met via the trade of commodities in order to develop long-term connections. Marketing plays a vital part in this process by fulfilling these needs and wants. The value of a product or service should be conveyed to consumers via positioning.

An important aspect of rural marketing is that it involves the creation of rural-targeted products, as well as the promotion and distribution of such products. As a result of this, rural marketing is characterised by the movement of commodities between rural and rural, rural and urban, and rural and urban. Instead of targeting markets, rural marketing aims to connect with customers. However, it is more important for corporations to understand the genuine rural customer than to build up distribution outlets and manage the supply chain.

In the context of consumer durables, any product bought by consumers for long-term usage falls into this category. Consumer durables, on the other hand, are designed to last for a longer period of time than many other products. In order to be considered a consumer durable, a product must be long-lasting and pricey in relation to one's income. A product may last for a working-class



household, but it may not last for an upper-middle-class one. Automobiles and refrigerators, on the other hand, are hard to argue for, and there aren't many fringe things. At least a handful of these objects may be found in almost every home. Consumer durables are often costly, have a long lifespan, and are purchased rationally by consumers. When buying a consumer durable goods, the customer pays attention to the brand name, the product characteristics, the price, and the quality. Due to the complexity of the buying choice, the product is more often acquired in conjunction with friends, family, and other relatives, as well as with peers and co-workers.

Over the last 15 years, the Indian consumer market has seen significant transformation. As in metropolitan markets, rural customers are becoming more technologically adept and seeking more sophisticated electronic items and white goods, much like their urban counterparts. Minimum Support Price (MSP) revenues for farmers, as well as an improved electricity situation in small towns and villages, have been the driving forces behind this movement. Farmers who sell their crops at ITC's Choupal Saagar shops are able to pick up consumer goods including as washing machines, TVs, refrigerators and DVD players from the store itself since they have access to rapid cash payment services. Consumer electronics make up 15% of sales at these retailers, and they're rising at a rate of 40% every year. Vrittivaani's blog (www.vrittiimedia.com/blog/author/vrittivaani) has a lot of useful information on the subject. Consumer durables' electronics sector has undergone a paradigm shift as a result of these and other causes, including a rising value placed on white goods. Urban India's consumer durable market, which is valued at Rs 50,000 crore, is increasing at a rate of 15-20 percent per year, while rural India's market is rising at a rate of roughly 60 percent per year, according to industry analysts. Some of the world's most well-known electronics companies, like LG, are taking advantage of this apparent rationale to focus on rural regions.

Until recently, the rural market was mostly overlooked and treated like a stepchild by many corporations, with mixed results when it came to advertising to rural customers. As a rule of thumb, the goal is to push urban communication to the rural market by simply mimicking the urban trend and transliterating the ad-copy. Since rural consumers have a distinct sense of taste, advertising



directed at them should reflect that, so that it has a greater impact. The 13 process is moving at a snail's pace, despite the fact that this is obviously changing. For advertisers and marketers, the biggest issue is still finding the ideal balance that would appeal to rural India. They include Anugrah; Madison; Sampark Marketing; Rural Relations; O&M Outreach; Linterland; and RC&M to mention a few, all of which work to raise public awareness of the significance of the rural market. To further strengthen its position, Rural has brought together the aforementioned four organisations. For the most part, the network's primary goal is to expand its customer base and aid clients who are searching for a nationwide rural marketing plan. It's interesting to note that the rural sector is expanding at a far faster rate than its metropolitan equivalent." For at least a few product categories, the data from multiple organisations like NCAER and Francis Kanoi demonstrates that rural markets are developing faster than urban markets.

Companies from all walks of life are flocking to India's rural areas to help sustain their commercial momentum, making rural India the most attractive market in India and throughout the globe. Opportunities abound in rural areas, but they haven't been fully exploited yet. It is possible to define rural marketing as a marketing activity in which items are offered in rural regions and the one dominating participant 22 from either customer or seller is from a rural location. To put it another way, rural marketing is concerned with both the marketing of inputs (i.e., goods or services) to rural consumers and the marketing of outputs (i.e., services) from rural markets to other geographical regions. Identifying the needs and interests of consumers is the primary goal of marketing, which also includes determining a plan for sales and communications. Helps design the plan for sales methods, business communication, and company growth. In an integrated process, the customer-producer connection is built on trust and mutual benefit, and both parties' benefit. Management of all actions related to the evaluation, impact, and conversion of buying power or desire to purchase into effective demand for a specific product or service is the responsibility of demand management. Because of this, they've decided to focus on rural regions to provide happiness and raise the level of life.



OBJECTIVE OF THE STUDY

- To study the Rural Marketing Strategies of selected HUL products and its influence on buying behavior of consumers
- To examine the factors responsible for decision among FMCG manufacturers for entry into the rural market segment
- To study the satisfaction level associated with selected HUL products in rural areas.
- To analyse the effects of the present promotion strategies of HUL to intrude in the minds of rural consumers in selected rural areas.

