



DIFFICULTIES AND POTENTIAL OF DIGITAL MARKETING IN RURAL REGION

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Abstract:

India has experienced remarkable economic progress in recent years. The rural market has had tremendous growth and is now bigger than the urban market due to urban markets reaching saturation and seeing a slowdown in relative expansion in recent years. Approximately 70% of India's population resides in rural areas, highlighting the importance of acknowledging the significance of marketing and advertising in these regions. Most businesses and marketers are now focusing on rural markets. With the market growing, it is crucial to update, develop, and innovate marketing tools, channels, and methods. Marketers are addressing issues in rural areas by emphasising Digital Marketing as a crucial part in influencing marketing strategy today. Almost every area in India is impacted by Digital Marketing platforms, allowing for a more efficient and effective connection with potential target groups. Social media marketing, content marketing, affiliate marketing, influencer marketing, SEO, and email marketing are many types of digital marketing. The study examines the impact of digital marketing on the rural sector and explores the challenges and opportunities of rural marketing.

KEYWORDS: Digital marketing, Rural Market, Economic growth, SEO, Affiliate Marketing

1.1. Introduction:

Rural marketing involves the distribution of specific goods and services to rural areas, promoting commerce between urban and country markets, and satisfying consumer demands while accomplishing organisational goals. Expand the company's outreach to accomplish the organization's objective. In the early 1990s, rural markets in India were considered underdeveloped and were seen as having significant potential that had not yet been realised. Markets have been diligently striving to sustain the opportunity. Many strategies have been developed and continue to be developed. The “rural market” has been a crucial factor in the “Indian economy” since then. Attitudes of individuals have evolved over the past two decades. Rural residents are not attracted to the product's low-cost strategies because they recognise its brand value. Rural expenditure and way of life have also changed. Rural residents are more aware of a product's brand value and are consequently less vulnerable to pricing strategies. Over the last two decades, there have been substantial changes in rural living and demand. Rural lifestyle increasingly resembles urban lifestyle in terms of amenities, services, routines, awareness, and desire. Infrastructure improvements facilitated



the proximity between villages and cities. “Mobile technology” and, to a lesser degree, the internet have led to rural India becoming increasingly used to an urban lifestyle. This motivated rural inhabitants to improve their standard of living and economic prosperity. Rural markets undeniably present opportunities and are highly attractive to service suppliers. However, it involves numerous obstacles and challenges. Thus, marketers must exert effort to overcome these challenges in order to achieve a competitive advantage.

1.2. TYPES OF RURAL MARKETS

1. Periodic Markets: A crucial element of “Indian rural marketing is the periodic market”. “Periodic markets” remain essential for the social interactions and economic activities of rural communities, even in the face of urbanization and the growth of retail establishments. Fairs and weekly markets are both involved in periodic marketing..

2. Mobile Traders: Another important organization called mobile merchants serves the basic necessities of rural consumers, including fruit, vegetables, apparel, cutlery, cosmetics, spices, stationery, and toiletries. Mobile traders move between different locations to sell commodities that are in high demand in rural areas.

3. “Permanent Retail Outlets”: Population growth in villages leads to increased household income, more demand for goods, and the continual growth of physical retail stores. Traditional fairs, typical markets, and street sellers could not satisfy the demand, leading to the expansion and establishment of permanent retail establishments.

1.3. RURAL MARKETING STRATEGY

The four A's of rural marketing are “accessibility”, “acceptability”, “awareness”, and “affordability”. These four principles are essential for any marketer or company to succeed in marketing to rural areas.

1. “Accessibility” - Reaching consumers in the rural sector poses the primary challenge. Usually, they are low-income workers that allocate their money towards necessities. Some rural establishments may lack convenient access to specific products, prompting shoppers to seek alternatives. Businesses should strive to deliver their products to clients sooner.

2. “Acceptability” - To aid consumers in rural regions, items should be designed to be user-friendly. Customers must recognise the value of the product, even if it comes at a higher cost, and hence it should be designed to reflect this. Customers should feel comfortable and confident when utilising the product and should proceed without hesitation. Rural customers appreciate products and services that cater to their needs and desires while also honouring local norms, values, and customs.

3. “Awareness”- The objective of a consumer awareness strategy should be to alter their mindset. Advertising on TV, radio, and billboards can be used to target clients. Marketers should focus on the communication and entertainment channels that are common in rural communities.

