

DILEMMA AND DARE OF RURAL MARKETING STRATEGIES

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ABSTRACT

Due to modern increase in the rural incomes, rural markets offer a vast scope for an intense marketing effort. This income will increase quicker because of improved production and superior prices for agricultural commodities. Recently the marketers have recognized the opportunity of growth in the market. Rural marketing is a developing concept. Comprehensive strategy for these markets should focus on accessibility and reliability and simplicity. In the direction of reducing the indecisively in dealing with these markets it is essential to pay consideration to market research key decision areas, rural marketing environment and dilemma. The present paper has been covered to know and discusses the identification of different Rural Marketing Strategies, and also focuses on issue, problems and challenge, key decision areas and rural marketing surroundings.

Keywords: Rural Marketing surroundings, Marketing strategies, Key Decision areas, Issues, Problems and Challenges.

I. INTRODUCTION

Advertising is an energetic status of affairs and is part and package of the whole marketplace. Rural marketing integrates the marketing of farming harvest rural manufacturing products

International Journal Of Core Engineering & Management (IJCEM)
Volume 2, Issue 10, January 2016

and services of much variety. A social bunch or village economy can be urbanized without precious and proficient rural advertising. The trade channels for diverse types of commodities obtainable in rural areas are private supportive processors synchronized markets and state organizations. Extremely little attention has been paid in the planning and development age towards the improvement of rural advertising. Rural marketing represent the brain of rural development activities. Rural marketing is a two way marketing procedure. The substance now encompasses not merely advertising of goods which flow to rural areas but as well goods which flow to metropolitan regions from rural regions. In addition it also includes the marketing in the rural areas. Since the rural marketing is a two way process and it highlight problem and challenges linked through the rural marketing tactics. It covers the marketing tactics phase of rural produce with special reference to products as well as services surrounded by the rural areas. A few years back the rural market in India was an unknown area and numerous companies were not fascinated in entering the rural markets in India as the demand pattern was fragile as well as seasonal along with poor purchasing power of citizens.

Infrastructure transportation and communication be the major blocks for growth of rural markets and penetration of urban products in rural marketplace. However these things of the past have been distorted. Currently everyone is looking by the side of rural markets as the subsequent growth driver in Indian marketplace. As a result of the Green Rebellion in agriculture and White rebellion in record and other developmental actions executed through the Five Year Plans and the efficiency, wealth as well as disposable incomes of the rural population has enhanced. Therefore the standard of living and life styles of Indian countryside citizens have too changed for enhanced existing. This state of affairs has generated demand for a variety of fast moving consumer products, consumer durable and services. In the earlier period rural marketing was considered merely as marketing of agricultural produce. Since special interest taken by the Government many regulated markets have been recognized in our country to assist appropriate advertising of farm fabricates. Implementation of scientific as well as profitable agricultural popularized the use of effort like cattle, chemical fertilizers, pesticides and poultry feeds high yielding varieties of seeds

International Journal Of Core Engineering & Management (IJCEM)
Volume 2, Issue 10, January 2016

along with tillers, tractors additional farm equipment etc. Because of all these the scope of rural marketing started extending. The dissemination of television also gave an impetus to provide accessibility to marketers into rural India for promoting consumer goods.

II. REVIEW OF LITERATURE

The investigation done by the National Council for Applied Economic Research (NCAER) India's leading economic research entity recently established that rise in rural incomes is keeping pace with urban earnings. From 56 to 59 % of the average urban income in 1995-96 the average rural income has gone up to 64 to 65% by 2001 – 2002 and touched almost 67% in 2004-05.

Adi Godrej is the chairman of the Godrej group to facilitate the variety of business from real estate in addition to personal care to agro foods has no hesitation proclaiming. Rural consumers are not brand and quality conscious is a myth only.

For cars, scooters and bikes rural India has also accounts for sales of \$ 1.7 billion and over one billion dollars of durables. It entirety represents a market worth a whopping \$28 billion. Now coke's rural growth of 38% far outstrips its urban growth of 25%. Coke is not the first MNC to have cottoned on to the rural lure. Global rival of PepsiCo took vast perspectives to the production while it was specified permission to set up shop in India in the late 1980s and investment in food processing and farming was a precondition for entrance.

The study attempted to find out the various initiatives taken by HUL to reach the rural consumer. Hindustan Unilever is the pioneer and largest player in India's FMCG market. HUL was the first company to step into the Indian rural marketing. HUL started its first effort towards going rural 1960's onwards through indirect coverage of accessible rural market through its urban network stockiest and distributors. HUL proactively engaged in rural development in 1976 with Integrated Rural Development Programmed in Etah district of Uttar Pradesh. In 1990 HUL launched Operation Streamline for distribution of products to inaccessible rural markets with High potential using unconventional transport like bullock

International Journal Of Core Engineering & Management (IJCEM)
Volume 2, Issue 10, January 2016

carts tractors and bicycles and appointed rural distributors and star sellers. In 2000 HUL started Project Shakti to reach inaccessible low potential rural markets. This project has reached 100500 villages. HUL embarked upon Project Samuriddhi in 2003 to create sustainable villages in Dadra and Nagar Haveli. Today HUL's products touch the lives of two out of every three Indians.

