

OPPORTUNITIES AND CHALLENGES OF INDIAN RURAL MARKETING**M. Pangrikar**

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ABSTRACT

In India's rural economy, the idea of marketing is constantly playing a major role in the daily routine of individuals. The market in the country or rural India is more profitable for the country as these areas or the majority of consumers in rural India are involved. India's rural market produces the country's economic benefits. Rural marketing in India is constantly difficult to understand due to its uniqueness. But many companies were able to enter the market in rural India. With the help of smart sales techniques, they entered the rural market with the right understanding. It is difficult for corporates to maintain all the major opportunities available in the Indian rural market. More than half of India's population lives in rural areas. It is extremely volatile to overcome the Indian rural market and to be efficient in the Indian markets. Companies have to face some difficult tasks like price of products and distribution of products. The study focuses on rural market conditions, use of different marketing methods, various challenges as well as opportunities, key decisions and strategies before entering India's rural market. The main objective of this research is to explore the potential of the Indian market and the many lunar problems of the rural market. Due to the fresh demand in rural Indian income, Indian rural markets provide a good way for targeted marketing strategy.

Keywords: Rural Marketing, Marketing Strategy, Sales Strategy

Introduction

From a rigorous marketing standpoint, the Indian market is unique among rural and urban markets. But a lot of people don't agree with this opinion because they say that everywhere the customer is a customer and therefore their needs, aspirations, beliefs and attitudes will also be the same. However, the fact remains that there are certain features that require the development of an independent marketing plan that suits the behaviour of rural and urban markets. The current situation in the urban market can also be analysed in this context. First, urban markets have almost reached saturation levels and it has become difficult to tap them with more profit margins. Second, competition in the urban market is becoming tougher, forcing many companies to incur hefty spending on incentives. Third, the level of awareness of urban consumers is high and therefore product features need to be changed frequently. Needless to say, this process requires a large investment that will have a negative impact on profits. Thus, urban markets have become an oasis without easy access. The concept of Rural Marketing in India Economy has always played an effective role in people's lives. With the exception of a few metropolitan cities in India, all districts and industrial towns are connected to the rural market.

The Indian rural concept may be a new idea, as well as the opportunity for market vendors to grow in the market recently. Another way to enter the market is to target availability, access and affordability. To reduce the volatility of rural management, the focus should be on market research, key decision making, and the marketing environment in rural areas. The rural market in India generates huge revenue for the country as it has the largest number of customers in rural areas. The rural market in the Indian economy yields more than half of the country's income. Rural marketing in the Indian economy can be classified into two broad types.

Some or less attention must be paid when designing the approximate duration of a marketing program in a rural area. Despite the reality, sales can be a volatile affair as it is a part of the entire Indian economy. So production and sales are the two main parts. Sales in rural areas are a group selling method. Statistics is not only about the advertisement of goods going to the Indian market but also the sale of goods sold in the urban market in the rural market. In addition, the competition is an inclusive sale in the Indian market. Distribution in rural India can be more than one method, so this study focuses on the problems and issues related to the distribution system in rural areas. Some of the sales practices of rural products also include features with special respect for

goods and services, including the Indian rural market. Marketing in rural areas is still in its infancy. It is a time of recession for businesses in India, with the exception of a large market with huge needs; they give sellers any basis for the situation. About 70 per cent of the country's consumers are in these markets and earn more than half of their income. The Indian rural market has an incredible abundance compared to the urban as a whole and is recorded as the largest free and profitable market in India. But there are still various problems in terms of distribution, product designing and location, price, sales and marketing. Nowadays, companies need to consider the Indian market with a number of factors to increase their market share, increase sales as well as the potential opportunities available in the Indian region.

Review of Literature

Hagargi S. and Anil Kumar (2011) are observed in their research study 'Rural Marketing in India: Some Opportunities and Challenges' that there is no doubt that rural India gives a huge opportunity to any company to tap. However, companies face many challenges in handling rural markets, understanding the needs of rural customers, reliable distribution channels and some of the key reasons for effective marketing communication to reach rural customers. With some new techniques in distribution and marketing of products in rural India, these companies can get more profit, market share, etc.