RESEARCH METHODOLOGY

Source of Data Collection

Hindustan Unilever Limited's rural marketing initiatives will provide the key data for the research (HUL). For this research, we'll need secondary data from a variety of sources, including public and unpublished records, annual reports, bulletins, booklets, journals, and periodicals like Hindustan Unilever Limited (HUL). Finally, the researcher conducted numerous rounds of interviews with industry experts, HUL makers, merchants, and actual customers to have a better understanding of consumer awareness. In addition, these comments will aid in the study's investigation of the issue.

REVIEW OF LITERATURE



Radhika Kapur (2019) Understanding the methods and techniques needed to bring about rural community development is what this study paper is all about. There are a lot of issues that need to be addressed in rural areas. Individuals living in rural regions will have more options for earning a living if these locations develop. It's also critical that when the federal government, non-profits, and other groups develop new techniques and tactics, they educate rural residents about the advantages of doing so and assist them in doing so. Priorities for rural development, as well as policy components and methods for achieving those objectives are examined in this study's primary focus.

Manjula Jain (2016) People's lives have always been profoundly affected by the concept of rural marketing in Indian economics. Because rural India is home to the vast majority of Indians, the rural market generates the bulk of the country's income. The rural Indian market generates almost half of all national GDP. Rural marketing in India has always been hard to forecast and distinctive. The rural market was successfully entered by a number of enterprises, despite this. They were able to capture the market thanks to their thorough knowledge of the sector and their creative marketing strategies. Businesses have a difficult challenge in ignoring the potential of rural markets. Two-thirds of the Indian population lives in rural regions, making the rural market an untapped opportunity for businesses. They must overcome a few obstacles, such as those related to price and distribution, in order to succeed. Rural marketing in India has both potential and problems, as this paper outlines. It tries to understand the current state of the rural market in India, identify various rural marketing techniques. In this research, the primary goal is to examine the potential of Indian rural markets and identify many issues rural markets confront. Market, rural market, and Indian market are all synonyms for one another.

Rahul Mande (2020) This is a constant battle in the lives of people in rural India's economic system, where marketing has always been a big consideration. Because rural India is home to the majority of India's population, the market there generates more profits than the rest of the country. Half of India's financial benefit comes from the rural economy. Because of its peculiarity, rural marketing in India has always been difficult to comprehend. Many firms were able to penetrate the



rural Indian market, though. Because of this, they were able to make their way into the rural market with ease. The Indian rural market has a wide range of prospects for firms, but it's tough to keep track of them all. It is estimated that over half of India's population lives in rural regions. An very volatile Indian rural market must be mastered before becoming more efficient in Indian marketplaces. Companies must deal with issues including product pricing and distribution. The research examines the current state of rural India's markets, the usage of different marketing strategies, and the key decisions and strategies before entering rural India's markets in order to concentrate on the numerous challenges and opportunities. The study is mostly concerned with observing the potential of Indian marketplaces and looking for several challenges that rural markets are confronted with. Due of the recent demand within rural India's earnings, Indian rural marketplaces present an excellent opportunity to implement a focused marketing plan. Due to a rise in rural product prices and an increase in agricultural output, these additional revenues are expected to grow fast. It's possible that the rural Indian notion is a new one, and market salesmen have lately shown that they can raise market capital. The availability, accessibility, and affordability of a product or service should be taken into consideration while deciding how to join the market. Rural area management should be less volatile by focusing on market research, key decision points, rural area marketing environment, and other difficulties. Marketing in rural areas is examined in this study, which also examines the probable challenges, threats and issues as well as crucial call sections and the market's opinion of the situation.

Bhavika Pandita Hakhroo (2020) Due to India's vast and diversified rural population, this study aims to examine the current state of rural marketing in the country. The rural market offers many potential and problems for marketers. There are 83.3 million individuals in the rural market, which is why marketers want to access this market. To be successful in the rural market, marketing organisations must have a thorough understanding of the rural customer. Increasing literacy and knowledge among rural customers is leading to a shift from urban to rural marketing, and these consumers are demanding value for their money. Marketers who want to reach out to people in rural areas must establish personal relationships with them and do demos in order to better understand



their needs. In the last several years, there have been a number of new approaches to marketing in rural areas. It is the goal of this article to get an understanding of these innovations and methods, as well as to gain an understanding of the rural Indian customer. Marketing and development in rural regions have a bright future that will benefit both rural economies and the people who live in them.