India's largest farm equipment company is Mahindra & Mahindra Ltd and Mahindra Shubhlabh Services its subsidiary that has operations in 11 states and leverages the strong Mahindra brand the 720000 well-built Mahindra tractor purchaser base and the 550 plus merchant network to supply a complete range of products and services to progress farm productivity and establish market linkages to the commodity market succession. In Rajasthan Mahindra Krishi Vihar has been influential in escalating the groundnut yield through a new seed foundation as of the state of Maharashtra moreover it has also initiate a new variety of grapes in Maharashtra. Rural India accounts for a market worth \$28 billion.

Project Shakti uses self-help groups across the country to push lever products deeper into the hinterland. Its four-pronged programmer creates income-generating capabilities for under privileged rural women get better rural excellence of life by scattering attentiveness of best practices in health and hygiene empowers the rural group of people by building access to applicable information from side to side community gateway as well as it also works with NGOs to spread literacy development. Presently there are currently over 15000 Shakti entrepreneurs most of them women, in 61400 village's crosswise 12 states. Through such a prominence on rural advertising utilization outline are changing and it signals a change in the dictatorial surroundings.

III. OBJECTIVES OF THE STUDY

- To study the dilemma and dares of rural marketing.
- To discuss the emerging problems in Rural Marketing.
- To study regarding the rural marketing surroundings.

International Journal Of Core Engineering & Management (IJCEM)
Volume 2, Issue 10, January 2016

- To study the troubles of rural marketing.
- To provide suggestions in order to make the rural marketing a success.
- To study the policies of rural marketing.
- To estimate the decision areas in rural marketing.

IV. METHODOLOGY OF THE STUDY

The study is descriptive so descriptive method was used and applied in this framework. The Secondary data were composed through diverse sources such as magazines, text books, articles, journals as well as from websites.

V. STRATEGIES FOR RURAL MARKETING

Strategies that may be helpful in improving marketing in rural areas are listed below

- Product Strategies
- Pricing Strategies
- Allocation Strategies
- Advertising Strategies

A. Product Strategies

- ***Small unit and Low price packing***

Through creating the product accessible in small and low down price packing a company can be a spotlight for villagers to at least endeavor its product because larger pack sizes may be out of reach for rural consumers because of their price and convention way of life. For example: biscuits, Shampoos, soap, chocolates etc.

- ***Latest Product Plan***

A company can opt for new product designs or modified designs that are specially meant for rural areas keeping their lifestyles in view.

- ***Strong Products***

International Journal Of Core Engineering & Management (IJCEM)
Volume 2, Issue 10, January 2016

Sturdiness of a product either in terms of weight or appearance is an important fact for rural consumers. The product meant for rural areas should be sturdy enough to stand rough handling and storage. People in rural areas like bright flashy colors such as red, blue, green etc., and feel that products with such colors are sturdy but they are more concerned with the utility of the item also.

- ***Brand Name***

The brand name awareness in the rural areas has fairly increased. A brand name and is very essential for rural consumers to remember the product.

B. Pricing Strategies

The pricing strategy for rural market will depend upon the scope for reducing the price of the product to suit the rural incomes and at the same time not compromising with the utility and sturdiness of the product.

- ***Low cost Products***

This strategy can be adopted by both, manufacturing and marketing men. Price can be kept low by small unit packing

- ***Simple Packaging***

Sophisticated packing should be avoided and Simple packaging should be adopted to cut down the cost.

- ***Reusable packaging***

Packaging that is reusable and can be refilled attracts the attention of rural buyers. For examples: Zandu Chyawanprash is providing plastic Containers that can be reused by the consumers.

- ***Application of value engineering***

This is a technique which can be tried to evolve cheaper products by substituting the costly raw material with the cheaper one, without sacrificing the quality or functional efficiency of the product, for example in food industry, 'soya protein is being used instead of milk protein. Milk protein is expensive while soya protein is cheaper but the nutrition value is same.

International Journal Of Core Engineering & Management (IJCEM)
Volume 2, Issue 10, January 2016

C. Allocation Strategies

Most of the manufacturers and marketers can arrange for distribution to villages using the strategies listed below:

- ***Using Own Delivery Vans***

One of the way of distribution to rural area can be using delivery vans which can serve two purposes-it can take product to consumer in every nook and corner of the market and it also enables the firm to establish direct contact with them and thereby facilitate sales promotion. However, only big companies can adopt this channel.

