



# Rural Marketing in India: Opportunities, Challenges, Key Decision Areas and Marketing Strategies

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## Abstract:

The thought of marketing in rural Economy of India has perpetually competed for major part within routine of individuals. The market or rural India nation has larger profits within the Nation because the regions or rural India consist of most customers in India. Rural market of India produces quite 1/2 the country's financial gain. Rural marketing in India has perpetually tough to understand because of its uniqueness. But several corporations were able to get into the markets of Rural India. They entered rural market with the proper understanding with the help of smart selling techniques. It is quite difficult for corporations to oversee all the major opportunities the Indian rural market is offering. More than half of the population in India is in these rural areas. The Indian rural market is very volatile to overcome and for becoming efficient in Indian markets. The companies face some difficult tasks such as price of the products and distribution of products. The study focuses on status the standing of the markets in rural India, the use of various marketing ways, for focusing on the various Challenges as well as Opportunities, The Key Decisions and Strategies before entering the rural markets of India. The primary focus of the research is to observe the potential of markets in India and searching for many issues being moon-faced by rural markets. Indian Rural markets provide very good way for targeted marketing strategy due to the latest demand within incomes of the Rural India. These increased incomes can be increasing quickly due of higher production as well as increased price for rural products. The Indian rural concept could be new thought, also market salespeople have accomplished a chance of increased market capital recently. Other strategy way to enter the market should target the availableness, access and affordable. Focus should be on research of market, main decision parts, issues also marketing environment of rural area, for decreasing the volatility of managing rural areas. The research studies the marketing going rural and mainly the methods also additionally looking towards the possible problems, dangers, issue, important call parts and Market view setting.

**Index Terms:** Indian market, rural market, marketing strategy, challenges, opportunities, Indian economy, rural buying behavior, Market penetration, Key decisions.

## What is a Rural Market?

As per the NC on agriculture: 'Marketing in Rural is a method which begins from a thought for supply of purchasable goods as it also includes every part of the market system, each practical and founded upon technological as well as economic thought & covers both the pre-crop harvest as well as post-crop harvest operations, combining, rating, warehousing, supply and selling. FMCG industry known "Rural" an area in which the total number of people is more or less than 20,000 peoples. Fast Moving Consumer Goods addresses customer non-durable product needed by people for day to day use. They travel quickly near the sales part. Commonly customers give relatively some time and work while shopping for the

product. These are basically products of low-value and high volume. The Fast Moving Consumer Goods industry comprises primarily of divisions viz., personal care and households product. Market selling focuses on the corporate things which usher in shift of products mainly from urban parts of India to the rural parts of India, moreover because of the selling of non-farm products from rural India to urban areas.

Some vital features in the Indian rural market are listed as: the Indian rural market is going through a lot of modification since past decades. It is mainly the by-product of the era in which a lot of job opportunities and Income sources are available due to the progress of Indian rural programs. The India's markets are very much not covered, very little used and for the most part farm-based. The market is very vast as talking in area, almost covering 834 million customers whereas distributed over 6.40 lakh small not uniformed villages.

### **Introduction:**

Majorly marketing in rural India is basically selling of rural commodities, company's products and many other types. The selling process for various forms of products offered in areas of rural India are private, corporations, controlled areas of markets and Private state companies. There is no possible way where one group of social people or the whole economy of a village can be modified not having serviceable as well as obsolete effect to rural marketing (Srivastava & Kumar, 2011). Some or little attention is needed to be paid while designing period near this event of marketing in rural. While the reality, the selling could be a volatile matter as it is a part of the whole Indian economy. Therefore manufacturing as well as selling are two main parts. Selling in rural parts could is a group selling method. The data is not solely promotion of goods that go to the Indian markets, however even goods that are sold in urban market by rural market. Additionally, that is conjointly inclusive selling in Indian market. Because Distribution in rural India could be a more than one method, this study makes an attempt while focusing on problems and Issues related to the rural distribution methods. Also includes some Selling methods features of rural manufacture consisting of special regard for Goods and services with the Indian rural market areas. Marketing in rural remains within the infancy state. It is a period of recession for Businesses of India, except the huge market with huge requirements, they offer a plethora of circumstances for the marketers. Quite 70 percent customers of the country are located in these markets as well as more than half income is obtained from them. Indian rural market is incredibly abundant has more customers as compared to the urban in total and records as biggest open and profitable market in India. But still there are various issues in reference to Distribution, the designing and positioning of the product, costing, selling and marketing. Companies these days should perceive the Indian market with several contexts to increase their market share, to increase the sales as well as to require possible chances out there available within the Indian areas. There are many studies carried out in India in reference to rural marketing that has disclosed a serious reverse of the temperamental perspective of undervaluing a possible supply like rural marketing. These studies have focused on the rural marketing challenges and cons, and its dimensions in numerous manners. Took a wider approach to understand the basic challenges and opportunities, objectives and how a business penetrates into the rural market. The paper focuses on the Gaps identified in the previous research and how it can be reduced. Moreover to look at the challenges a company may face while targeting the rural market. The market is way much large even huge share with the proper base of consumers; it provides ample of favorable circumstances for vendors. The Sellers should perceive the increasing complications in the Indian area and use proper methods to overcome the problems with success. The crucial step towards facing hurdles in the market is to know the place properly, including buyer demand and behavior. Therefore, it is planned to undergo the data to determine assorted aspects of rural Indian markets.

