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ijirset@gmail.com

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A Study on Issues in Rural Marketing

Vidhi Chaudhary, Ms. Hemawati Pavitra

School of Business, Galgotias University, Department of Marketing, India

ABSTRACT: European methods are distinct from their Indian counterparts. Kolkata and Bombay aren't the only major Indian cities. India is home to nearly 700,000 rural hamlets. Gandhi, Mahatma, also known as, 1926

The marketing strategies of developed countries have been quickly adopted by emerging economies such as India. Many marketing concepts developed in the West, such as "brand identity," "customer relationship management," "the four P's of marketing," "the consumer behaviour process," "segmentation," "targeting," and "positioning," etc., have been adopted by Indian marketers with varying degrees of success. These are not bad ideas in and of themselves, but they are culturally incongruous with Indian norms.

In rural India, there is a massive untapped market. India's middle class, of which nearly two-thirds live in rural areas, accounts for half of the country's purchasing power. Rural areas typically receive less investment despite the market's obvious potential. Think about it from a business perspective: less than 100,000 of India's five million villages are developed. We contend that the marketing principles taught in B-schools need to be modified and better adapted to the realities of the market in order to fully exploit the rural Indian market. This article revises marketing guru Philip Kotler's classic four-pronged approach known as the "marketing mix." We are giving serious consideration to how to improve its usability for people living in India's rural areas. More emphasis needs to be placed on 1P (packaging) and 1R (1P being price and 1R being place) (retailer). In addition, the marketing mix should centre on education and empowerment to ensure its longevity, as these encourage greater participation from rural customers **and raise their living standards.**

KEYWORDS:- Indian, Rural, Issues. Urban

I. INTRODUCTION

RURAL MARKETING - INDIAN PERSPECTIVE

Marketers in India would do well to pay attention to the expanding purchasing power of the country's rural population. More than two-thirds of the population and more than half of the country's GDP are located in rural areas. The size of India's market is likely affected significantly by the country's rural markets. Based on factors like literacy rate, accessibility, median family income, market penetration, distance to the nearest metropolis, and so on, each of our country's roughly 450 districts and 630,000 villages can be further subdivided.

Rural India's brand popularity is as volatile as the country's weather. Forecasting the expansion of the rural market has never been easy. Many successful businesses failed after a promising start. Those who call the country home are more likely to credit chance for their professional success. Every community has its own social dynamics and attitude variations, so even if there is a national trend, marketers still need to take that into account.

Despite the undeniably large growth potential, it would be naive to assume that any business could enter the rural market and find immediate success. However, the industry is plagued by a wide variety of issues. The following are the most critical issues confronting rural marketing today:

Marketing, Sales, and Distribution Channel Management Through the Lens of the Diffusion Model

When there are issues with logistics and channel management, costs go up and quality of service goes down. There is currently only one wholesale distribution hub and one primary rural market. These mom-and-pop stores in the suburbs rely on hubs in nearby major cities for distribution. However, keeping up the necessary service quality throughout the delivery of retail products is not always easy.

Delivery vehicles allow businesses to connect with customers in all segments of the market, which could lead to an uptick in sales. But only the best players ever use this tactic. Syndicated distribution allows smaller and less competitive retailers to make larger purchases by pooling their resources.

Personal interactions are more common in sales in rural areas than in urban ones. The needs of consumers in rural areas should be prioritised by marketers. If a business is serious about expanding into rural areas, it needs to understand the culture there and how to adapt its products and services accordingly. The product can be associated with social events like festivals and melas, and the target audience can be reached in their native language using a variety of folk media.

One prominent example of the current inclination towards personalised, one-on-one service is the escorting industry. The company established a new department in September 1998 to focus on marketing and sales to people living in rural areas. They targeted specific markets and demographics instead of broadcasting or printing ads that were meant for everyone (as shown by factors such as price and the prevalence of market events like melas). The company promoted the mobike as one of the most reliable ways to get around the kuchha roads found in rural India. Dharmendra's Escort was featured in ads with the tagline "Jandar Sawari, Shandar Sawari." They managed the incredible feat of selling 95,000 cars in a single year.

One more case that might fit this description is HLL. HLL's "Operation Bharat," an initiative to enter the rural market in India, was launched a year ago. It promoted its products by giving away free samples to 20 million households. Samples of toothpaste, fairness cream, Clinic Plus shampoo, and Ponds cream were given out.

