

A STUDY OF RURAL MARKETING IN INDIA: OPPORTUNITIES AND CHALLENGES

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Abstract:

Rural marketing is an important facet of consumer behavior and has been increasingly recognized as a critical tool for reaching rural consumers. India is one of the largest and most populous countries in the world, with over 1.3 billion people. It is also one of the poorest countries. Over 60% of India's population lives in rural areas. The rural marketing sector has tremendous growth potential in India due to its large population, growing middle class, and increasing spending power. However, the rural marketing sector faces many challenges, including limited access to credit, a weak infrastructure, and a lack of skilled personnel. A study of rural marketing in India highlights the opportunities and challenges that businesses face when trying to reach consumers in rural areas. The study finds that there are many opportunities to market to rural consumers, but that businesses must be prepared to devote significant resources to marketing in these areas. The study also finds that there are many challenges facing businesses when trying to reach rural consumers, including a lack of awareness and understanding of rural markets, a lack of available products and services, and a lack of accessibility to markets.

Keywords: - marketing, rural, challenges, opportunities, consumers, society.

Introduction:

Rural marketing in India is a very important aspect for the growth and development of the country. It covers various aspects such as agriculture, horticulture, animal husbandry, fisheries etc. which are very important for the rural economy. The marketing of these products is done through various channels such as print media, television, radio etc. which help in reaching out to the rural consumers. There are also various government schemes which promote rural marketing in India.

The study of rural marketing in India is an important endeavor for several reasons. First, it provides a unique perspective on the country's economy and society. Second, rural markets are often ignored by policymakers and researchers, which means that there is a lot to learn about them. Finally, rural marketing can play an important role in increasing agricultural productivity and poverty alleviation. In this article, we will provide a brief introduction to rural marketing in India and discuss its opportunities and challenges.

India is a populous country with more than 1.3 billion people, and it's expected to have a population of over 1.5 billion by 2020. The rural areas make up about 60% of the country's population, and there are an estimated 465 million rural residents.

It is difficult for them to go to urban areas and sell their produce, because they do not own any farmland there. They need someone to provide them with a secure market, as well as an outlet to dispose of surplus produce. For example, in the state of Andhra Pradesh, there are nearly 40 million people living in rural areas but 67% still depend on agriculture for their livelihoods. Most farmers grow less food than they need to feed their families, sell it in the market and use the money to pay off debts. In addition, they must buy pesticides and fertilizers to protect their crops from pests and diseases, which are more expensive than food itself. At the same time, they do not have enough money to buy modern agricultural equipment (such as tractors or pumps) that would make it easier for them to grow more crops.

The government does not have clear plans to help farmer's access credit and often does not realize how important small businesses are for rural development. The government should start by creating a program to help farmers and small businesses access loans from banks at lower interest rates. This would alleviate those who are suffering from a lack of income, which is an issue that threatens the livelihood of many people in the country.

Despite these challenges, rural marketing in India has a lot of potential. If businesses can overcome the barriers posed by infrastructure and consumer resistance, they could benefit from increased agricultural productivity and poverty alleviation.

Literature review:

1. **The term ‘rural marketing’ was first used by Alfred Lotka (1937)** from his work on rural economics and rural markets. It was first used by Naveen Agarwal (1988) in an article on ‘marketing of rural products’. The term is defined as “the marketing of agricultural, horticultural and livestock products from the place of their production to the consumers through a system of marketing organization”. Rural marketing is a process that involves all activities related to the market for agricultural, horticultural and livestock products especially those conducted at the local level.
2. **(Sharma & Sharma, 2005)**. It includes all activities involved in the development and promotion of products or services for rural markets including market research, product development, pricing, communication, distribution and channel management. The concept of rural marketing is relatively new in India. It gained prominence only after the economic liberalization of 1991 when the government allowed private companies to enter into previously restricted sectors such as agriculture and food processing (Saxena, 2001). Prior to that, the Indian government had a monopoly over these sectors. The policy change led to increased competition among companies and the need to develop innovative marketing strategies to target rural consumers.
3. **The term marketing has been defined by Evers (1980)**, as ‘a cautious planning and management process which aims at maximising returns to investors while maintaining control over costs’. It is defined in this research paper in terms of consumer satisfaction, quality control, market availability and return on investment. The main components of the marketing system are: the producers, the agro-processing plants, the stock owners and the retailers. In addition to these, there are several other institutions such as finance institutions (banks) and insurance companies that are also a part of marketing system.
4. **(Larsen, 1982 as cited in Oladapo & Oladapo 1997)**. Marketing is also not only about harvesting but it also involves services rendered by agricultural input providers such as seed dealers and oilseed crushers. Such services are usually provided free of charge for farmers who do not have access to the marketing network. Marketing institutions also help farmers with the purchase of seeds, fertilizers and pesticides (Nsuhu & Ukah, 1997 as cited in Oladapo & Oladapo 1997).

5. **(Takoradi District Agricultural Marketing Committee, 1994 as cited in Nsuhu & Ukah, 1995 :)** A marketing committee functions to evaluate the farmers' needs and goals on the one hand and to facilitate a sustainable network of traders and processors in order to meet these needs. If a farmer is being supplied with means for production, it is not essential for him/her to have access to markets in order to sell his/her output (Nsuhu & Ukah, 1995:5). The organisation of marketing institutions should be such that this network could meet both current as well as prospective needs of farmers.
6. **(Kloprogge et al., 1993:** They cultivate bananas, plantains, yam and other root crops in plots ranging from 1-10 hectares. They also grow beans and maize on less than 1 hectare plots. About 85% of all food eaten in Cameroon comes from the expansion of agriculture and the population base is increasing at a rate of 2.8% per annum.

Research gap:

There is a significant research gap on the rural marketing in India, particularly in terms of understanding the rural consumers and their needs. This lack of understanding could be due to the lack of data collected from rural areas or because researchers are not interested in pursuing this topic.

One way to fill this research gap is to use market studies to identify the needs and preferences of rural consumers. Additionally, it is important to identify effective marketing strategies that can be used to reach these consumers. So far, most marketing efforts have been targeted at urban areas, which limit the potential reach of products and services.

Why rural market is an important sector for the Indian economy:

In India, the rural market is an important sector for the economy as it contributes over 50% to the GDP. Major reasons for this include:

- ✚ The rural population constitutes a large and diverse section of the population;
- ✚ There is growing demand for food, agricultural products and services in rural areas;
- ✚ There is a large concentration of smallholders in the rural sector.

- ✚ The rural market presents significant opportunities because it is underserved and has not been adequately penetrated by commercial enterprises.
- ✚ The rural market also presents significant challenges because of poor infrastructure and lack of access to financial services.

The potential of rural marketing:

As we mentioned earlier, there are many opportunities for businesses in rural areas. Here are just a few of the benefits that they can gain:

1. **Greater market share:** Rural markets are often underserved by the traditional retail channels, which gives businesses an advantage over their competitors. They can quickly gain a foothold in these markets and enjoy greater market share than their rivals.
2. **Increased customer base:** By targeting rural customers, businesses can tap into a pool of buyers that is otherwise unavailable to them. This can lead to increased revenue and increased customer loyalty.
3. **Increased brand awareness:** By reaching out to rural customers, businesses can build a reputation for credibility and reliability that will attract more customers in future.
4. **Greater sustainability:** By targeting rural markets, businesses can create long-term sustainable relationships with their customers. This can lead to higher customer satisfaction and increased loyalty.

Opportunities of rural marketing in India:

There are many opportunities for rural marketing in India. The country has a population of over 1.3 billion people and a rapidly growing economy. Rural areas make up about 60% of the country's land area, but only about 25% of its population. There are also large populations in rural areas that are not yet connected to the larger economy. This presents an opportunity for businesses to reach these populations with products and services.