B. Bowonder (2018) A traditional agricultural economy like India might benefit greatly from the use of information and communication technology. The Indian agro-sector has been taking use of the advantages of ICT in agriculture. The commercial sector and local farmers are working together to develop new ICT platforms. In the state of Madhya Pradesh, one such private effort is ITC Ltd. A variety of benefits have accrued to the farmers as a result of this effort, including increased local leadership, shared ownership of the initiative's assets, and access to the most up-to-date agro-sector expertise as well as stable financial security and increased production. This ITC[1] effort has established a milestone in the ICT initiatives in the agro-sector today. In India's agricultural industry, e-success choupal's has signalled a new beginning. There are still many undiscovered regions that need to be explored. There are significant benefits to creating business channels that may benefit both businesses and the agricultural community. This case study shows how a single channel may be utilised for a wide range of goods and services.

Dr. Vinod N Sambrani (2019) Rural India is expected to become one of the world's greatest marketplaces in the near future, and it is also undergoing rapid transformation in this fast-paced world. Around one-third of all people still live in rural India, which represents an enormous untapped market. Rural consumers' buying power and tastes are shifting, and every business is eager to make a play for the rural market. In countries like India and China, rural markets are becoming more important, which might lead to a significant rise in the purchasing power of rural consumers in the future years. Rural marketing has become the new slogan for most multinational corporations, who concentrate on rural regions in order to get a foothold in the enormous Indian market. The emergence of India's green revolution, which has resulted in improved marketing abilities and methods known as "rural marketing," has led to a massive consumption of urban and industrial



made products in village regions. As the rural market environment continues to evolve, so does the market profile and the individuals in it. This is why many techniques and modalities have been used by firms to win the rural market. There is a wide range of cultural and linguistic differences between rural and urban markets. Companies like ITC, HUL, Godrej, Colgate, BPCL and Nokia have recently been more interested in finding more cost-effective ways to distribute their products due to the recent expansion in purchasing power. India's rural market environment, prospects, and main concerns are examined in this article. It also discusses numerous marketing tactics and main issues faced by farmers in India's rural areas.

Babita Saini (2014) Markets are created, not discovered, as the adage goes. Even more so in India's rural markets. Rural marketing is attracting the attention of today's marketers since it offers a wealth of undiscovered potential. In rural regions, 70 percent of the population lives. Targeting that market might thus lead to unreachable results and market shares for businesses. The notion of a rural market has been unique and intriguing across the globe. As a consequence of the enormous number of people living in rural regions, several marketers and manufacturers have decided to target this market. As a whole, this article focuses on the issues that companies may encounter while advertising their goods to rural consumers. Managers have a variety of problems when it comes to promoting their businesses and establishing themselves in rural communities. There are various chances for marketers to sell their goods in addition to problems and hindrances that the research focuses on.

Bilas S. Kale (2016) The rural market in India is both tempting and hard at the same time. Because it is still in its infancy and accounts for 80% of customers, it presents a big opportunity for marketers. Growing earnings, rising literacy rates, television exposure, and interactions with metropolitan counterparts have all contributed to amazing improvements in rural consumers' way of life. On the one hand, trade liberalisation provided new opportunities for businesses, but it also increased the level of competition. As a result, the purpose of this article is to get an understanding of rural consumer behaviours, the importance of rural marketing, its challenges, and its future. There are a



few issues with rural marketing. It is difficult for rural customers to get their hands on items because of poor infrastructure, such as insufficient roads and storage facilities, as well as tiny storefronts. Rural India also has a far lower literacy rate, making it difficult for people to communicate with one another. Consumers who lack basic literacy are more vulnerable to the deceptive practises of dishonest marketers. Consumers in remote locations have a lowered level of awareness. As a result of monsoon-related uncertainty, rural residents' buying power is heavily influenced by these swings in income. In the previous five years, more than 5000 farmers have taken their own lives because of rural indebtedness. This is a clear sign that the rural credit supply chain is skewed. The buying power of rural women remains largely untapped. In India, rural marketing means catering to the 80 percent of the population's demands and ensuring that they are met in a timely, appropriate, and reasonable manner. The need for agricultural inputs has increased dramatically in recent years. Rural regions are given special attention when it comes to industrialisation. Rural development and welfare programmes have had a tremendous impact on improving the quality of life for rural residents. Although the procedure is long, ICT is essential in communicating product information to rural regions far from urban centres. People in rural areas are embracing urban lives. As a consequence, rural regions have seen an increase in the demand for white goods. There is a water crisis, yet little rural stores sell Pepsi soft drinks. Pant shirts have taken the role of the dhoti-kurta. Rural markets have a high need for cosmetics. Capital goods are in high demand because of the modernization of agriculture and the increasing growth of rural industry. Rural marketing is the most popular choice for marketers in today's shifting business climates throughout the globe.