Despite the difficulties, those who study rural markets and exploit their unique dynamics will be successful.

HINDUSTAN LEVER LIMITED, ADVERTISED IN THE COUNTRYSIDE.

Challenger, The

Nearly 70% of India's 1.3 billion people live in the country's 6,27,000 villages. Ninety percent of rural residents reside in places with fewer than 2,000 inhabitants.

These are extremely worrying statistics. Everyday packaged mass consumer goods (PMCG) retailers like HLL need to capitalise on the size of the rural market.

Actually, typically they have aimed for customers in more outlying areas. Nearly half of the company's total sales come from non-urban areas, especially in the categories of fabric care, personal care, and beverages. When compared to other PMCG manufacturers, they have a superior distribution system.

However, upper management is aware that more work needs to be done. The biggest obstacles to breaking into the rural market are related to accessibility, education, and changing people's habits and mindsets.

II. RESEARCH METHODOLOGY

1. RESEARCH METHODOLOGY

The study was exploratory because it set out to pinpoint issues plaguing the rural market.

Making a Plan for Research as of Right Now: Primary Resources

Study Design and Methods: Survey's Questionnaire: A Methodological Tool (structured and Non-disguised)

2. SAMPLING PLAN

Sample Unit : Marketers

Sample size : 50

Sample procedure : Respondents were selected from different areas of NCR

3. CONTACT METHOD PERSONAL SURVEY PROCEDURE

Fifty NCR dealers and Marketers were selected at random. The dealers' thoughts and opinions on the Rural Market compared to the Urban Market were gathered using a structured questionnaire.

A lot of companies were hesitant to sell their wares in rural areas because they thought people there wouldn't be able to be convinced of the benefits of their products. However, many producers considered this to be nothing more than urban legend. It is possible to successfully market to the rural consumer, but only if certain steps are taken.



DATA SOURCE - PRIMARY

All information obtained is primary in nature and completely original. This topic has not been explored in any published works. Following in-depth interviews with the distributors and promoters, all paperwork was completed in their presence. The data has been compiled for one explicit purpose. Consumers The patron is the foundation of the market. Businesses generate revenue by satisfying a market need or want. Businesses in the modern era prioritise their customers in order to increase revenue. A company can be successful even if its product isn't the best on the market. If you want to know the truth behind this myth, it's that the higher the quality, the more likely you are to see marketing success. Advertising Most stores are also unhappy with the marketing strategies employed by Indian businesses. The biggest mistake made by India is that most of their advertisements don't work.

OBJECTIVES

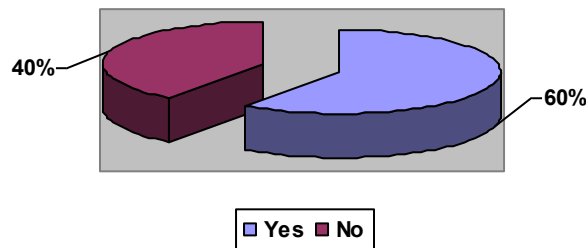
Finding Government Programs Characteristics of Marketing in Rural Areas Understanding the Role of Major Investments and Developments in India's Rural Areas

Our goals include gaining a deeper understanding of the difficulties faced by rural marketers so that we can:

Understanding the potential of advertising in rural areas

III. DATA ANALYSIS

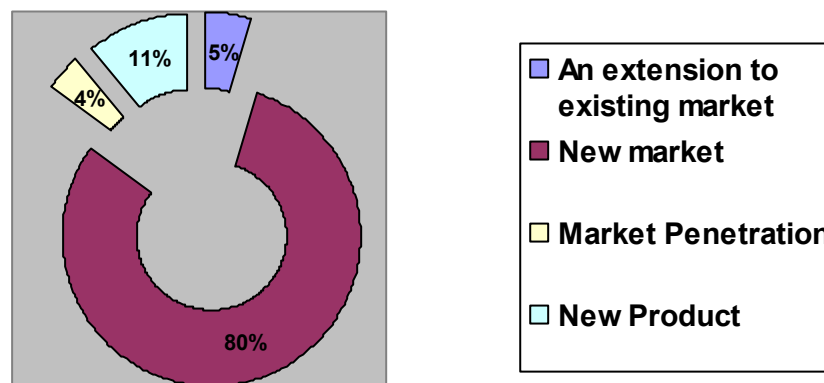
Q1. Do you have your product in rural market?