Mishra S. and Vinay Kumar (2012), are concluded in their research study 'Rural Marketing in India Challenges and Opportunities' are concluded that the NCAER estimates that the number of poor households will be more than halved from the current million 1 million, with middle-income families doubling and wealthy families, based on a percentage assumption of GDP growth. Triple in a decade in rural India. This rising trend from rural poverty to prosperity will increase purchasing power. Today, poor consumers in rural areas will enter the market in large numbers as first-time buyers. Gaining a large share of the growing rural pie could lead to a radical change in management thinking, from

high profit margins, high value unit sales to high volume, capital efficiency and one-solution fit-all mind-sets to market innovation. Companies are taking specific initiatives to succeed in the dynamic rural market.

There are many studies available in the context of the Indian market in rural areas which have revealed that the unpredictable approach of low value to potential supply such as rural India marketing is critical.

Kumar and Dangi, (2013) studied that rural India provides sustainable sales and profits for development. The Green Revolution and the White Revolution have led to the growth of rural markets, which has resulted in the creation of substantial wealth in rural areas. Most of the research sheds some light on marketing implementations and problems, as well as in numerous ways across different departments. The NCAER study is India's leading economic study institute and it is now certain that rural income growth easily competes with urban income.

Challenges in Rural Marketing

Rural markets are fraught with challenges due to illiteracy, distance, wide market potential, transportation, rail and road transport, distribution of products and services, understanding of consumer behavior, socio-cultural factors, language, lack of infrastructure, etc. The rural market is so wide, remote and wide that it is difficult to cover and reach. One section is completely different from the other sections. Each district, region and state is different from the others. The whole of India is different in itself and yet it is a perfect example of a country with a different culture.

Although rural market offers immense potential, but due to the many challenges it is important to note that the market is not easy to operate. Three main challenges remain in the rural market due to distance, diversity and spread. There are still many challenges ahead as far as rural India is concerned. Other barriers include a large number of intermediaries in key value chains such as dispersed population and trade, high prices for rural customers and retailers, rare banking and credit facilities, highly credit-driven markets and low investment potential of retailers. Thus, there are many barriers that make it difficult to take

advantage of the potential in the rural market. When sellers enter rural areas, they face many problems such as physical distribution, logistics, proper and effective deployment of sales force and effective marketing communication.

The large population base and the number of families indicate a ubiquitous market and dealing with a scattered market is a challenge for the marketer. The number of villages is more than five lakh and they are not stable. About half of the population lives in medium-sized villages with a population of 1,000 to 5,000. This type of population distribution guarantees appropriate distribution and advertising strategies to determine the extent of the rural market.

Per capita income is lower in rural areas as compared to urban areas. Per capita income has low purchasing power. Apart from this the distribution of income is highly erratic, as the method of holding land with basic assets is itself uneven. Thus, the rural market presents an extremely heterogeneous view. So some challenges arise in this regard, such as; taking any product from rural customers, maintaining inventory level, distribution system options and frequency of delivery. This aspect should be considered carefully by the seller.

There is a lack of proper physical transport facilities in rural areas. Nearly half of the villages in the country do not have proper connection. So it is very difficult to reach this village. Therefore, the efforts delivered by the vendors proved costly and ineffective. Rural and large scale markets are developed people and consequently underdeveloped markets. Most people in rural areas are not financially stable and they are traditional, put back, stuck in old customs and are traditional in their habits and practices. Unfortunately, the impact of agricultural technology has not been consistently felt across the country. A large portion of the rural population has remained untouched by technological advances.

There are many changes in the level of literacy among the people in rural areas. Nearly two-fifths of the rural population are illiterate and only one-fifth have a matriculation or higher degree. Also, the level of literacy varies greatly in different states. These changes challenge easy and clear understanding of the message

from all audiences in rural areas. The limited reach of mass media in rural areas and its regional and state differences limit the universal mode of communication for rural consumers.

Major Challenges

The rural market offers a huge available capacity, it should be noted that the market is not easy to operate, because of the challenges of many attendants. The rural market is available mainly due to three challenges: distance, range and spread. The greater the opportunity, the more challenges rural India faces. Other barriers include a large number of intermediaries in key value chains due to single population and trade, high value for rural customers and retailers, scarce banking and credit facilities, highly credit-driven market and low investment capacity of retailers. Thus, there are many roadblocks that make it difficult to make progress in the rural market. Vendors encounter many problems when entering rural areas such as physical distribution, logistics, proper and efficient use of sales power and effective marketing communications.