### **Objectives of Study:**

Main objective of this research is basically look for Gaps with respect to research related to marketing in rural as well as analyze how it can be reduced so that the consumers of the rural market get what products they need and the Brands are able to increase their market share and customer base. The focus was on the Opportunities and Challenges faced by the Brands and why they were unable to carry out their marketing process, and to provide some suggestions regarding how these gaps can be reduced. Recent events have boomed the rural markets as more and more companies are reaching to the countryside consumer demand and contribute towards countryside market is increasing more than the urban markets. Some of the objectives including gaps are:

1. To examine the up to date rural marketing situation.
2. To ascertain rural marketing opportunities.
3. To propose effective ways for selling in rural areas.
4. To converse issues and difficulties of marketing in rural.
5. To assess the main call regions while marketing.
6. To review issues of marketing in rural India.

### Literature Review:

A lot of studies are available in India with reference to Indian markets in rural that has disclosed serious reverse of the unpredictable perspective of low value to a possible supply such as rural India marketing. (Kumar & Dangi, 2013) studied that Rural India offers sustainable sales and profit for growth. Growth of rural market is possible due to green revolution and white revolution, which results into substantial wealth generation in rural area. Most of the research shredded some light over the marketing execs and problems, also the different sections in numerous ways. The study of (NCAER), India's main economic study firm, and now is sure that increase in the incomes of rural is competing easily to the urban incomes. - The focus is on the Challenges and Opportunities involved in Rural Marketing with respect to the villages and the companies. It is very important to understand these concepts before penetrating the rural market. It is necessary to list down the best suitable factors such as Distribution strategies, Marketing mix, Future trends, Customer needs etc. (Kalotra, 2013) studied that there a high potential in rural India but exists major differences between the existing and the desirable levels of rural marketing. .Market research would help the company to know more about the market as well as Promotion in the rural market will make the target market aware of the brand. The common Indian rural financial gain is increased from 64 percent in 2002 and reached around 66 percent while in the year 2004-05. Indian rural market conjointly records services sold around \$1.7 billion for four wheelers and more than \$1 billion bucks of lasting goods. The total of everything is more than \$27 billion. It is not a marvel even the Multi-National Companies also adopted the concept of targeting India rural market. Now coke's rural growth of 37% way outstrips its urban growth of pure gold. Coke isn't only the primary MNC to possess market share in the rural India. The most international competitor PepsiCo adopted broader way for the company once they were given absolute way to line up the search in the market in the 1980s as development in the food process and farm sector was precondition for entering the market. The Project Shakti used assist teams all over the country to sell HUL goods more to boondocks. It is a programmer that produces income-producing opportunities just for the below privileged women in rural areas; by improving their standard of living which they do by increasing awareness about health as well as hygiene; gives power to the Indian rural areas by making available the important information with the help of several platforms while conjointly associate with NGOs to unfold accomplishment. More than 15,000 Project Shakti workers, among them a lot of them are girls that too in more than 61,000 villages across twelve states in India. So much focus on selling, using behavior are dynamic and shows a modification within restrictive atmosphere. Mahindra's Krishi Vihar project is helping the farmers to increase their groundnut yield in places of Rajasthan with the help of a replacement seed brought from another place of geographic region with its conjointly announced the replacement type of grapes within a geographic region. Indian rural market share is more than \$27 billion.

**Research Gap:** - These are the following major gaps found in the study of Literature review:

- Geographical limitation as not all the rural areas were covered.
- Insufficient and Inadequate data regarding the challenges and opportunities.
- The future trends of the market was not detailed.
- Contrasting analysis of Challenges and Opportunities.
- Research was not up to required level.

### Need for the Study:

Rural market of India gained the limelight of companies as well as sellers thanking the massive untouched ability of the market. The frequency of modification is fast in the Indian rural market due to the rise of the Buying ability, rising education, sociality as well as good modes of communication. Some of these things help for changing the flow of demands. Whereas first thinking was that the rural markets were only for farm products however currently its increasing marketplace towards demanded goods. So a lot of sellers are passionate for entering the Indian market. Sellers are searching more chances for

using it for the best gain. Because of this sellers have to be compelled to study the behavior of the market. Nevertheless, the consumers are completely different as compared to the urban market on a large variety of characteristics, therefore the purchasing behavior is entirely diverse which consists of necessary uses to the marketers. The continuous changing force concerning a way for improving the marketing structure for using, promoting chances within a vast distributed rural market. The sellers should perceive their culture and deal with it like it's urgent, if necessary need takes place for touching the ability within imminent market. Indian markets gives different issues to the markets which have an interest to faucet the profitable market for which the road is full of thorns and needs to be travelled to gain profit.

