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An Analytical Study on the Opportunities of Rural Marketing in India

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ABSTRACT: The rural Indian market has a sizable demand as well as several prospects for marketers. In India, there are about 5,76,000 villages, 80 percent of which have fewer than 1000 residents, and roughly 77% of those people depend on agriculture or other land-based activities for their livelihood. There are several reasons why businesses and marketers are drawn to the rural areas. The goal of almost every marketer is to dominate the rural market and establish themselves as a market leader. 70% of Indians live in rural regions, which also account for 56% of the country's total consumption. In addition to attempting to study the rural market environment, its issues, and potential remedies, the objective of this research is to determine the best marketing tactics for rural regions in India.

KEYWORDS: Rural Marketing, Market, Buying Decision, New Product

I. INTRODUCTION

India's rural areas are expanding noticeably. For the large corporations and MNCs, rural Indians are no longer a minor component. There may be a number of causes, including expanding agricultural prospects, rising income levels, technological advancements, and government backing, among others. Rural India's population is altering its buying habits, and multinational corporations are moving there. At Rs. 3,75,000 crore (US \$67.57 billion), rural expenditure outpaced urban consumption, which stood at Rs. 2,99,400 crore. Rural areas are seeing increased technology use and FMCG product consumption. IMRB and the Internet and Mobile Association of India (IMAI) conducted a recent poll in December 2012 and found that "the number of reported internet users has experienced a Compounded Annual Growth Rate (CAGR) of 73 percent from December 2010. In rural India, there were 3.6 million mobile internet subscribers as of June 2012.

In the last two years, this has increased 7.2 times. The percentage of computer literate people in rural areas is 8.4%, while the percentage of people who claim to use the internet has increased from 2.68 percent in 2010 to 4.6 percent in 2012. Rural communities now consume more FMCG products and use technology more frequently. The data unequivocally demonstrates that increased media, technological, and mobile penetration has led to a change in rural consumers' purchasing decisions and behaviours. The MNCs and Indian businesses are attempting to spur rural economic development. The marketers have seen that individuals in rural areas are now highly interested in disposing of their money and are in a better position. Other than this, the urban markets are mature, the level of competition is very high, frequent changes in urban consumers' tastes and preferences, and short product life cycles are a few reasons encouraging marketers to go for the rural markets. The only thing that marketers need to do is do thorough research on the rural market environment and then develop a plan in line with it.

II. OBJECTIVES

The goals of the research study are as follows:

1. To study the Indian rural market.
2. To assess the rural markets' development prospects.
3. To be aware of the variables that affect the effectiveness of rural marketing tactics.



4. To shed light on the necessary adjustments to create the best plan for expanding the prospects in the rural market.

III. LITERATURE REVIEW

According to Modi, there have been numerous definitions of rural marketing over the years, and what rural marketing actually entails has evolved. Rural marketing has drawn the interest of academics, business schools, and other business organizations. With the advent of the post-liberation period, it became clear that businesses saw rural marketing as having untapped potential. Nowadays, rural marketing refers to the practice of large firms bringing their goods to customers in rural regions. The term "rural marketing" is not well understood because it is defined differently by various organizations, including the RBI, LG Electronics, the Planning Commission, NABARD, and the Census of India. According to the author, there has been a long-standing opportunity for progress in rural marketing. Rural marketing's future depends on analyzing the many initiatives made by organizations like cooperatives and government agencies before putting them into practice to help these rural areas flourish. Rural marketing has the ability to improve and enrich rural people's lives. The authors' investigation of rural marketing under the development paradigm When multinational corporations first raced into the rural market to reach these consumers, their expansion and efforts did not provide the intended outcomes. There is a significant divide between the rural and urban economies, and the term "rural" itself is conceptualized differently. This lack of understanding needs to be addressed in order to strategically develop rural-urban links, especially when it comes to India's rural products, which should be promoted and expanded. The research paper provides insight into the factors driving rural market growth and explains why rural markets should be considered as a potential area for expansion. These factors include a large population of consumers, increased consumer awareness, rising literacy rates, and expanding infrastructure. Marketers should deliberately prepare their form of communication when targeting rural areas so that it can be understood by the customer and that these regional languages play a key role.

