

RURAL MARKETING: LEADING INDIA FROM UNMEASURED LAND TO INCALCULABLE FUTURE

Parichay Durga, Rachna Juyal, Nishi Chachra
Asst. Professor, Asst. Professor, Asst. Professor
Dept. Of Humanities,
Uttaranchal University, Dehradun, India

ABSTRACT: India is a land of villages. About 68% population of India live in more than 6,00,000 villages. Due to continuous growth & development of economy, green revolution, industrialization, globalization, liberalization there has been increase in the purchasing power of rural communities. So, Rural Marketing is considered as a powerful economic engine for development of rural India.

The rural market in India generates almost more than half of the country's income as rural population consists of maximum number of consumers. The rural market in India is colossal and offers a plenty of untapped opportunities that be explored. This research paper tries to understand the importance of rural marketing, its growth, potential & challenges for India's bright future.

Key words: Rural, marketing, globalization, liberalization, opportunities, potential, challenges.

INTRODUCTION:

In present scenario, rural marketing has become an enlightening field of study as the face of rural India is changing very rapidly. Due to increase in literacy rate, increase in rural income, improvement in infrastructure & living standard of rural areas the scope of rural marketing has gained a lot of importance in India.

A large number of corporate including MNCs have realized that there is a promising future for the companies to go rural. So, many famous Companies & brands in India have entered into rural markets to tap the potential covered by rural areas in order to capture more & more market share.

C.K Prahalad in his book "The fortune at the bottom of the Pyramid" says-"The future lies with those companies who see the poor as their customers." So, rural marketing has become a developing concept in Indian economy.

DEFINING RURAL MARKETING:

Rural means far from town or city & Marketing means to understand the demand of consumers and satisfy them. So, Rural Marketing means a process of understanding, developing, promoting & distributing goods & services to rural people in order to satisfy their needs & wants and also to achieve the overall objectives of both customers and corporate world.

Rural Marketing is a three way process-

URBAN TO RURAL

RURAL TO URBAN

RURAL TO RURAL

OBJECTIVES OF THE STUDY:

- To understand rural marketing & its status in current scenario.
- To identify the opportunities available in rural market.
- To highlight the Challenges of rural marketing in India.
- To know about the importance of rural marketing in India.
- To analyze the nature & scope of rural marketing.

RESEARCH METHODOLOGY:

This research paper is descriptive in nature & is based on Secondary Data that has been collected from various books, journals, reports, websites & research papers.

PRESENT STATUS OF RURAL MARKETING IN INDIA:

In Current Scenario the status of rural marketing is changing very rapidly. Presently, rural marketing have gained importance in India, as the overall growth of the economy has resulted into continuous increase in the purchasing power of the rural people. Nowadays, rural consumers have become aware and are eager to buy branded products, so the concept of rural marketing has become popular in India.

“Rural marketing in India is zooming ahead around 25 percent annually”

SCOPE & POTENTIAL OF RURAL MARKETING:

- Large Population
- Increase in Income level
- Rising rural prosperity
- Changing life style of rural people
- Improved infrastructure facilities
- Saturated urban market
- Support from financial institutions

FACTORS CONTRIBUTING TO THE GROWTH OF RURAL MARKETING:

- Green Revolution
- Employment Opportunities
- Literacy Growth
- Favorable Government Policies
- Spread of Cable Network

OPPORTUNITIES OF RURAL MARKETING:

1. Offers untapped Potential for growth & development of the country.
2. More & more villages are electrified & modernized.
3. Increase in demand for branded products and services.
4. Reduces risks during recession
5. Increase in Disposable income.

CHALLENGES OF RURAL MARKETING:

Major challenges of rural marketing are covered in following four A's-

- Availability
- Affordability
- Acceptability
- Awareness

Some of the other challenges of rural marketing are-

- Understanding the nature of rural consumers

- Warehousing problems
- Transportation problems
- Underdeveloped people & markets
- Seasonal demand
- Lack of proper distribution facilities
- Different culture and languages
- Inadequate media coverage
- Traditional beliefs & Customs
- Vastness and lack of marketing research

IMPORTANCE OF RURAL MARKETING:

1. Offers sustainable sales and profits for growth.
2. Contributes to growth of rural infrastructure & prosperity.
3. Helps in the development of Agro-based Industries.
4. Generates a lot of employment opportunities.
5. Helps to increase the income level of rural people.
6. Optimum utilization of untapped resources of rural area.
7. Balanced industrial growth & development
8. Improvement in rural life and standard of living.
9. Helps in rural & social development.
10. Contributes a huge share towards national income of the country.

KEY PLAYERS OF RURAL MARKETING:

1. FMCG:

- Hindustan Unilever Limited
- Dabur
- Marico
- Colgate Pamolive
- Amul
- Nirma
- ITC
- Coco Cola
- Pepsi
- Nestle
- Britannia
- Procter & Gamble

2. CONSUMER DURABLES:

- Godrej
- Philips
- Usha
- Bajaj
- Titan
- Hero Cycles
- Hero Honda
- Tata
- Mahindra & Mahindra
- LG
- NOKIA
- Hyundai

3. AGRICULTURAL PRODUCTS:

- IFFCO

- Mahindra & Mahindra
- Eicher and Escorts
- Rallies India
- DCM Shriram
- Chambal Fertilizers

4. SERVICES:

- BSNL
- SBI
- LIC
- ICICI
- AIRTEL
- IDEA

PRODUCTS THAT RURAL INDIA BUYS:

- ✓ Soft Drinks
- ✓ Fans
- ✓ Motor-cycles
- ✓ Bicycles
- ✓ Toothpowder
- ✓ Tea
- ✓ Soaps & Detergents
- ✓ Radio
- ✓ Footwear
- ✓ Salt
- ✓ Watches

SOME INITIATIVES TAKEN BY COMPANIES IN THE FIELD OF RURAL MARKETING:

- ❖ ITC launched the Choupal Sagar for benefit of farmers.
- ❖ DCM SHRIRAM launched Hariyali Kisaan Bazaar.
- ❖ HINDUSTAN UNILEVER LTD started Project Shakti, Operation Bharat, Lifebuoy Swasthya Chetna, Cinema-van Operations, Operation Harvest, Project Streamline, Caravan of Happiness.
- ❖ PHILIPS developed a TV 'Vardaan' & 'Free Power Radio' for rural markets.
- ❖ DABUR launched RUDSETI-Rural Development & Self-Employment Training Institute, Project Double in 2010 & "Astra"
- ❖ COCA-COLA doubled the number of outlets in rural areas and brought down the average price of its products from Rs 10 to Rs 5.
- ❖ HERO HONDA launched "Har Gaon, Har Aangan" Program, "Waves" Marketing Campaign & "Sikhao Baliye" Initiative.
- ❖ LG developed a Television brand "Sampoorna" for rural market.
- ❖ NOKIA launched low price, high battery back-up & rough handling hand-sets.
- ❖ TATA Teleservices launched a new product "Nano Ganesh" for rural community, Tata Chemicals Launched "Tata Kisan Sansar" for rural markets, TCS started MKrishi for farmers.

CONCLUSION:

It can be concluded from the above study that Rural Market is a huge market in India that has greater future prospects for the marketers and offers them many innovative opportunities for the growth & development of the country. The size of the rural market is expanding very fast as it helps to modernize the life of rural India. So, it can be rightly said, 'Rural Marketing is a market of the new millennium & acts as a pivot over which the life of Indian Villages revolves.'

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