### **Research Methodology:**

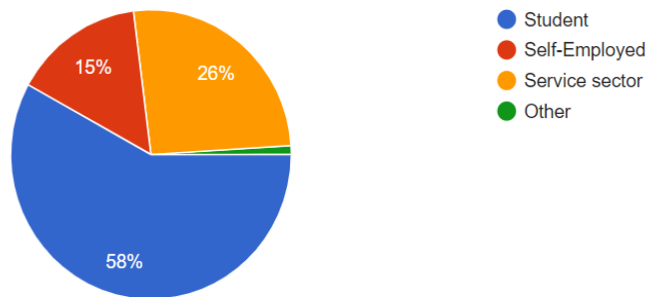
Research methodologies used consists majorly of Secondary Data because of its descriptive nature and some Primary data because of its exploratory nature and some authentic case studies. The review nominal consists of short study as well as knowledge about the rural selling in India with respect to the data about specific event. A regular analysis plan is supposed to check the chances as well as problems encountered during the entry in the market. The other source of data is taken from the secondary sources such as reports, libraries, published journals, data provided by government sources. And by assistance through a detailed study about this information as well as its explanation and interrogation, proper and meaningful outcome as well as results are developed in the work. The research paper is based on Qualitative research because it is designed in such a way which helps to know the behavior and perception of a target audience with reference to the research topic. Qualitative research is suitable for the topic and hence it is used because Qualitative research will capture ever-changing attitudes among a target cluster like customers of a product or service. Qualitative analysis to research aren't certain by the constraints of quantitative strategies. Qualitative research has a very good approach towards the research topic as well as it's very flexible in nature. It helps to understand the buying behaviors, customs, values and how cultural factors affect the market. It gives the Brands and companies the essential information on how their Brand is perceived in this rural markets and what changes they need to increase their customer interaction. It helps the new companies to study the market structure and potential competitors. It gives marketer the information of general needs and requirements of the rural customers. What strategy one company should use to enter the new market and what opportunities and challenges will they face both culturally and financially. Due to the exploratory nature of the qualitative research it is helpful in achieving the goal and frame the hypothesis of this paper. The basic purpose of this paper is to study the factors such as income, literacy, culture, buying behavior etc. and how one company can take advantage of this huge market and what should be their key decision areas. The research design of this paper is basically exploratory research in nature. As the name suggests, the basic objective of the study is to explore and obtain clarity on the problems faced by the companies. It is conducted to own a far better understanding of the prevailing drawback, however, it won't give conclusive results. A very important side of exploratory research is that the researcher should be willing to alter their direction of research subject to the gain of recent information or insights. It is mostly experimental research design because of its structured nature which helps the company or market researcher to properly get the insights of the market. It is mostly used to study physical and social factors in a region or area under study. The experimental study or the experimental surveys are easy to understand because of its explanatory nature.

Exploratory research is very less structured and very flexible. Sometimes there are some drawbacks of exploratory research such as the data provided can be biased and judgmental. Most of the times it involves small number of sample and therefore the results may not be that accurately interpreted. The population for this research is collected by survey and consists of answers from people of age group between 20 to 40 years. The data is collected at a city level from mostly respondents who are familiar with the buying behaviors, cultural impacts and brand interactions within the market. Poverty rate, Education level and occupation of the customers in the rural areas are also considered. In the questions of the survey the sample takes into consideration the buying traits of people in different geographical areas in the country.

### Data Analysis and Data Interpretation:

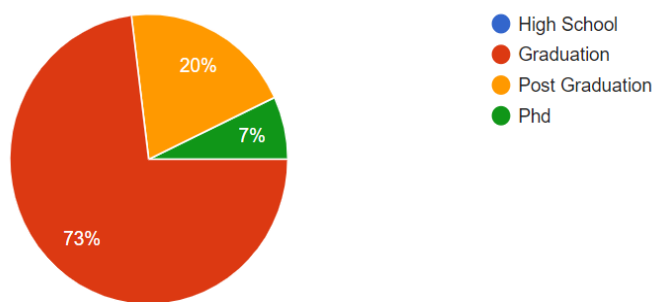
#### Occupation

100 responses



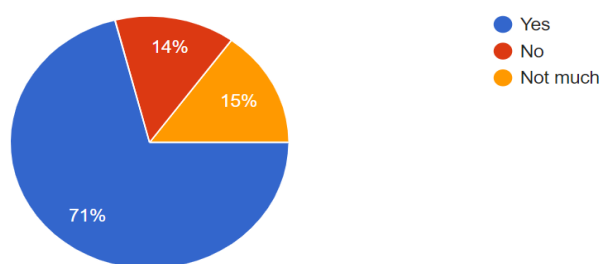
#### Educational Qualification

100 responses



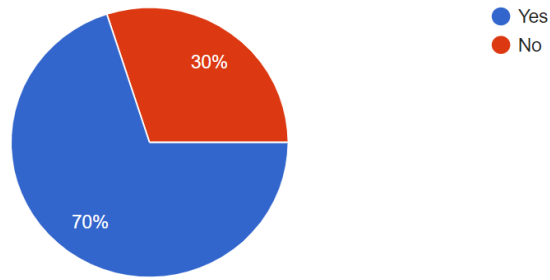
#### Are you aware of rural marketing practices by companies?

100 responses



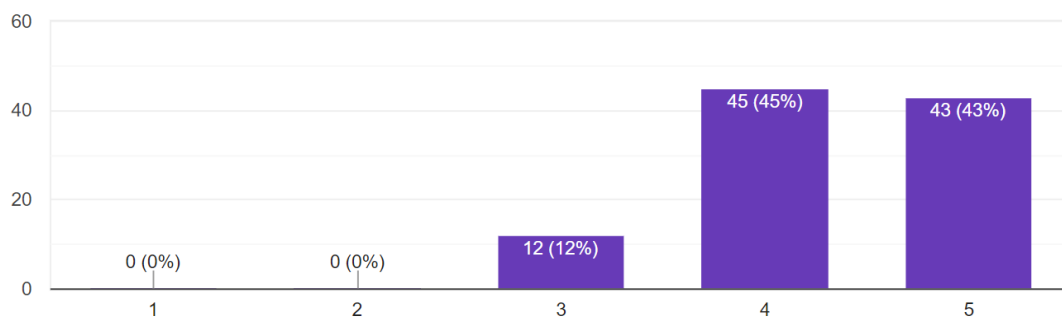
Are you aware of the initiatives taken by brands to enter the rural market?