4. “Affordability” - Salaries in rural areas are generally significantly lower than those in urban areas. Consumers often lack the resources to buy luxury items and instead focus on purchasing essential goods. Marketers need to consider the purchasing power and inclination towards affordable products of rural consumers. Always aim to develop products that meet your consumers' requirements and fit inside their budget.



2.1. LITERATURE REVIEW

Deepti Srivastava (2010) showed that “rural customers are buying not only to fulfil their fundamental requirements but also their higher desires for leisure and social interaction. ITC's e-chaupals and Rediff's rural achievements demonstrate their excellent technological aptitude.”

Nizamuddin Khan & M. M. Khan (2012) highlighted that “rural India has significant promise, but it is important to carefully assess the potential challenges. Businesses should join the rural market for strategic purposes rather than tactical ones, as understanding the rural consumer is still a challenge. Businesses may only make an impact on the market via steadfast commitment. Hence, it necessitates a unique strategy that considers the diverse customer buying behaviours and the disorganised market framework. Businesses should consider the rural sector as an untapped global market and approach it with a polycentric rather than an ethnocentric strategy.”

Ashfaque Ahmed (2013) emphasised that “the primary goals of any macro-level plan should be on the presence, accessibility, and pricing of these marketplaces. Continuous monitoring and evaluation of ideas and programmes is essential at all times. It is important to prioritise market research to reduce uncertainty while working with these markets. Demand is considered highly price elastic in rural areas. It is crucial to overcome the pricing barrier. The marketing strategy for rural markets should focus on identifying specific market segments, implementing competitive pricing strategies, optimising distribution channels, building lasting customer connections, and utilising the influence of emotional branding.”

In 2016, Jayaprakash. K et al examined “the factors influencing the online shopping behaviour of rural clients. The main causes included time and cost efficiency, current fashion trends, leisurely shopping experience, promotions, seasonal sales, and comparison tools. The products were accompanied with a diverse range of items, convenient payment methods, exchange policies, post-purchase support, and complimentary shipping services.”

Vendrana Bojkic et al (2016) stated that “while there is significant untapped potential for digital marketing in rural areas, there are currently no defined tools for analysing this market. In the long run, digital technology will boost consumption in rural India, create job opportunities, and raise discretionary income. The current study demonstrates marketing opportunities to capitalise on untapped potential in rural regions.”

Madhu Bala & Deepak Verma (2018) recognised that “various digital marketing strategies such as search engine optimisation (SEO), search engine marketing (SEM), content marketing, e-commerce marketing, influencer marketing, content automation, social media optimisation, campaign marketing, social media marketing, e-mail direct marketing, display advertising, etc., can provide significant advantages for businesses. These methods are becoming prevalent in our fast advancing technology society. The increasing use of social media is expanding the opportunities for digital marketers to connect with customers on the internet. Evaluating consumer motivations is vital because it provides a greater understanding of what drives customers to create content about a brand or shop.”

In 2020, K. Umamageswari & M. Krishnaveni found that “farmers in rural areas gain independence and effectively use digital marketing tools. Agripreneurs utilise social media



platforms to share ideas and perspectives with their fellow farmers in order to acquire and disseminate advantages to others. Progressive farmers are utilising remote sensor systems to assess temperature, humidity, water level, and soil condition. Most farmers use social media to provide information and raise awareness. Social media allows us to provide solutions to many agricultural marketing challenges encountered by farmers.”

3.1. DIFFICULTIES OF RURAL MARKETING

The challenges associated with rural markets include:

- “Insufficient Infrastructure Facilities”: The government is striving to improve infrastructure, but more work is needed to fully develop them. However, rural residents still lack access to essential banking services, electricity, and other amenities. Rail transport is not accessible in numerous rural locations.
- “Fragmented market”: The rural population is spread out across a vast geographical area. Marketers find it difficult to contact rural populations due to the scattered market area. Marketers find it challenging to utilise various promotional strategies to advertise their products. Ensuring a brand's accessibility nationwide is quite challenging. District fairs are intermittent and regular occurrences.
- Demand in rural areas is characterised by its seasonality and variability. Businesses are unable to concentrate on the rural market due to the complexity of planning. Demand is also affected by the fluctuating income of rural customers, who rely on agriculture, which is in turn dependent on the monsoon. If the agricultural season is beneficial, they have a satisfactory income; however, if it is not, they are unable to allocate funds to various expenses.
- “Communication barrier”: Various languages and dialects vary throughout states, regions, and districts. Creating promotional strategies for each of these regions is difficult for marketers because messages need to be communicated in the local language.
- Lower literacy rates and per capita income: Rural areas exhibit lower literacy rates and per capita income levels compared to metropolitan areas. This leads to a communication problem in these rural areas. Print media's value diminishes due to its restricted scope, rendering it insignificant. Rural residents have a lower income per person than those living in urban areas.
- Deprived markets and individuals: The poverty rate has not decreased much. Rural markets are defined by impoverished individuals and hence, underdeveloped markets. Most rural populations adhere to tradition and face challenges such as inconsistent electricity availability, inadequate infrastructure, unreliable telephone service, and hindrances from political-business connections that impede development efforts.
- Fake brands are widespread: Many locally made substitutes for branded products are more attractive and cheaper. The buyer's inability to read makes it difficult for them to differentiate between a counterfeit brand and a genuine one.
- “Inadequate advertising strategies”: Marketers struggle to fulfil the expectations of rural inhabitants in creating advertisements, sales promotions, and promotional



methods. Promotional programmes lack versatility. In rural markets, adverts can be utilised, however strategies like sales promotion and personal selling, effective in metropolitan markets, are challenging for marketers to implement in rural areas.

- Distinctive cognitive approach: People's lifestyles differ greatly. Rural consumers have less options compared to metropolitan consumers in terms of brand selection.
- Inadequate marketing assistance: Producers and wholesalers sometimes provide merchants in rural locations with less liberal financing, financial support, and amenities compared to dealers in urban areas. Similarly, shops and rural clients are often overlooked when developing a comprehensive marketing strategy.

3.2. POTENTIALS OF DIGITAL MARKETING IN RURAL MARKETS

“Digital marketing” has the ability to alleviate the challenges faced by marketers while promoting their products using traditional marketing methods.

- “Direct promotion”: Many rural consumers rely on intermediaries such as wholesalers and retailers, who add their profit margin to the product price. Marketers use digital marketing to display the real price, which promotes transparent pricing.
- “Basic consumer access”: With the rising literacy rates in rural areas, both young and elderly individuals are increasingly spending their time on the internet. Marketers may effectively utilise online platforms to promote their products and appeal to a wide audience. Marketers may attract both present and potential clients with ease by using various digital media platforms.
- “Cost efficiency”: Digital marketing is more cost-effective than traditional media marketing. Offline stores incur transportation fees while moving merchandise, unlike digital marketing which does not involve such expenses. Marketers are increasingly shifting towards digital marketing due to its cost-effectiveness, as rural consumers tend to favour affordable products.
- “Accessibility”: Marketers must continually remind consumers of their products or services to effectively reach them. Digital marketing allows for continuous promotion of products or services without time limits, enabling people to shop online at any time.
- Rural consumers find it convenient to shop online due to the underdeveloped rural market, which often fails to provide products according to their preferences in offline retail establishments. Some consumers are reluctant to explain their wants to the sales assistant due to hesitancy in disclosing their requirements.
- “Facilitates rapid purchasing”: Rural consumers relied on traditional media marketing before the advent of internet marketing. They initially encountered the commercials on TV, newspapers, radio, etc., and subsequently began looking for the corresponding products in rural marketplaces. The underdeveloped rural market often lacks availability of specific brands or preferred products.
- Traditional marketing lacks quick feedback mechanisms, preventing consumers from providing input to marketers regarding their preferences. Consequently, companies are unable to tailor products to suit consumer tastes and preferences.



4. CONCLUSION

India's economy and territory are experiencing rapid growth. Rural areas in India are benefiting from the country's general development. Rural consumers are experiencing an increase in their standards of living as their wealth grows. Rural customers' increasing awareness of the wider variety of products and services available in the market, along with the diminishing information asymmetry over time, leads to a higher demand for and expectation of superior quality "goods and services". Marketers now have new options to expand their firms and acquire a competitive advantage over their rivals in the intense rivalry. Rural residents are adopting digital marketing through the internet to change their lifestyle. Today, nearly all individuals have access to a smartphone, regardless of their location, be it urban or rural. Smartphones are becoming ubiquitous in contemporary culture. Due to the prevalence of businesses operating online, individuals utilise the internet for online shopping to meet their needs.

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