



RURAL MARKETING: A CHALLENGE TO MARKETERS

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ABSTRACT

This paper consist the study about the problems for the marketers those are approaching rural market. Market structure in India is dictomous; there are two extreme end markets namely urban and rural market. The Indian rural market with its vast size and demand base offers great opportunities to Companies. The rural market consist about 724 (about 12% of world population and 70% of Indian population) million peoples living in 6, 38,000 villages over an area of approximately 32,00,000 sq km of land spread across 35 states and union territories. It has more than 18 languages and 850 dialects, with the accent changing distinctly from region to region within the states. So is in the case with food habits culture income levels, literacy and the exposure to media.

Keywords: Rural, urban, economy. Demand, heterogeneous market, etc.

INTRODUCTION

Marketing may be defined as the process of defining and knowing the needs of the customers and to arrange and manage all the resources of the organization to satisfy their needs. The rural market of India started to demonstrate the potential from 1960, 70 & 80 by showing its steady development purchasing power growth. During 90s gave the clear indication that 21st century is going to see its full blossoming.

The Census of India defined urban India as - "All the places that fall within the administrative limits of a municipal corporation, municipality, cantonment board etc or have a population of at least 5,000 and have at least 75 per cent male working population in outside the primary sector and have a population density of at least 400 per square kilometer. Rural India, on the other hand, comprises all places that are not urban. A marketer trying to market his product or service in the rural areas is faced by many challenges; the first is posed by the geographic spread and low population density in the villages in the country. The second challenge is from the low purchasing power and limited disposable incomes in these parts of the country Indian manufacturers mostly prefer selling fewer items at higher prices than selling more items at lower prices. It is very important to understand the charectrisitics, nature and environment of the rural areas.

The statistics shows around 70% of the Indian population lives in the rural areas which is the 12% of the world total population. It is often said that markets are made not found. This is very true for market of India. There are number of reasons that affect rural marketing. First of all rural buyers are not very discriminating. Once they buy a particular product they develop a strong feeling for it and become a loyal customer.

There are several challenges to reach the rural audience as low literacy rate, the rural environment is different from the urban and therefore communication to potential customers in a proper and effective manner is a major challenge for corporate marketers are given as below:

Lack of Communication sources:

As we are entered into the new era, but still in India Most villages are in India are inaccessible during the monsoon season. Most villages in India have no access to telephones; moreover other communication infrastructure is also under development.

Low Level of Literacy:

In The rural areas the literacy level is very low as compared to the urban areas. The print media became inefficient in rural areas that why marketers reach is poor.

Different Way of thinking:

People living in rural areas have different thinking than the people living in the urban areas. The thinking of the rural customers is very simple. Their decisions are still depends on their customs and traditions. It is very difficult for the marketers to force them to adopt new practices.

Problems to manage sales force:

Sales force generally avoids working in rural areas. The language and traditions vary from region to region, area to area and from state to state.

Message is delivered in the local language. So it is difficult to the sales force to adjust themselves in te rural environment with less facilities availability in rural areas.

Transportation Problem:

In India most of the rural areas are not connected by rail and air transport. Even many villages are not properly connected with main roads. In most of the villages in India bullock carts are used. Camel carts are still widely used in the Rajasthan. So transportation is considered as the major problems for the marketers.

Low per capita Income:

The per capita income of the rural people is very low as compared to the people living in urban areas. Moreover demand in rural market depends on the agricultural situations. So demand is not stable or regular. In the nutshell per capita income is low in villages as compared to the urban people.

Seasonal demand:

Rural economy is seasonal in India. Because most of the people are living in the rural areas having two seasonal demands named as Khariff and Rabi. People have more money during these seasons. If income is seasonal then obviously demand will also be seasonal.

Poor Infrastructure Facilities:

Infrastructural facilities like power supply, warehouses etc are not adequate in the rural areas. Infrastructural cost is very high and impact adversely in the rural market activities.

Dispersed Market:

Rural population is scattered in large area land in India so it is impossible to check the availability of brand all over the country. So the companies always tried to launch the product as the district level. District fairs are periodic and occasional in nature. Manufacturers and retailers always prefers such occasions because it is not possible to cover wide target audience. So advertising in this type of heterogeneous market is very expensive.

Inadequate Bank Facilities

Distribution in rural markets is also handicapped due to lack of adequate banking and credit facilities. Rural outlets need banking support for three important purposes:

- To facilitate remittances to principals and to get fast replenishment of stocks.
- To receive supplies 'through bank' (retiring documents with the bank).
- To facilitate credit from banks.

As banking facilities are inadequate in rural areas, rural dealers are handicapped in all these aspects. It is estimated that there is only one bank branch for every fifth village. So these are the big problems faced by the marketers.

Conclusion

A wide array of problems hinders marketers in approaching rural areas with confidence. The lack of fair weather roads, widely dispersed villages, low density of population, lack of bank and credit facilities,

and administrative problems and lack of retailers are the problems in rural distribution. Intelligent way of approaching rural areas is required.

In the present scenario, rural markets have acquired importance in India as the overall growth of the economy of the nation has resulted into rapid increase in the purchasing power of the rural communities. On account of the green revolution in India, 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 taken place.

Finally, it is clear from the study that rural markets are not mere extensions of the urban markets. They operate in a different and unique environment. It is imperative for a marketer to gain useful insight into the values, attitudes and motivations of rural consumers.

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