

# Problems and Prospects of Indian Rural Sector: An Overview

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## Abstract

The rural economy of India is the Indian economy. Rural areas are home to more than half of the Indian population. India currently has a population of 134 crore people, with rural areas accounting for 66.86 percent of the total. Because of the large population base in rural areas, the scope of rural marketing is expanding in this day and age. Marketing is one of the common factors for economic development, but we can now see that the majority of market players are eager to invest in rural sectors. Though there is a lot of potential and growth in the rural sector, there are also a lot of challenges for rural marketers. We will demonstrate these challenges and the current state of rural marketing in our current study. This research is a step forward in the exploration of several new technology-based strategies to be used by rural marketers.

## Key words

Rural marketing, technology, internet, schemes, 4As.

## Introduction

The term rural refers to "the geographical area or countryside that is outside of the urban or city area." The term marketing is derived from the word "marcatus," which refers to "the place where buying and selling takes place." Marketing in today's world is centred on the customer, who is regarded as the king of every market. So, in rural marketing, it is necessary to understand the needs, desires, wants, tastes, and expectations of rural customers, as well as to broaden their knowledge base. All of these activities fall under the purview of a rural marketer.

Production is not only important for marketers, but it is also the most important factor in marketing. The economy is divided into two sectors, one rural and one urban. The rural sector is divided into two major activities: agricultural and non-agricultural. Agricultural activities such as farming, animal husbandry, fisheries, poultry, dairying, and so on provide a living for the majority of rural people, as do non-agricultural activities based on industry, business, and services such as khadi, handloom, handicraft, transportation, and banking.

"Rural marketing is a two-way process, according to T.P.Gopaldaswamy. It covers the release of commercial activities which direct goods flow from urban to rural (produced products) and rural to urban (products from agriculture) and also rural areas.

Some marketers take 4As in rural marketing instead of 4Ps. The following chart discusses the four A's of rural marketing, which are very important for a mix of rural marketing to be successful.



## Objectives

- To understand the conception of rural marketing.
- To know about the problems faced by marketer in rural areas.
- To emphasize the role of online network in marketing of commodities in rural areas.
- To survey the schemes and apps launched by government for rural sector.
- To illustrate the efficacy of media for promoting rural marketing.
- To confer some suggestions for the effective implications of rural marketing for the improvement of rural sector by raising their standard of living and the growth of economy.

## Research Methodology

The present survey builds on secondary data collected from several books, magazines, newspapers, publications on relevant websites focusing on various aspects of rural marketing and research, five-year plans for rural marketing, expert opinions and Internet search.

## Problems

Rural marketing is a new concept in the modern era, but we face a variety of challenges when marketing in rural areas, such as in remote regions.

- 1) Communication: The main issue is communication because people in rural areas are introverted and shy.
- 2) Lack of participation: they do not disclose their problems and do not participate in various government programmes that are implemented from time to time.
- 3) Lack of knowledge: not using the new technology such as mobile transactions, the Internet, online banking and digital modes.
- 4) Hesitation in the use of new products: the use of new products and mainly large sizes hesitates in costly products because of their preference for the low price and the small size of the product.
- 5) Convincing: rural people are not easily persuaded by the right advertising, various media and new products they are less persuasive in nature.
- 6) Traditional faith and outlook: people who live in rural areas follow their traditions, their customs, and their convictions about new products.

## Functioning of internet in rural marketing

The internet is now becoming a basic necessity to market the product in rural areas. The internet connects the scattered areas in several villages that have never been transported. Marketers in rural areas are trying to broaden their product categories. This also helps poor people to achieve some wealth in their categories of products. In order to explore their product, Hindustan Uniliver Limited company has initiated initiatives in these fields. One such project is Shakti, which not only helps the village's poor women to earn some revenue but also helps them to get some money which will certainly increase their purchasing power. Likewise, ITC E – CHOUPAL can be taken which helps poor farmers to get all the information on the weather and price of their food grains.