100 responses



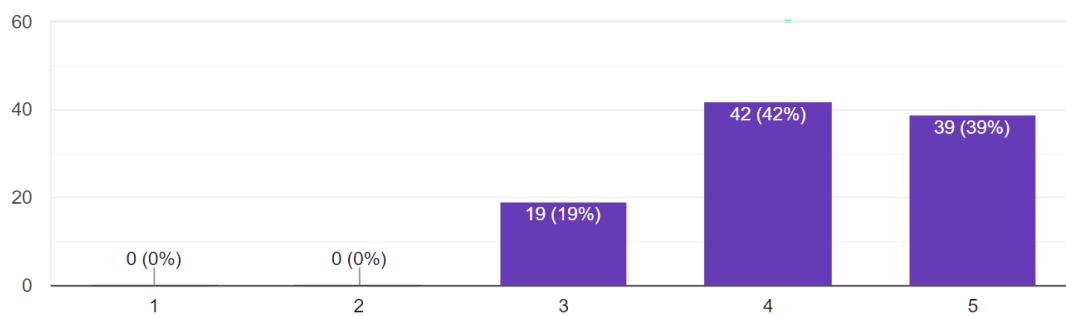
Does the rural market form a major part of the Economy?

100 responses



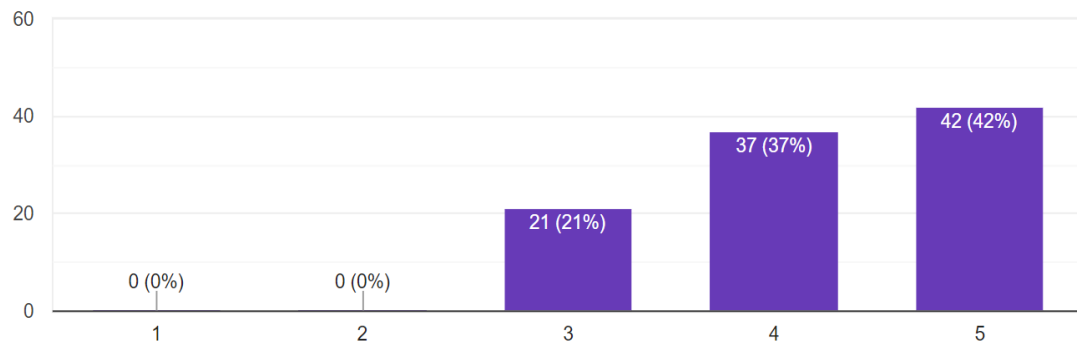
Is "Project Shakti" by HUL successful?

100 responses



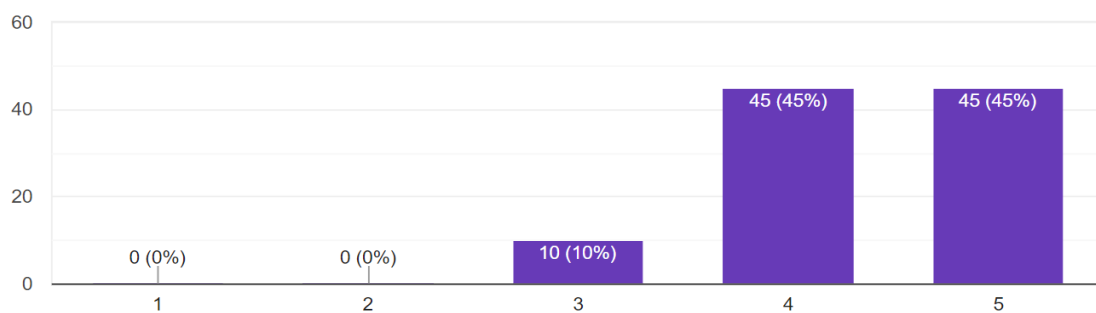
### Was ITC successful in reaching the rural market through "E-Choupal"

100 responses



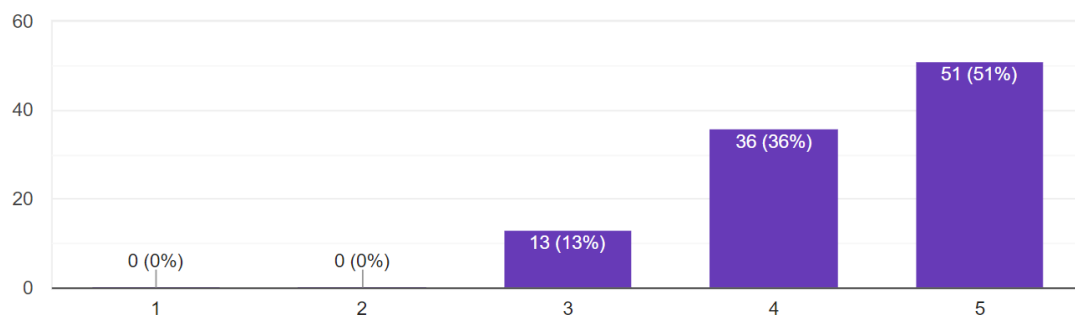
### Do rural consumers prefer brands which associate themselves with India?

100 responses



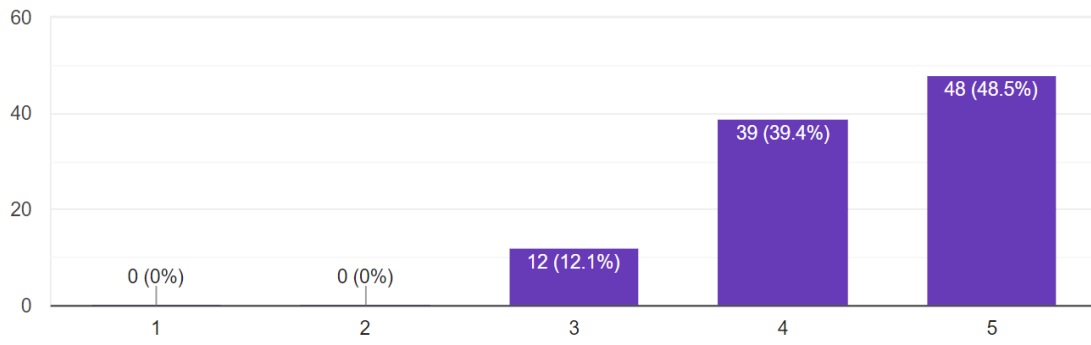
### Do cultural factors shape the buying behaviour of the customers?