- ***Annual Melas***

Annual melas organized are quite popular and provide a very good platform for distribution because people visit them to make several purchases. According to Indian Market Research Bureau-around 8000 such melas are held in rural India every year. Also every region consisting of several villages is generally served by one satellite town termed as Mandis and Agri-markets where people prefer to go to buy their commodities. By making product available in these annual Melas, Mandis and Agri Markets, a firm can cover large section of rural population.

- ***Paintings***

A picture is worth thousand words. This way of conveying message is simple and clean. Rural people like the sight of bright colours. COKE, PEPSI and TATA traders advertise their products through paintings.

D. Advertising Strategies

Mass media is a powerful medium of communication and other strategies that can be followed to promote the product in rural market include:

- ***Promoting Products with Indian Models and Actors***

Companies should picking up Indian models, actors for advertisements as this will help them to show themselves as an Indian company. Shahrukh Khan is chosen as a brand ambassador for MNC quartz clock maker OMEGA even though when they have models like Cindy Crawford.

International Journal Of Core Engineering & Management (IJCEM)
Volume 2, Issue 10, January 2016

- ***Associating them with India***

MNCs must associate themselves with India by talking about India, by explicitly saying that they are Indian. M-TV during Independence Day and Republic Day times make their logo with Indian tri-colour.

- ***Promoting Indian Sports Team***

Companies may promote Indian sports teams so that they can associate themselves with India. With this they influence Indian mindset. ITC was promoting Indian cricket team for years during world cup they launched a campaign "Jeeta hai jitega apna Hindustan India".

- ***Talking about a Normal Indian***

It is a normal tendency of an Indian to try to associate him/her with the product. If he/she can visualize himself/herself with the product, he becomes loyal to it. That is why companies like Daewoo based their advertisements on a normal Indian family.

VI. DARES IN RURAL MARKETPLACE

Rural markets, as part of any economy, have untouched potential. There are several difficulties confronting the effort to fully explore rural markets. The concept of rural markets in India is still in evolving shape, and the sector poses a variety of challenges. Distribution costs and no availability of retail outlets are major problems faced by the marketers. The success of a brand in the Indian rural market is as unpredictable as rain. Many brands, which should have been successful, have failed miserably. This is because most firms try to extend marketing plans that they use in urban areas to the rural markets. The unique consumption patterns, tastes, and needs of the rural consumers should be analyzed at the product planning stage so that they match the needs of the rural people.

Therefore, marketers need to understand the social dynamics and attitude variations within each village though nationally it follows a consistent pattern. The main problems in rural marketing are:

- Understanding the Rural Consumer
- Poor Infrastructure
- Physical Distribution

International Journal Of Core Engineering & Management (IJCEM)
Volume 2, Issue 10, January 2016

- Channel Management
- Promotion and Marketing Communication

VII. RURAL MARKETING ENVIRONMENT

Environment is that which backdrop an organization. This is called sum total of external factors as well as it is made up of tangible and intangible features both controllable and uncontrollable. Basically marketing activities of an organization is focused by rural marketing. The Rural marketing environment is intricate and is varying constantly. The marketing organization ought to predict and implement strategies to modify its necessities in the marketplace. An adaptive organization can stand competition otherwise contain a modest development. An organization which makes its 120 effectual marketing tactics and its own strategies or else a inspired one will flourish and generate

A. Societal Revolution

These consist of 3 aspects. They are

- ***Anthropological aspects***

The reasonable cultures and sub cultures and living patterns influence sales promotion, advertising, packing and selling strategies. The consumers in east India have different experience.

- ***Sociological aspects***

Consumer society or the community is significant. The consumer life style is influenced by the social position. The social foundation and alteration influence customer behavior, experience, and standard of living.

- ***Psychological aspects***

Consumer actions attitudes individuality and psychological make ups are matchless. The study of activities is fundamental to develop marketing mix.

B. Economic Alteration

These consist of 3 aspects. They are

- ***Worth***

International Journal Of Core Engineering & Management (IJCEM)
Volume 2, Issue 10, January 2016

Pricing is a delicate issue where it should be marketed friendly, not too high or too little. The marketers have to keep in mind to get descent returns on investment and effects of producers and marketers.

- ***Customers***

The consumers today are quite knowledgeable and choosy. His progress and well being should be the aim of any economic activity.

- ***Competition***

A good and healthy competition brings in good and overall improvement in economic activities. It also brings good quality, good quantity and price.

C. Ethical Modification

A business deficiency ethical value brings deterioration. During the lengthy lope it brings troubles. No equivalence, mistreatment and misrepresentation are major ethical principles in such associations.

D. Political Variations

The government guiding principles towards trade and business along with domestic taxation and privileged management have an influence on the marketing strategies. The marketing environment has to meet the supporting frame work in which a government is made to work.