1. The huge population base and the number of families indicate a wide spread market and it is a challenge for the marketer to serve this single market. The number of villages is more than five lakh and is not uniform in size. About half the population lives in medium-sized villages with a population of 1,000. This type of population distribution guarantees appropriate distribution and advertising strategies to determine the extent of the rural market.
2. Per capita income is lower in rural areas as compared to urban areas. Per capita income has low purchasing power. This is not combined, the distribution of income is extremely skewed, as the method of holding land with basic assets is itself broken. Thus, the rural market presents an extremely heterogeneous view. So some challenges arise in this regard, such as; Taking any product from rural customers, maintaining inventory level, distribution system options and frequency of delivery. This aspect should be considered carefully by the seller.

3. There is a lack of proper physical contact services in rural areas. Nearly half the villages in the country do not have all-weather roads. So getting to this village is really taxing. Therefore, the vendors proved the delivery effort to be classic and ineffective.
4. The rural market represents, to a large extent, undeveloped people and consequently the underdeveloped market. Most people in rural areas are not financially stable and are engaged in tradition-binding, acceptance, old-fashioned customs, traditions, habits, taboos and practices. Unfortunately, the impact of agricultural technology has not been felt uniformly across the country. A large section of the rural population has remained untouched by technological advances.

Opportunities of Rural Marketing

The story of Indian progress is now spreading not only on India's borders, but also in its income, consumption and production. The economy is volatile, incomes are rising, and habits, tastes, preferences, and attitudes are not changing. The rural market has a strong hold of country shops, which affects the sales of various products and services in the rural market. Companies are striving for development in rural areas. The availability of low-cost finance has also increased the affordability of people in rural areas to buy expensive items. While purchasing power, brand awareness is on the rise and communication networks are expanding rapidly, rural India offers many opportunities, all waiting for heartfelt opportunities. India's rural market offers a huge potential for marketers and seems to be an urban market place.

1. The Government of India has taken a number of steps for the supply and renewal of infrastructure in some areas which will help increase the impact of factors on the distribution of products, goods and other services which will increase revenue after rising costs.
2. Multinational companies like Flipkart, Snapdeal and Paytm have signed MoUs with the Government of India to make the region a success with the help of regional hubs to be set up in villages under the 'Digital India' initiative.
3. With the demand for skilled workers increasing day by day, the government has decided to train more than 700 million people by 2030 and MNC is looking for players as well as emerging entrepreneurs to help in this process. Companies, government and educational institutions are coming together and striving to train, educate and provide skilled workers.
4. The Union Cabinet of India introduced the Prime Minister's Agricultural Irrigation Scheme (PMKSY) and planned a donation of Rs. 50,000 for a period of five years from 2015-16.
5. The objective of these initiatives is to supply water to every village in India by including various irrigation schemes for a centralized irrigation scheme. The Government of India intends to provide Rs 75,600 crore for agriculture with the help of alternative food producers and for the supply of electricity for domestic use in rural India. The scheme focuses on increasing the capacity of electric power and therefore offers non-stop power for rural India.
6. To increase agro-based activities, the government launched the 'Innovation, Rural Business and Entrepreneurship Promotion' (ASPIRE) scheme. Under this scheme, a set of technology centres as well as incubation centres have been set up to accelerate entrepreneurship as well as to drive start-ups with agri-industry innovation and entrepreneurship.
7. The Government of India is working to bring innovation and technological change to most rural and tribal areas. It is the intention of the government to form groups to review various innovations to present the study to the concerned department or ministry. A scheme known as 'NavKalpanaKosh' aimed at improving rural areas at various levels such as governance, agriculture as well as health and sanitation.

Conclusion

The Indian rural market plays an important role as corporates have great opportunities to reach out to almost seventy per cent of their residents. The rural market replenishes the rural economy by providing basic amenities by improving the living standards and quality of the rural population. Although every seller in the rural market has become the desired location, it is important to understand that it has a lot of challenges and risks; Companies should therefore evaluate barriers as carefully

as possible. Entering the rural market requires dedication and systematic approach to the rural market. In order to develop marketing strategies and action plans, corporates must consider the complex factors that affect rural consumer behaviour. Government initiatives to increase rural market purchasing power, change consumption patterns, increase access to information and communication technology, improve infrastructure and boost the rural economy.

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