REASONS TO GO FOR INDIAN RURAL MARKETS:

1. Huge Market: 6,27,000 rural communities in India were home to 70% of the country's population.
2. High Income: Indians living in rural areas have high incomes. The economic level of villagers is raised by agricultural opportunities and improved technologies.
3. Similar Preferences/Choices: The majority of rural residents share similar preferences for the things they buy. As a result, marketers can easily access them. Another encouraging reason MNCs are turning to rural markets is the absence of volatile demand.
4. Development of Infrastructure Facilities: The majority of rural regions are connected to urban areas by roads and railroads. It is simple to distribute commodities and products to rural regions thanks to the development of the infrastructure.
5. Media Awareness: Nowadays, rural residents are considerably more aware of the goods sold in the marketplaces. They are well-informed about new items, product features, availability, pricing, etc. thanks to media like television, radio, newspapers, etc.

CHALLENGES FOR MARKETERS:

1. A lack of infrastructure facilities. The government is making every effort to offer infrastructure facilities, but much more has to be done to enhance things to the greatest possible level. Rural residents continue to lack sufficient access to financial services, banking electricity, etc.



2. Depended on Seasonable Income: The seasons determine the income of rural residents. They have a decent income if the farming season is favorable; otherwise, they cannot afford to spend much money on many different things.
3. Traditional lifestyle: Rural residents continue to live in their own unique traditional setting. They are resistant to change and not yet prepared to readily adopt contemporary items.
4. Vast but Dispersed Market Region: Rural markets are enormous yet.
5. Absence of promotional tools: Other than advertising, which marketers may use in rural regions, adopting other promotional strategies is particularly challenging. marketing strategies like personal selling and sales promotion, which are effective in urban markets, cannot be used by marketers in rural markets.
6. Usage of several regional languages: People in rural areas speak regional languages that are challenging for marketers to comprehend. The majority of rural residents are illiterate in the languages used in advertising and other promotional materials, making it hard to educate them about the items.
7. Poor Education Level: Rural residents have relatively low levels of education.

IV. RESEARCH METHODOLOGY

A questionnaire was designed to help make this research worthwhile and successful.

Primary data has been gathered with the use of the questionnaire from Hajipur district of Bihar. 75 responses have been the subject of informal interviews. The study also incorporates secondary information that was gathered from a variety of sources, including books and websites.

SAMPLE SIZE:

Consumers in the rural and suburban segments of society made up the sample of respondents. Interviews with 70 respondents was place near the Bihar district of Hajipur. These responders have experienced some aspects of metropolitan living. The samples are also shown with their replies in tabulation form.

RESULTS AND INTERPRETATION:

Table 1: Age of Respondents

Response	No of respondents
Less than 20 years	10
21-30 years	20
31-40 years	20
41-50 years	10
50 years above	10
Total	70

Table 2: Gender of Respondents

Response	No of respondents
Male	50
Female	20
Total	70



Table 3: Preferred Media of Communication Regarding Product

Response	No of responses
Television	10
Radio	10
Newspaper	10
mobile	40
total	70

Table 4 : Adoption of Right Marketing Practice:

Response	No of respondents
Urban	25
Rural	35
Both	10
Total	70

Table 5 : Adoption of Right Marketing Practice

Response	No of respondents
Rural	20
Urban	40
Both	10
Total	70

Table 6 : Buying Decisions Influencers

Response	No of respondents
Content	10
Price	20
Brand name	20
Celebrity endorsement	20
Total	70

Table 7. Thinking and Perception of New Product / Brand

Response	No of respondents
No effect of new product	20
Try new product	20
Try to use after feedback of others	30
total	70



Table 8.: Impact of Language in Purchasing Decision

Response	No of respondents
Local	30
National	20
Both of them	20
Total	70

V. CONCLUSION

The majority of those involved in purchase decisions, according to the report, are between the ages of 31 and 40. Marketers must consider media choices and how to utilize language that rural residents can comprehend when developing their plans for rural marketing. Beside the fact that rural people have begun to recognize the brand name when shopping, regional language has a significant impact in purchasing decisions. They depend on the judgments of other consumers who have already used the goods, thus marketers must develop an effective marketing plan. If marketers appropriately focus on the needs of rural customers, there are many opportunities in rural marketplaces. Branding, media, and language use are a few crucial elements that must be considered. The marketers must establish a relationship with the rural consumers before creating and marketing items in response to their requirements and desires. Along with shifting rural consumer literacy rates, the rural young will play a very important role in the future. These rural customers' lives have already been touched by rural marketing innovations and will continue to be impacted in the near future. A step towards the growth of the country is the creation of rural marketplaces. The government, non-governmental organizations, and self-help groups all play important roles. The rural market offers marketers a big future opportunity and is expected to improve the quality of life for those who live there.

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