100 responses



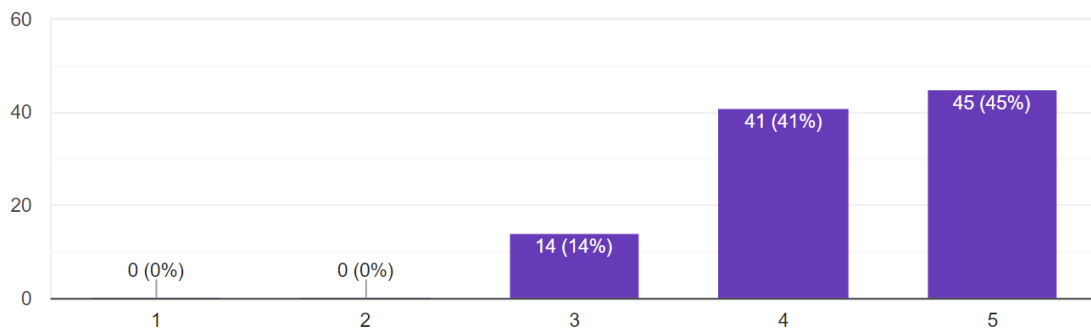
### Are Language and Communication a barrier in rural marketing?

99 responses



### Should the brands focus on the packaging of the products?

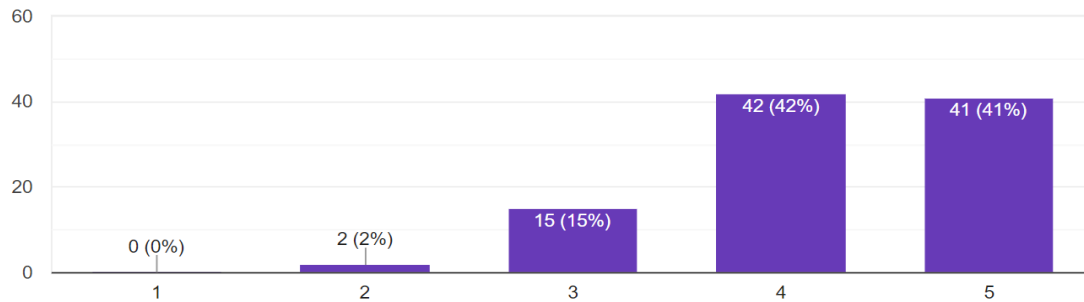
100 responses





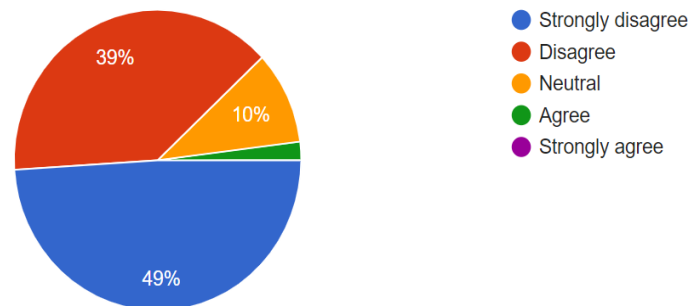
Do the low literacy level and disposable income shape the buying behaviour of customers?

100 responses



Should the brand's target only the rich in the rural areas?

100 responses



After analyzing the data collected from the age group of 20-40 years with the help of google form, it is clear that more than 80% people know how important the rural market is in contributing towards the country's GDP. People as well as the companies know what rural market comprises of i.e. its population, buying behavior, culture, marketing strategies needed etc. In the survey more nearly 70% people are aware of the initiative taken by various brands while targeting the rural areas. Which means that the companies are successful in creating awareness about their Brand and product. The initiatives such as HUL's "Project Shakti" and ITC's "E-Choupal" gained a lot of success in the rural areas by providing the women's and farmers' job opportunities, health care, technological support, education, and latest market information etc. everyday which helps the rural people to manage their farm, expenses and income. More than 80% people think that cultural factors such as Ethics, Beliefs and Values shape the buying behavior of the customers and the way they perceive different brands. The customers prefer the brands which associate themselves with India such as Make in India. These brands are perceived to be good and value for money. But still the Language and communication is still a barrier for companies while targeting the rural areas. In the marketing strategies adopted by various successful companies they used the local language and promotion van to reach out the people who do not even have television facilities. While marketing they used local people to promote their brand through word of mouth communication. One thing was noticed in the survey was that the rural customers are more interested in attractive packing of goods and products. They tend to buy these products which look good to their eyes. The literacy level and the amount of disposable income plays an important role in the buying behavior of these customers. The more educated and well earning customer the more they buy expensive of need satisfying products and that too on time. Rural market of India gained the limelight of companies as well as sellers thanking the massive untouched ability of the market. The frequency of modification is fast in the Indian rural market due to the rise of the Buying ability, rising education, sociality as well as good modes of communication. Some of these things help for changing the flow of demands. Whereas first thinking was that the rural markets were only for farm products however currently its increasing marketplace towards demanded goods. So a lot of sellers are passionate for entering the Indian market. Sellers are searching more chances for using it for the best gain. Because of this sellers

have to be compelled to study the behavior of the market. Nevertheless, the consumers are completely different as compared to the urban market on a large variety of characteristics, therefore the purchasing behavior is entirely diverse which consists of necessary uses to the marketers. The continuous changing force concerning a way for improving the marketing structure for using, promoting chances within a vast distributed rural market. The sellers should perceive their culture and deal with it like it's urgent, if necessary need takes place for touching the ability within imminent market.