Sixty percent of those surveyed said they sell their wares in rural areas, while 40 percent said their goods were aimed solely at city dwellers. It's worth noting that 92% of businesses in the bottom 40% said they intended to grow into rural areas. They thought the untapped rural market held great potential.

There was a significant increase in both physical distribution and communication with the rural mass beginning in the 1980s, when many businesses first entered the market.

Q2. How did you see rural market as?



Because of its distinct qualities, the rural market presents companies with fresh opportunities. Considering the low expectations placed on products in rural areas. They need to be easy to understand and use, meeting the needs of the target audience without complicating matters with features that are likely to be ignored.

Advertising in rural areas is difficult because of the low levels of education and the ineffectiveness of traditional media in reaching consumers. Puppetry, folk theatre and song, wall painting, demonstration, posters, agricultural games, networks of non-governmental organisations, etc., should therefore play a larger role in the marketing strategy. Consequently, either the product or the messaging, or ideally both, must be modified for the rural buyer.

FINDINGS AND RECOMMENDATIONS

As a result of Pepsi's dogged expansion into India's rural areas, the company's retail sales there have exploded. Pepsi boasts that more of its products are available in rural areas thanks to an increase in the number of distributors, coolers, and vehicles making the trip. Therefore, in recent years, rural areas have contributed between 10% and 15% to Pepsi's total sales.

Over the past two years, Pepsi has hired over 200 people to lead rural activation projects and expand the company's presence in those areas. A new "hub and spoke" model will be implemented to extend services to outlying regions.

Coverage can be expanded to underserved areas and new markets that were previously logistically inaccessible as a result of the idea's revenue-generating properties.

The effort needed to break into the rural market is high. In addition to carefully calculating prices, shops will need refrigeration to stockpile perishables. More people need to have home refrigerators if we want to see an increase in PET bottle consumption. Therefore, new entrants in the rural market face a significant challenge presented by the logistics of distribution.

HLL's extensive and well-oiled distribution network that reaches all corners of India, including rural areas, has made working with them profitable and will continue to do so. This would allow the companies to collaborate and develop as a whole.

LIMITATIONS OF STUDY

After the records were analysed and compiled, it was necessary to state the limitations of the findings. This is done so the reader can make an informed decision about how to apply the findings after weighing the benefits and drawbacks of the specific context in which they occurred. While we took great pains to ensure the accuracy of the data presented here, there is always the possibility that some unaccounted-for factor might have altered the outcomes. Possible restraints include the following: Some dealers may not have taken the surveys seriously, which could lead to results that are not indicative of the market as a whole. Due to the intense competition, some vendors were dishonest about providing all the information buyers required. It's possible that they gave you exaggerated or false information. However, not all stores participated in the survey. If we had more data, we might have made different decisions. The sheer size of the region prevented in-depth analyses of all markets and variables.

Not all of the marketers were honest when asked about the company's advertising and customer service.

IV. CONCLUSION

- ✓ Modern issues necessitate a three-pronged strategy for comprehension: Strive to be at the cutting edge of innovation to gain a competitive edge.
- ✓ The rush to bring these ideas to market as soon as possible.
- ✓ Competition for market share.
- ✓ In today's world, "anything is conceivable," so you should never make any assumptions.
- ✓ Instead of trying to expand into more saturated markets, try to find new ones to enter.
- ✓ Introduce innovative products with innovative features and competitive pricing.
- ✓ Establish checkpoints to gauge your development towards your objectives.
- ✓ Maintain a competitive edge in the market by fortifying your channel of distribution.
- ✓ The competition will be worn down by our ingenious, unavoidable strategies that make the most of our superior infrastructure.
- ✓ The strategic objective must have the full support of upper management.



- ✓ Infrastructure, financial stability, and retrofitting should be prioritised as you work to grow your company's core competencies.
- ✓ When making point-of-purchase (POP) and merchandising materials, it's important to keep in mind a worldwide audience.
- ✓ Employees receive instruction from experts outside the company.

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