The government has launched programmes and applications to help farmers and rural residents.

Now, the rural sector is becoming an increasingly important part of the Indian economy. Taste, income, and habits of rural consumers all have an impact on our national income. As a result, our government launched a number of programmes and applications to help the economy grow.

## Diverse schemes and applications are discussed below:

- 1) Integrated wasteland development project scheme: the goal of this scheme is to undertake integrated wasteland development based on village watershed plans, thereby generating employment in rural areas and increasing rural people's participation.
- 2) Antyodaya Yojna: The main goal of this programme is to transform 5000 rural clusters and 50000 gramme panchayats through cluster-specific sustainable livelihood development. connecting microbusinesses to large market scale.
- 3) National rural livelihood mission ( aajevika ): it helps poor people in rural areas increase their household income by improving their livelihoods and providing better access to financial services.
- 4) Swarnajayanti gramme swarogaryojna: This scheme is being launched to assist people living in rural areas who are below the poverty line in finding work.
- 5) Pradhan mantra gramin digital shaksharta abhiyan: This programme aims to educate rural households to be digitally literate.
- 6) Bhavantar bharpayee yojna: Its purpose is to ensure farmers receive fair prices for their produce while also emphasising crop diversification.
- 7) Power supply 24 hours a day, seven days a week: it has begun to provide free electricity to farmers for their production so that they can continue to produce using power supply machines.
- 8) Kisan Suvidha app: launched in 2016 by our Prime Minister Narendra Modi to support farmers and village development. It provides current weather information as well as forecasts for the next five days, crop market prices in the nearest town, knowledge of fertilisers, seeds, machinery, and so on.

## Efficacy of media for promoting rural marketing

The media plays a significant role in promoting rural marketing. As we all know, people living in rural areas have a lower access to new technological instruments. However, there has been a significant increase in the use of technology-based products by rural people, particularly youth, such as mobile phones with smart and android features, personal computers, internet cafes, and so on, which increases the use of modern available instruments that are very helpful in providing new and updated information about products, services, and schemes available for rural areas. Aside from that, traditional media such as newspapers and televisions can be used to promote a variety of products and services available for rural area.

Without adequate media, no segment of society, whether rural or urban, can obtain adequate information. It demonstrates the importance and utility of media in promoting rural marketing. As previously stated, various government schemes aimed specifically at rural areas have been launched. People can fully take advantage of these with the help of the media, as all incentives and schemes can be fully utilised through quick and effective media tools.

## Suggestions for effective implications of rural marketing

- To establish a rapid information system so that rural residents are aware of all available products and services.
- Various schemes exist, but they are insufficient because the need and demand in rural areas change on a daily basis, necessitating the development of new schemes and incentives for rural areas.
- Markets must develop new ideas and innovations to meet the changing needs of rural people, whose consumption patterns are influenced by urban consumption patterns.
- Proper application and implementation of government schemes is required in order for their benefits to reach the rural sector.
- The availability of technology and the impact of digitization should be considered for rural marketers and people living in rural areas. As a result, the use of technology in these areas should be increased in order to raise people's awareness of various programmes and schemes.
- There must be more and more campaigns and ads based on the needs of rural people so that their role in society is realised.

## Conclusion

The development of the Indian economy is crucial for the increase of the rural sector and for the raising of rural living standards. In these areas, rural marketing can play a major role. It is the responsibility of rural marketers to provide innovative products and services with different choices and price ranges that are in line with rural demand. Increasing the rural marketing also supports technologies, media, and different government schemes.

Rural people immediately received discounts, free products samples for the various incentives and benefits. Their reaction to discountable goods is mostly positive. Before buying any product, they always ask the retailer for their opinion. However, awareness of various promotional schemes in this sector is still very much lower.

Differences between urban and rural marketing are decreasing at present, but there is still a gap between the two. The social and economic development aspect and well-being of the Indian economy can all be achieved by developing rural areas and rural marketing is a necessary tool.

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