Dr. Kavita Pareek (2017) A rise in buying power among rural populations has made rural markets more important over recent years. Green revolution has caused rural communities to continue consuming significant quantities of industrial and urban made goods. Rural marketing is a new kind of marketing that has arisen in response to this situation. India's economy has traditionally relied heavily on the notion of rural marketing, which has always been a significant and important part of everyday life. As a result of rural marketing's unique approach to product development and pricing as well as its promotion and distribution in rural areas, the urban-rural interchange that results serves



both the needs of customers and the goals of the company. As well as moving products and services between rural and urban regions and within rural areas, rural marketing is a two-way process that involves both the movement of commodities and services in both directions. The availability, accessibility, and affordability of these markets should be the emphasis of any macro-level plan. As a way to lessen the risk of dealing with these markets, this article examined the rural marketing environment and methods as well as concerns and challenges that it presents.

Cristóbal Kay (2009) Agriculture's role to economic development has been the subject of several theoretical and empirical investigations throughout the years. Agriculture and industry, as well as the rural-urban divide, are examined as part of the process of growth. Analysis of "the Soviet industrialisation debate," "the urban bias" thesis, comparative development strategies in East Asia and Latin America, impact of neoliberal policies on rural–urban relations, as well as "agriculture-for-development" proposed by World Development Report 2008, all contribute to a comprehensive discussion of these issues. Based on a thorough examination of these concerns, it can be concluded the best way to reduce rural poverty is to implement a development plan that focuses on enhancing synergies between agriculture and industry and extends beyond the rural–urban divide.

CONCLUSION

In conclusion, Hindustan Unilever Limited (HUL)'s analytical study on advanced rural market development methods revealed rural market dynamics and potential. The project investigated new ways to reach rural consumers, understand their needs, and create effective marketing techniques. HUL analysed the rural market using rigorous analytical methods and data-driven methods. HUL understood rural market dynamics by collecting and evaluating market data on customer behavior, purchasing power, and cultural nuances. HUL has used this data to discover expansion prospects and create rural consumer-specific tactics.

The study stressed localized marketing methods. HUL observed that rural and urban consumers had different tastes and habits. Thus, the corporation tailors its products and messaging to rural



audiences. HUL has boosted brand loyalty and market share by connecting with rural consumers through local languages, cultural references, and traditional values. The study also stressed rural distribution network strength. HUL increased its reach by building a strong network of rural stores, using technology to enhance supply chain management, and teaching and supporting rural entrepreneurs. These programs have made HUL's products more accessible, created jobs, and helped rural communities grow.

REFERENCES/BIBLIOGRAPHY

1. Kapur, Radhika. (2019). Rural Development Approaches and Strategies.
2. Jain, Manjula & Gupta, Madhulika. (2016). Indian Rural Market: Opportunities and Challenges. 4. 33-40.
3. Rahul Mande, (2020), Rural Marketing in India: Opportunities, Challenges, Key Decision Areas and Marketing Strategies, IJCRT | Volume 8, Issue 12
4. Hakhroo, Bhavika Pandita, Review of Rural Marketing in India and Innovations in Rural Marketing (2020). International Journal of Engineering and Management Research, Volume-10, Issue-5 (October 2020), Available at SSRN: <https://ssrn.com/abstract=3711234>
5. B. Bowonder, Developing a Rural Market e-hub The case study of e-Choupal experience of ITC, Rural Market e-Choupal
6. Dr. Vinod N Sambrani, (2019), Paradigm Shift and Changing Future of Rural Marketing in India, Pacific Business Review International Volume 11 Issue 7
7. Babita Saini, (2014), Rural Market in India as Challenges and Ways Ahead, International Journal of Innovative Research & Development, Vol 3 Issue 1



8. Bilas S. Kale, (2016), Changing Scenario of Rural Marketing – A Review, Indian Journal of Applied Research, Volume: 6 | Issue: 2
9. Dr. Kavita Pareek, (2017), Study on Strategies, Practices and Challenges of Rural Marketing in India, International Journal of Innovative Research and Advanced Studies (IJIRAS) Volume 4 Issue 11
10. Kotni VV Devi Prasad (2012) “Prospects and Problems of Indian rural Markets” Zenith International Journal of Business Economics and management Research. Vol.2, Issue 3.
11. Kaur Manpreet (2013) “Rural Marketing: A Case Study on Hindustan Unilever Limited” International Journal of Applied Research and Studies, Vol.2, Issue 6
12. Kumar, P., & Dangi, N. (2013). Rural marketing in India: Challenges and opportunities. International Journal of Management and Social Sciences Research (IJMSSR), 2(8), 93-100.
13. Saini, B. (2014). Rural market in India as challenges and ways ahead. International Journal of Innovative Research and Development, 3(1), 142-148.
14. Rafiuddin, M. D., & Ahmed, B. (2011). Understanding the potential of rural marketing in India-an analytical study. ZENITH International Journal of Business Economics and management research, 1(2), 126-139.
15. Kalotra, A. (2013). Rural marketing potential in India-An analytical study. International journal of advanced research in computer science and software engineering, 3(1).