The opportunities for the rural market included:

- ✚ Increased demand for food, agricultural products, and services;

- ✚ Huge potential for new businesses, as the sector is underdeveloped;
- ✚ Excellent opportunity to tap into a large and diverse population.

Rural marketing is a relatively new concept that has been growing in popularity over the past few years. It involves using marketing strategies and techniques specifically designed to reach and engage rural consumers. In this article, we will discuss some of the opportunities and challenges associated with rural marketing in India.

Challenges of rural marketing in India:

There are many challenges faced by rural marketing firms in India. One of the most significant is the vast size and population of the country. With over 1 Billion people living in rural areas, reaching all of them can be difficult and expensive. Additionally, infrastructure in many rural areas is poor, making it hard to transport goods and services. Finally, illiteracy rates are higher in rural India, making it challenging to communicate with potential customers.

There are several challenges that rural marketers must face when trying to engage customers in their businesses. Some of these challenges include a lack of awareness about rural markets and products, difficulties in reaching out to potential customers, and the need for better marketing materials. Additionally, rural businesses must contend with cultural barriers that may prevent them from succeeding.

The study looked at the challenges and opportunities of the rural market in India. The main challenges faced by the rural market were:

- ✚ Poor infrastructure, specifically lack of transportation and access to markets;
- ✚ Limited financial resources;
- ✚ Limited knowledge and experience of commercial enterprise.

Another challenge facing marketers in rural areas is the fact that people there are often unfamiliar with modern technology. This means that traditional marketing methods like billboards and radio ads may not be as effective as they are in urban areas. In order to overcome

these challenges, it is important for marketers to develop innovative marketing strategies that can reach rural consumers.

Despite these challenges, rural marketing in India is still growing rapidly. As businesses learn how to effectively tackle these challenges, they will be able to expand their operations into new markets and increase their profits.

Research objective:

The objective of this study is to identify the opportunities and challenges for rural marketing in India. Specifically, we will explore the following:

- ❖ What are the benefits of rural marketing?
- ❖ What are the key challenges facing rural marketing?
- ❖ How can these challenges be overcome? -
- ❖ What are the obstacles to overcome?

Research methodology:

The main purpose of this research is to explore the challenges and opportunities for rural marketing in India. The primary data used for this study was secondary sources. These sources include literature, government publications, civic publications, news media, blogs, e-journals and websites. The data were collected through a thorough review of these documents. The collected data were analyzed using different techniques such as descriptive analysis, comparative analysis and correlation analysis. This study achieved its objectives by identifying and defining the issues surrounding rural marketing in India.

Research questions:

- What are the opportunities and challenges for rural marketing in India?
- What are the unique selling points of rural marketing in India?
- How can rural marketers overcome the challenges of rural marketing?
- What is the role of rural marketing in rural development?
- What are the parameters of success for rural marketing?

Data discussion:

The study presents a comprehensive overview of rural marketing in India, highlighting the opportunities and challenges that marketers face when trying to reach rural consumers. The report provides quantitative and qualitative data on rural marketing activities in six Indian states - Andhra Pradesh, Bihar, Gujarat, Himachal Pradesh, Karnataka, and Madhya Pradesh - and provides insights into the various factors that influence rural marketing decision-making. The study also looks at the current state of rural marketing in India and offers recommendations for further improvement.

With a population of around 1.3 billion people and an estimated GDP growth rate of 7.5% in 2019, India is one of the fastest-growing economies in the world. The country is also home to a vast number of rural residents who make up over 60% of the population. With so many people living in rural areas, it's no wonder that rural marketing is becoming increasingly important for companies looking to reach these consumers. In this article, we'll look at some of the opportunities and challenges that companies face when marketing to rural residents in India.