### **Discussion and Conclusion:**

Rural marketing is a developing idea, and as a part of any economy has untapped potential; marketers have completed the chance recently. Improvement in infrastructure and reach promise a bright future for those aiming to go rural. Any macro-level strategy for these markets ought to target availability, accessibility and affordability. Several firms are making an attempt to reach out to rural customers are exploring different price-effective channels. Direct marketing through company delivery vans, syndicated distribution between non-competitive marketers, putting in place of temporary stalls in rural melas/ haats are few eminent examples. The Self- facilitate groups are offered the chance to become the company's native small scale distributor within the rural areas. The groups, usually of fifteen to twenty individuals, purchase a small stock of things like soap, detergent or shampoo then sell on to customers in their homes. In a final remark, if the corporate needs to capture the rural market, they have to first keep it up the elaborate and earnest analysis of the rural area goal market, aiming at the actual characteristics of the rural market, and utilizing completely different selling strategy according to concrete situations. Indian Rural Market plays a crucial role because it offers huge opportunities to the corporates to stretch their reach to almost seventy per cent of residents. (Patro and Varshney,2008) have studied the relationship of brand awareness on perceived quality and its impact on buyers of brands of bathing soap .The rural market additionally paybacks the rural economy by providing infrastructure facilities, elevating the standard and quality of life of the individuals residing in rural areas. Although the rural market has become a desired destination for each seller, it's necessary to grasp that it has a heap of challenges and risk; thus firms should assess the obstacles as mindfully as attainable. A thorough understanding of rural markets and systematic move is critical to penetrating the rural market. So as to develop selling ways and action plans, the corporates have to be compelled to take into consideration the advanced factors that influence the rural customers buying behavior. the rural market is developed by escalating buying power, ever-changing consumption pattern, raised access to data and communication technology, rising infrastructure and enhanced government initiatives to boost to achieve economy

### **Limitations:**

To target the rural market and the rural people's need a company/brand has to go through a lot of research about the opportunities, the kind of product to be offered, the pricing of the product and what need will the product satisfy and moreover what kind of challenges will they face during this process and how they can overcome them. What strategies will be beneficial and what kind of marketing methods should be used. Most of the papers have covered almost everything but some small but important points were missing. Some research studies were more or less similar to each other and even the data gathered which increases the plagiarism and insufficient data available. There should have been more extensive research on this topic because it is very important nowadays. There should have been more information available and that too updated and more statistical tools should have been used.

### **Managerial Implications:**

#### **A) Opportunities in Rural Marketing:**

- i. The Indian Government took a lot of steps to supply and renovate infrastructure of some areas due to which it will be help to increase factor impact in distribution of products, goods and other services which will in return increase the income after rising consumption.
- ii. Multinational companies such as Flipkart, Snapdeal and Paytm have signed Memoranda of Understanding (MoUs) with the government of India to succeed in areas with the help of regional centers which are constructed in villages which comes under the 'Digital India' initiative.
- iii. The demand for skilled labors is increasing day by day therefore the government decided to train more than 500 million individuals by the year 2022 and is searching for MNC players as well as budding

- entrepreneurs to assist during the process. Companies, government, and academic organizations are coming together and taking efforts to train, educate and provide skilled employees (Tikku, 2017).
- iv. The Union cabinet of India introduced the Pradhan Mantri Krishi Sinchae Yojana (PMKSY), and planned a donation of Rs 50,000 (US\$ 7.5 billion) which is for a period of five years from 2015-16.
  - v. The initiatives are aimed to supply water to each village in Indian nation by covering varied irrigation plans for one centered irrigation plan. Govt of India intends for paying Rs 75,600crore (US\$ 11.34 billion) for produce Electric supply with the help of alternate feeders for farm and for domestic use for the Indian rural areas. This plan is focused toward increasing potency of supplying electric power and hence giving non-stop power offer for rural parts of India.
  - vi. For increasing farm-based works the govt started 'A scheme for Promotion of Innovation, Rural business and Entrepreneurship (ASPIRE). Below this plan, a set of technology centers as well as incubation centers have been made to speed-up the entrepreneurship as well as to push start-ups with innovation and entrepreneurship in farm-industry.
  - vii. The govt of India looks to push innovation and technological modification within most of the rural and tribal regions. The govt intends to make a group to review varied innovations for submitting the studies to the involved Department or Ministry. (Rao, 2013) The scheme known as the 'Nav Kalpana Kosh' which targets the improvement of rural parts at varied levels, like governance, farming as well as health and hygiene.
  - viii. Financial institutions are operating to line up rural ATMs, which can provide money in small amounts of notes.

