

# Rural Marketing

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## I. INTRODUCTION TO MARKETING

Identifying the needs of customers and potential customers, providing products/services that satisfy their needs, and developing efficient processes or systems to deliver your product/services to the market when, where, and how consumers want it.

### Rural marketing:

Rural marketing is now a two-way marketing process. There is inflow of products into rural markets for production or consumption there is also outflow of products to urban areas; the urban to rural flow consists of agriculture inputs.

Fast- moving consumer goods [FMCG] such as soaps, detergents, cosmetics, textiles and so on. The rural to urban flow consists of agriculture produce such as rice, wheat, sugar, and cotton. There is also a movement of rural products within rural areas for consumption.

## II. SCOPE OF RURAL MARKETING

### 1. Growth in consumption

There is a growth in purchasing power of rural consumers. But, the average per capita house hold expenditure is still low compared to urban spending

### 2. Change in life style and Demands

Life style of rural consumer changed considerably. There has been increase in demand for durables and non-durables like table fans, radios, mopeds, soaps, etc. by rural consumers. This provides a ready market for the producers. Rural market is expanding day after day.

### 3. Percentage of Market growth rate higher than urban:

The growth rate of fast moving consumer goods [FMCG] market and durable market is high in rural areas. The rural market share is more than 50% for products like cooking oil, hair oil etc.

## III. CHARACTERISTICS

### 1. Availability

If you are serious about marketing in, then you should make your brand available as many as people possible.

### 2. Affordability

This can be a big challenge as many rural people live below the poverty line. You can't expect them to spend their income like urban people. Many of them are daily wage workers. The products need to be affordable as the income is low.

### 3. Acceptability

No matter how strong your strategy is or how big the brand name is, if it is not acceptable by the majority, you will face a big problem. For that, there is need to offer products and services that suit the rural customers.

### 4. Awareness:

A brand needs to make people aware of its products. One on one contact programs is extremely efficient. Educate and try to induce trial.

## IV. STRATEGIES

### 1. By communicating and changing quality perception

Companies are coming up with new technology and they are properly communicating it to the customer

### 2. By proper communication in local language

The marketers have to realize the importance of proper communication in local languages for promoting their product.

### 3. By understanding cultural and social values

Companies have to recognize that social and cultural values have a very strong hold on the people. It plays a major

role in deciding what to buy. Moreover, rural people are emotional and sensitive.

#### 4. By giving Indian terms for brands

Companies use Indian word for brands

### V. ADVANTAGES

#### 1. Reduced Burden on Urban Population:

People can also live comfortably in villages due to availability of all goods and services in villages, even comparatively at low price. People, due to growth of marketing activities, can earn their livelihood in rural places.

#### 2. Rapid Economic Growth:

Rural marketing improves agricultural sector and improved agricultural sector can boost whole economy of the country.

#### 3. Employment Generation:

Rural marketing can generate more attractive employment opportunities to rural and urban people. Growth of rural marketing can generate a lot of employment opportunities.

#### 4. Development of Agro-based Industries:

Rural marketing leads to set up agro-based processing industries. Fruits, vegetables, cereals, pulses, etc., are used as raw-materials. Such industries can improve farmers' profit margin and employment opportunities.

#### 5. Balanced Industrial Growth:

The gap between rural and urban development can be reduced gradually. Rural development improves rural life and reduces pressure on urban life.

### VI. DISADVANTAGES

#### 1. Underprivileged people and resources

The biggest problem for rural sector is people living below poverty line. The resources are also scarce. Marketing is a problem due to issues such as inconsistent electrical power, scarce infrastructure and unreliable telecommunication system.

#### 2. Less means of communication

Marketing is all about communication. Better the communication better will be the chance of gaining a strong foothold. But rural sector lacks this.

#### 3. Language barrier

India is a home to more than 100 different languages. The problem is that people don't understand any other language and it becomes difficult to communicate with them.

#### 4. Different mindset:

Marketers are urban people living in urban cities and planning according to urban crowd. But the same strategies won't work for rural crowd.

### VII. EXAMPLE

#### Amul Dairy Products

Amul means "priceless" in Sanskrit. The brand name "amul", from the Sanskrit "Amoolya", was suggested by a quality control expert in Anand

#### Amul move towards rural market:

70% of population in India lives in rural area. Also known as "Bottom of the pyramid" it created an opportunity for companies like amul. Amul derives 70% of sales from rural area.

### VIII. CONCLUSION

The study concludes that to achieve the objectives of the rural market development, the government and private agencies have to focus on the improvement of all the problematic areas of rural marketing and should find proper scientific solutions to address the same.

Product awareness campaigns and advertising communication too need to be designed and executed properly. All the citizens must join hands together to promote the rural markets in India as India lives in rural societies