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## RURAL MARKETING IN INDIAN ECONOMY



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### Short Profile

S. G. Sagar is a Vice –Principal at S. B. College, Shahapur, Dist. Thane. He has completed M.Com., Ph.D. He has professional experience of 25 years and research experience of 10 years.



### ABSTRACT:

The concept of Rural Marketing in Indian Economy has always played an influential role in the lives of people. In India, leaving out a few metropolitan cities, all the districts and industrial township are connected with rural markets.

The Rural Market in India is not a separate entity in itself and it is highly influenced by the sociological and behavioural factors operating in the country. The rural population in India accounts for around 627 million, which is exactly 74.3 percent of the total population .The Indian Rural Market has a huge demand base and offers great opportunities to marketers.

However, unfortunately rural markets were neglected by the Indian marketers for a long period. This was due to poverty ,illiteracy, limited demand and absence of infrastructure facilities like transport, banking etc. in rural areas. Now this has changed after 1950. The marketing battlefield has been extended to rural arias. "Go Rural" slogan is developed by marketers . ,even big, companies and multinationals are also paying more attention towards rural areas markets. They have realized that real India lives in villages. Past prime minister of India. Man Mohan Singh talked about his vision for rural India. "My vision of rural India is of a modern agrarian, industrial and services economy co-existing side by side , where people can live in well- equipped villages. Rural income have to be increased. Rural infrastructure has to be improved. Rural health and education needs have to be met. .Employment opportunities have to be created in rural areas".

### KEYWORDS

*Rural Marketing, Indian Economy, sociological and behavioural factors.*

## 1. INTRODUCTION

The rural areas are consuming a large quantity of industrial and urban manufactured products. In this context, a special marketing strategy, namely, rural marketing has emerged. The rural population is nearly three times the urban, so that rural consumers have become the prime target market for consumer durables and non-durable products, food, contraction electrical, electronics, automobiles, banks, insurance companies and other sectors besides hundred per cent of agricultural input products such as seeds,

Fertilizers, pesticides and farm machinery. Marketing gurus advice on going rural and tapping the vast untapped rural market in India.

The concept of rural marketing in India is often been found to form ambiguity in the minds of people who think rural marketing is all about Agriculture marketing. Agricultural marketing denotes marketing of produce of the rural area to the urban consumers or industrial consumer. However, rural marketing determines the carrying out of business activities bringing in the flow of goods from urban sectors to the rural region of the country as well as the marketing of various products manufactured by the non-agricultural workers from rural to urban areas. Rural Marketing in Indian Economy covers two broad sections, i.e. marketing of agricultural items in the urban areas and marketing of manufactured products in the rural regions.

### OBJECTIVES :

- To know the emergence and growth of the rural marketing
- To know the problems faced by the rural marketing in India
- To make awareness about better living and easy availability of information about the goods
- To find out the measures to overcome the rural marketing problems

### PROBLEMS OF RURAL MARKETING :-

Rural marketing poses many problems due to the vastness of the country and high potentiality for providing an effective marketing system. Rural marketing is difficult especially in a country like India with a number of problems i.e.

- It is difficult to establish close contact with all rural markets and supply goods regularly
- The consumers residing in rural area are also scattered over wide area and their differences
- Management of sales personnel is difficult
- The companies make mistake by treating rural consumers as an extension of exiting urban markets.
- Flexible pattern of demand.
- Lack of infrastructure facilities.
- Storage and warehousing problem.
- Marketing in rural area becomes costly and time consuming.
- Preference of cheaper local products to branded module.
- The nature of seasonal purchases.
- Slow buying decision.
- Low per capita income.
- Low level of literacy.
- Lack of proper physical communication facilities.

- Inadequate Bank and Credit facilities.

### Measures for Effective Rural Marketing

As we have seen that there are several problems faced by Indian rural markets. Some problems are arisen due to the inefficiency of businessman, some are lack of the government's interest and some are due to the natural climates. Therefore for the purpose of rural markets prosperity certain measures can be taken and market can be developed to a greater extends.

- Need to do intensive personal selling of goods in rural area.
- Establishing effective distribution system is the essence of marketing.
- Determining an appropriate media mix that is audio and video nature can operate well.
- Improvement in infrastructural facilities that is banking, electricity, roads, transportation etc.
- Establishing customer satisfaction centre.
- Designing an appropriate marketing mixes.
- Facility of warehousing.
- Increase in purchasing power.
- Provide an employment opportunities to the people.
- Rural Indian derived considerable benefits from green revolution.
- The government has been making concerted efforts towards rural development by implementing new policies and schemes.
- Growing awareness.

### GROWTH OF RURAL MARKETING

There are certain factors/aspects which are giving major support to the development of rural markets that is due to agricultural development and other economic activities. The income of rural population is increasing fastly. Therefore rural markets have tremendous scope to grow. Till today all most all marketers have concentrated in urban market and give birth to tough competition . Development in infrastructure facilities in rural areas is an important factor responsible for the growth of rural market in India. Green revolution is taken place because of use of developed technology and modern methods of farming. It has improved the economic conditions of the rural people and generate additional purchasing power to them. The government policies in India have always favoured rural development programmes and have successfully implemented them. These policies have generated new employment opportunities , sources of income, purchasing power of the people, such policies include setting of public sector enterprises in rural areas, promotion of cottage, village and small scale industries, Literacy drive, rural employment schemes, development of animal husbandry, poultry and dairy farming and tax benefits for shifting industrial units from urban to rural areas. The literacy rate is increasing and rural people are exposed to media of mass communication. They read newspapers and see television advertising as a result , there is a marketing awareness among rural consumer. They are now aware of the various products available in the world market as a result of which the demand for such products has increased. Rural India is becoming a vast market due to better procurement of prices, fixed for various groups and better yields due to many research programmes. It gives boost to grow the rural market in India.

## CONCLUSION

Rural marketing is an evolving concept, and as a part of any economy has untapped potential, marketers have realized the opportunity recently. Improvement in infrastructure and reach promise a bright future for those intending to go rural. Any micro – level strategy for these markets should focus on availability, accessibility and affordability. Constant scanning and sieving of ideas and plans is essential at all times. Focused attention needs to be paid to market research that goes on to reduce the uncertainty in dealing with these markets. More specifically in relation to rural areas, demand is seen to be very highly price elastic. To break the price barriers is essential. Only this can keep the grey area local brands in check.

There is no doubt that divides do exist between urban India and Rural India. However, with a silent revolution that has already begun, a seamless integration of rural and urban markets is underway. Once this happens the gulf that divides the two markets will become bridges. For this, changes need to be engaged and managed. The overall marketing mix framework for rural markets must therefore focus around plugging the segments with the right product, using value for money pricing, selecting the most and appropriate channel of distribution, building long term relationship with the customer and finally, using the power of emotional brands. As Indian rural markets have to face several problems it is an urgent need to take corrective actions / measures for effective rural marketing.

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