## B) Challenges:

- i. **Low Literacy:**  
The proper education facilities are not available in these areas. The education level is very low (36%) when it is compared to all-India literacy average of 52.
- ii. **Communication Problems:**  
Technologies such as telephone, fax and message are very less available in these areas. Rural areas are not able to take advantages of such things but, this case is very volatile thanks to the proper use of information technology.
- iii. **Traditional Life:**  
Life in rural areas continues to be ruled by old thinking's as well as traditions and other people don't simply accept sudden changes. As an example, the high class and literate category of farmers never use modern clothing's or branded footwear.
- iv. **Awareness:**  
There is very less awareness as well as knowledge of customers buying behavior in the Indian markets makes issues in preparing methods and selling strategies.
- v. **Seasonal Demand:**  
Need of a product in the markets is based on the farming scenario, as farming is one of the important supply of money. (Sivanesan, 2014) studied that farming mostly depends on the climatic conditions and, hence, the need or purchasing capability isn't regular.
- vi. **Transportation:** Several areas aren't well connected transportation systems such as by rail and road transport. Kacha roads are not useable in the rainy season as well as the interior villages get isolated.
- vii. **Distribution:**  
An efficient goods providing plans is needed for village-level merchant, Mandal/Taluka-level wholesaler or most popular dealer, distributor at the district level and the firm which owns selling at a higher level. Due to a lot of levels within the distribution system will increase the price of distribution.
- viii. **Vastly scattered market:**  
About 75th of the overall population is present in these parts of India. In some parts, 80-90% of the overall density of people are living in the rural areas. "Demand isn't focused and scattered proving difficult for marketing communications".
- ix. **Buying Decisions:**  
Rural customers as always are very careful while deciding what to buy and this process is kind of slow and extended. They prefer to take some early use experience and solely after attaining the level of satisfaction these people will buy that product.
- x. **Language Barrier:**  
There are a lot of languages which the rural villages have over different areas is one more issue the sellers have to face. It looks like an insurmountable downside in planning the contacting plan. More

than 30 languages as well as 1700 dialects are the reason for rural communications being tough. Urban is basically ruled more by English and Hindi while the rural parts usually want communication systems available in their native language and idiom.

- xi. Packaging:**  
Packets of small size are in high demand in rural areas. All product don't seem to be offered in small packing's. However, branding is not available in their native language, so rural individuals do not grasp the features of the goods sold.
- xii. A career in Rural Market:**  
Whereas rural selling provides a difficult way ahead, a rural marketing person will need a good knowledge and ample amount of talent.
- xiii. Cultural Factors:**  
Culture is said to be a set of shared values, beliefs and perceptions which are said to have a change on buying patterns of customers. A lot of groups vary from one another and are on the basis on religion, caste, occupation, income, age, education and politics and every cluster has its own effect on the buying pattern of individuals in the rural. The rural people believe on experiences and consider it very necessary rather than proper education and when a salespersons offers them practical solutions for the issues they tend to buy from him. That's why, it's fascinating when sales people, particularly those that are referred in cities and are going through proper coaching which consists of all the theories and knowledge of the village life.
- xiv. Urban mind vs. rural mind:**  
There's an amazing distinction comparing the urban and rural outlook. It has an enormous difference within customer behavior in rural areas and urban areas. Most of the sales people are from cities and that's the way they think which is a problem to go parallel with the rural customers.
- xv. Lack of planning:**  
A lot of sellers in the markets don't begin a business for just financial need; but also to run with non-business aims, typically to fight job scarcity. Most of them are not looking at a profit but take it as simply in a different way of life.
- xvi. Warehousing drawback:**  
It causes trouble for the goods and price side of selling mechanism. Covering the specified level in the delivery of product looks terribly troublesome. The value of providing the goods becomes very expensive.
- xvii. No desire to adopt a new lifestyle:**  
Rural areas are very traditional and these customers are mostly carried away by culture, religion and belief. They have a tendency for following their traditional and old customs and therefore their life goes on a steady pace.

### **C) Reasons for companies to go Rural:**

Looking at the current situation, corporations operative in the country has solely 2 choices first one is to go global and second one is to go Rural. But planning to go international is incredibly expensive, as well as very tough to measure demands in different geographical areas. (Rani & Shrivastav, 2014) studied that focusing on the Indian rural market is a good option as it the market is increasing day by day. Rural market is rising on a large scale for a variety of products and services such as monetary services, healthcare, education and telecommunication, etc. Following listed below are few explanations to why a lot of companies are so keen for entering the Indian rural market:

**Saturated Urban Markets** – In the urban markets the competition is very cutthroat because of a good choice for selections of product. Therefore the existing corporations are facing very tough competition to keep up their market share in these markets.

**Untapped Market Potential** – The number of villages reached are solely 100,000 of the 638,667 up to now. The market has a huge ability and market space. As the population of rural India is around 833.1 million which is a large market.

**Remittances from Abroad** – Several households in India a lot of times have only person amongst the whole family situated in foreign country and mainly in Gulf regions. Individuals who work in these countries save some money and send it back to India to their family members an extra supply of income.

## D) Key Decision Areas:

### a) Rural Market Segmentation:

A seller requires some necessary ways of knowledge on the market and may contemplate many parts and for dividing the markets. It is not very urgent concerning what areas to settle on. The below areas look more interesting and related to the Indian rural market may be thought of in considering the various market parts:

- Geographic location
- Population density
- Gender and age
- Occupation
- Income levels
- Socio-cultural considerations
- Language and Education level
- Way of living etc.

Except that traditional strategies of separation, we are able to conjointly use few a lot of sub-parts which are below:

- Size of Land holding
- Water facilities
- Farming way
- Literacy level
- Proximity to cities
- Working classes (labourer, farmer, etc.)