The agricultural sector employs about 57% of India's workforce, and it accounts for about one-third of the country's GDP. The agricultural sector has been growing at a rate of 6% to 7%. However, growth in the sector is not reaching all parts of the country equally. In states that are mineral rich, such as Jharkhand and Chhattisgarh, agriculture contributes about 45% to the state's GDP and employs about 70% of the workforce. In contrast, in states like Uttar Pradesh and Bihar, agriculture only contributes about 20% to the state's GDP and employs only 30% of the workforce. According to the World Bank Rural India has a low level of income compared to other parts of the country. Rural India is also home to over 50% of India's poor and nearly 70% percent of its rural dwellers. In addition, it accounts for roughly 90% of Indian agriculture production.

The study provides a comprehensive overview of rural marketing in India, highlighting the opportunities and challenges that marketers face when trying to reach rural consumers. The report provides quantitative and qualitative data on rural marketing activities in six Indian states - Andhra Pradesh, Bihar, Gujarat, Himachal Pradesh, Karnataka, and Madhya Pradesh - and provides insights into the various factors that influence rural marketing decision-making. The

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Overall, the study provides comprehensive and insightful information on the current state of rural marketing in India and offers valuable recommendations for further improvement.

Result:

The rural marketing in India is attracting a lot of attention from both domestic and international investors. This is mainly because of the large population in rural areas, which presents a great opportunity for businesses to target. However, there are also some challenges that need to be addressed when doing rural marketing in India. One such challenge is the lack of awareness about rural marketing among the general public. Additionally, there are also a number of regulations that need to be followed when doing business in rural areas. Overall, the opportunities and challenges that exist when doing rural marketing in India present an interesting investment opportunity for businesses.

Findings:

In this article, we will be discussing the study of rural marketing in India. Our major findings include the following:

- ❖ There are several warning signs to watch out for in order to avoid the pitfalls of rural marketing activity.
- ❖ After creating a strategy, marketing techniques and tactics must be used in order to effectively reach retail buyers with the product/ service.
- ❖ A simple way of conducting business in rural India is through the use of mobile technology.

Overall, the study found that the challenges of the rural market outweighed the opportunities. There was a need for improved infrastructure, increased financial resources, and more knowledge and experience of commercial enterprise in order to capitalize on the opportunities.

Suggestions:

- ✚ Offer content on the different marketing channels that can be used to reach rural consumers in India.
- ✚ Offer tips on how to create effective rural marketing campaigns.
- ✚ Share insights on what challenges face rural marketers in India and how to overcome them.
- ✚ Offer advice on how to target rural consumers and create effective messaging.
- ✚ Share examples of successful rural marketing campaigns that have been implemented in India.
- ✚ Begin by discussing the opportunities that exist for businesses in rural India. What are the major benefits to conducting business in this area?
- ✚ Next, discuss the challenges that face businesses in rural India. What are some of the most important factors to consider when planning a marketing campaign in this area?
- ✚ Finally, provide some tips on how to maximize the potential of marketing campaigns in rural India. What are some common strategies that businesses can use?

Conclusion:

Rural marketing in India has a lot of opportunities, but also many challenges that need to be addressed. In this study, we focused on key areas where rural marketing could be used to create more inclusive and sustainable communities. We found that there are a number of ways in which rural marketing can help to improve the quality of life for people living in rural areas, and we hope our findings will help policymakers and practitioners identify these opportunities and take steps to implement them. The study has shown that rural marketing in India present opportunities and challenges. The opportunities include the potential for growth, the importance of rural markets, and the increasing demand for food products. The challenges include the lack of infrastructure and inadequate knowledge about rural marketing. This study provides valuable insights for marketers in India who are seeking to increase their market share through effective rural marketing strategies.

Limitations of study:

However, some limitations should be noted.

- ❖ First, the study does not include any qualitative data on rural marketing activities in India.
- ❖ Second, the study only covers six Indian states, which may not be representative of the entire country.
- ❖ Third, the study does not include any data on rural marketing activities in other countries in Asia or elsewhere in the world.
- ❖ Fourth, the study does not provide detailed insights into the various factors that influence rural marketing decision-making.
- ❖ Fifth, the study does not offer any further research for the improvement in the field of rural marketing.

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