E. Physical Changes

The infrastructure availability for movement and storage of goods play an important role in the physical distribution of 120 goods and reaching the consumers. Well-organized and cheaper logistics assist the market in an immense manner.

F. Technological Amendments

The quick shifting science and technology gives a harsh rim to the marketing of goods. The amendments deserve changes in marketing contributions and tactics. Quicker and proficient communication and transportation method have speeded up marketers as well as salesperson. The marketer has to use these new marketing tackles and amenities in manipulative and implementing his marketing tactics which are

International Journal Of Core Engineering & Management (IJCEM)
Volume 2, Issue 10, January 2016

adaptive to the change in surroundings and ensure achievement. The capital is made to work harder and more rapidly.

VIII. DILEMMA IN RURAL MARKETING

The rural market offers a vast untapped potential. It is not that easy to operate in rural market because of several problems and also it is a time consuming affair and it requires considerable investments in terms of evolving appropriate strategies with a view to tackle the problems. The problems are:

- Underdeveloped people and underdeveloped markets
- Inadequate Media coverage for rural communication
- Multi language and Dialects
- Traditional Values
- Lack of proper physical communication facilities

1. Underdeveloped people and underdeveloped markets

The technology has tried to develop the people and market in rural areas. Unfortunately, the impact of the technology is not felt uniformly throughout the country. Some districts in Punjab, Haryana or Western Uttar Pradesh where rural consumer is somewhat comparable to his urban counterpart, there are large areas and groups of people who have remained beyond the technological breakthrough

2. Inadequate Media coverage for rural communication

A large number of rural families own radios and television sets. There are also community radio and T.V sets. These have been used to diffuse agricultural technology to rural areas. However the coverage relating to marketing is inadequate using this aid of Marketing.

3. Multi language and Dialects

The number of languages and dialects vary from state to state region to region. This type of distribution of population warrants appropriate strategies to decide the extent of coverage of rural market.

4. Traditional Values

International Journal Of Core Engineering & Management (IJCEM)
Volume 2, Issue 10, January 2016

The traditional values and superstitious beliefs of the rural regions seem to be a major obstacle in the progression of this sector.

5. Lack of proper physical communication facilities

Nearly 45 percent of the Villages in the country do not have all weather roads. Physical communication to these villages is highly expensive. Even today, most villages in eastern part of the country are inaccessible during monsoon season

IX. SUGGESTIONS

- ✓ Infrastructure of markets and warehouses should be regulated so as to ensure fair prices. The arrivals of various products such as Food grains, Vegetables, Dairy products and Flowers etc. need speedy transport. Therefore, rural roads must be compliment and coordinate with railways, nearest waterways (port), airports to avoid spoiling of such products.
- ✓ The efficient marketing and distribution system is necessary to reach ultimate consumer in the quickest time possible at minimum cost.
- ✓ The communication systems must be developed to make it appropriate to rural market. If not possible, communication must be in regional language.
- ✓ Public weighing machines one in each rural market to ensure correct weightiest both for farm and non-farm arrivals. Storage spaces are also required.
- ✓ For storage conveniences the government should not depend on private agencies to store food grains and it was recommended by National Commission on Agriculture Recommended.
- ✓ The existing marketing staff must be increased and adequate training must be given.
- ✓ The proper packaging technology must be improved.

X. CONCLUSION

An intensive effort in order to provide the basic facilities to rural consumers is the need of the hour. Expansion in infrastructure and reach promise a bright future for those intending to go rural. Rural marketing is a developing concept and as a part of any economy has untapped

International Journal Of Core Engineering & Management (IJCEM)
Volume 2, Issue 10, January 2016

potential marketers have realized the opportunity in recent times. Some macro level strategy for these markets should focus on availability plus accessibility and affordability. The Rural market is not standardized. The individual sections of this market are not too big, although the overall size is large. There are statistical, demographical, logistical and geographical differences. Realities and positioning concerning the potential of each of these market fragments differ and lie at the very core of forming the strategy for the rural marketplace. Numerous companies trying to reach out to rural consumers are exploring substitute cost effective mediums. Direct selling through company delivery cabs, vans, setting up of temporary stalls in rural melas along with syndicated distribution between non-competitive marketers are few winning paradigm. The help groups are presented chance to become company's local small scale distributor in the rural areas. The groups naturally is of less than 20 members buy a small stock of items such as shampoo, soap or detergent and then sell directly to consumers in their residence. Here concluding observation is that if the company needs to confine the rural market they should first hold the comprehensive and intense investigation of the countryside goal market aspiring at the meticulous uniqueness of the rural market along with exploiting diverse marketing tactic according to existing state of affairs. Rural marketing method is supposed to be made a lot additional competitive via infusing competition inside the nation along with preventing the external structure equation from interfere among the local marketplaces in the bigger wellbeing of the country.

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International Journal Of Core Engineering & Management (IJCEM)
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