### b) Product Planning:

Corporations need to take into account of the pre-existing good product out there selling in the urban market may can be sold within the markets with none development. It's recommended for corporations 1st to see the need of customers in the rural areas then choose product which is present at the right moment. The subsequent stats should always be of modifying product for Indian markets:

- The goods should always be made in such a way that it should be easy to grasp, use, keep as well as reuse.
- Practical parts instead of elegant appearance is a good way of using.
- Value of the product is needed to be inside the buying ability of the customers.
- The looks of packing is supposed to be straightforward, provide the details of how to use the product, shouldn't increase price and result in money use of the goods.
- Before selling the goods name is supposed to meet the understandings of the rural thinking's.

### c) Pricing Decision:

Pricing methods are highly connected to packaging and positioning. The product packaging and looks provide a view to keep the costs less just to get in buying ability of rural customers but it is completely wrong to think that solely low cost goods or cheap product selling in rural areas. The choice of poor financial status customers is shop for one thing that justifies the price for the value, which is known as utility value. Rural customers are able to purchase expensive product significantly once after the farming time as well as in festive period. The value and placement choices are so affected not simply because of financial gain returned however additionally on once it's got the way it's disbursed for totally separate wants of customers.

### d) Distribution Strategies:

It's widely understood that the transportation infrastructure for a lot of parts in India have very shape. Although India is said to have one of the largest railway system within the world, several areas in rural India stay far from and are not connected to the railway system. About 50 percent of the 570,000 villages in India don't have good roadways. Whereas few changes are going down on behalf of varied road

construction schemes, several parts face dangerous roads and many internal parts of the villages barely see proper roads to talk about. As regarded transport facilities, the foremost basic vehicles are mainly the delivery vans and also carts. As a result of the problem in access, delivery of product and goods is still very tough in these areas.

**e) Promotion:**

Rural areas have several small melas and festive periods and retailer take advantage of these things to promote their product. The conjoint use of the delivery van promotion in areas wherever these vehicles. Salesperson who have vans goes from one village to other. Vans are connected with projectors or music players to attract the eye of individuals and then promote their brand (**Baral, 2012**). The salesperson will use this opportunity to promote his brand and on-spot marketing. Where potential on the idea of those sales a neighborhood seller is also driven to store the goods. These sellers always give demos of their products show as well as selling in these fairs and festivals.

**f) Communication and personal Selling:**

Rural consumers do not have a lot of education, the scope for exploitation printed magazines, newspapers, periodicals etc. isn't a good idea. This problem is also connected by the language barrier. Within the urban parts most of the things are done in two widely used languages which are English and Hindi. Communication within the Indian rural area must necessarily take place in the local language.

**E) Rural Marketing Strategies:**

The Indian rural market is changed very much in last 10 years decade. A decade past, rural market was not properly developed and wasn't a favored place of marketing for any company. Only a few corporations, which were mostly the farming sector was dense the markets. Modern technological methods as well as promotions were not seen. Well defined selling system was not available. Education level was not that great as well as no proper technology was available and the opposite situations resulting in low reach of the product and very less awareness in the villagers (**Kale & Chobe, 2016**). Eventually, the company got the need for saturation, lot of competition and muddle within the urban market, with a requirement increased in rural areas.

Some of the Strategies undertaken by companies are:

**1. Easy-Way communication:**

The businesses are now focusing on the uses of correct communication in a native language just to sell their product particularly in the rural market. Starting with the thought of better quality accompanied with correct communication and simply perceivable manner of communications.

**2. Changing Pattern of Rural Customers:**

Nowadays village people are perpetually trying to use different branded product and sensible services. Indian consumers in the rural areas were not always valued focused, however, focus on value for cash. They're now able to buy luxury goods only when that item is providing few further use in the near future.

**3. The Best Promotion and Quality Perception:**

Industries who have modern technologies are easily able of communicating their goods and services to the client. There's a fifty-fifty for the quality one consumer gets and what a corporation needs to communicate. Therefore, the placement of proper technology is extremely important. The way of looking of the Indian customers regarding the specified item is very volatile. Currently, corporates recognize the distinction between the goods, and also the uses which it provides.

**4. Promoting Indian Sports Team:**

Corporations are targeting the sports industry, just in case to connect themselves with the country. According to them doing this will help them to have an effect on the thinking of the customers, best example is what they do at the time of cricket World Cup. Another case is of Hero Honda motor cops who planned a campaign "Dhak dhak Go" different, alternative corporations have additionally used campaigns throughout the World Cup. (**Gulati, 2013**) The product Campaigns such as, "Be Indian" firms are currently telling you to be Indian. It's a traditional for an Indian in which they try to connect themselves to the country through the merchandise.

### 5. Developing Specific Products:

Several corporations are making a rural-specific product. By understanding the wants, a company makes this product. Electrolux has started to work on products which are made-for India refrigerator structured specially for providing the basic facilities such as: cold water, keeping food fresh, and to resist cuts on power. Other than that in-service companies such as Insurance, for concentrating on a small insurance product just for these segments.

### 6. Effective Media modes of communication:

Nowadays media is basically in use for rural selling is mostly used by corporations. The standard media which consists of melas, puppetry, folk's theatre etc. whereas today's new media consists of T.V, Radio and E-Chaupal. LIC is using puppets to teach rural plenty regarding what kind of insurance strategies they have for them. Indian government is also using the puppetry method for many of its campaigns for promoting the social problems.

### 7. Patriotism with product and Services:

Firms are now connecting their products and services with the country by talking about India, by an expression showing that they're Indian as well as loyal to the nation. By applying the Tricolor Indian flag whereas making advertising throughout the Day of Independence as well as the Republic day where the brand Nokia came up with a design of a brand new mobile 5110, which had the tricolor while specially keeping the calling as well as the ringtone of "Sare Jahan se achcha".

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