



A STUDY ON OPPORTUNITY AND CHALLENGES FOR RURAL MARKETING IN INDIA

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ABSTRACT:

The rural market has been growing step by step over the past few years and is now even bigger than the urban market. About 70 per cent of India's population lives in villages. Greater than 800 million human beings stay in villages of India. 'Go rural' is the marketer's new slogan. Indian entrepreneurs in addition to multinationals, which include Colgate-Palmolive, Godrej and Hindustan Lever have targeted on rural markets. Entrepreneurship in rural regions is finding a unique mixture of sources, from agriculture. this could be performed simplest through the base of a farm business to include all the non-agricultural uses that to be had resources can be put to or via any principal changes in land use or stage of production aside from the ones best depend upon Agriculture. Sadly, the monetary growth of the country continues to be confined by using the general constraints of the small commercial enterprise sector, because of challenges of capabilities like managerial talents, lack of global competition and the weak entrepreneurial performance. The primary objective of the study is to find out the influence of selected challenges at the perceived achievement of entrepreneurship and small corporations found in rural regions. The study was carried out with the aid of using the quantitative technique with main awareness to discover the challenges for advertising. Even though agriculture nowadays presents profits to rural Peoples, rural development is increasingly appreciated to company improvement. considering countrywide economies are get greater globalized and opposition is excessive at an unprecedented pace, affecting not only industry but any monetary interest such as agriculture, it isn't always unexpected that rural marketing is gaining in its importance as a pressure of financial change that have to take place if many rural communities are to survive. Rural marketing is now a days play a role most important possibility for the folks who migrate from rural regions or semi - urban areas to urban regions. On the opposite it's also a fact that the majority of rural entrepreneurs is facing such a lot of troubles because of non-availability of primary centers in rural areas for growing us of a like India. Lack of training, financial issues, insufficient technical and conceptual ability it is too tough for the agricultural marketers to stabilize industries inside the rural regions. This paper finds out the opportunities and challenges for the potentiality of rural advertising.

Keywords: Entrepreneurship, Rural Sustainable improvement, technology, constraints, rural communities, insufficient, conceptual ability, potentiality

I. INTRODUCTION:

Marketers are always searching for clean challenges and scouting for greater and extra shoppers to be drawn into their sphere of influence. The urban consumer has always been pampered with the most marvelous array of goods and offerings from each and every industry. But the urban market is quick shrinking due to saturation brought on by the competition, and the boom charge over the previous few Years has constantly shown a declining trend. In the hunt for sparkling pastures, the widespread and hitherto vastly unexplored terrains of rural India persistently beckon the moolah-seeking marketer. India's boom pass is highly driven by using the improvement of the rural people. "Rural Marketing is defined as a characteristic that manages all activities involved in assessing, stimulating and converting the buying electricity of rural customers into a nice demand for specific products & offerings and moving these products & services to the humans in rural areas to create satisfaction and a better trendy of residing and thereby achieving organizational goals" (Iyer, 2010).

II. ABOUT:

At present, three out of four of country's consumers are in rural market and one-half of national income is generated there. A number of corporate units have been trying to get grip on the rural market in a variety of ways. There is no doubt that rural market reveals opportunities and great attraction to marketers. But, it not as easy as it seems on surface. It is not so simple to enter and succeed in this market in a smooth way. This market poses a variety of challenges, and, therefore, the marketer has to work hard to tackle these challenges tactfully. A company planning to enter and/or expand rural market must consider these problems seriously.

III. Features of Indian Rural Markets:**A. Large, Diverse and Scattered Market:**

Rural market in India is large, and scattered into a range of regions. There may additionally be much less wide variety of stores available to market products. Major Income of Rural consumers is from Agriculture: Rural Prosperity's tied with agriculture prosperity. In the match of a crop failure, the earnings of the rural hundreds is at once affected.

B. Standard of Living and rising disposable profits of the rural customers:

It is regarded that majority of the rural populace lives beneath poverty line and has low literacy rate, low per capital income, societal backwardness, low savings, etc. But the new tax structure, exact monsoon, government legislation on pricing has created disposable incomes. Today the rural purchaser spends money to get value and is aware of the happening round him.

C. Traditional Outlook:

Villages enhance slowly and have a typical outlook. Change is a continuous process however most rural people be given change gradually. This is regularly altering due to literacy especially in the childhood who has begun to change the outlook in the villages.

D. Rising literacy levels:

It is documented that approximately 45% of rural Indians are literate. Hence awareness has increases and the farmers are well informed about the world around them. They are also educating themselves on the new technology around them and aspiring for a higher lifestyle.

E. Diverse Socioeconomic background:

Due to dispersion of geographical areas and uneven land fertility, rural human beings have disparate socioeconomic background, which subsequently affects the rural market. Infrastructure Facilities: The infrastructure facilities like cemented roads, warehouses, communication system, and economic services are insufficient in rural areas. Hence physical distribution is a mission to marketers who have determined revolutionary ways to market their products

IV. OBJECTIVES OF THE STUDY:

- a) To study the current scenario of rural market in India.
- b) To unleash the conceivable of rural market.
- c) To determine the paradigm shift from urban to rural market.
- d) 4.To apprehend the rural market
- e) To know the major opportunities available in the rural market.
- f) To study the major challenges faced by marketer in rural market in India.

V. OPPORTUNITIES:

The rural market has been growing steadily over the past few years and is now even bigger than the urban market. The saving to earnings percentage in rural area is 30% higher than city area. At current 53% of all FMCGs and 59% of buyer's durables are being sold in rural area. Major opportunities reachable in rural market are as follow:

A. Increase in Literacy Rate:

Literacy charge is growing in rural areas. According to census 2011 it too There are extra graduates in rural than in city India. This brings social and cultural changes in buying behavior of the rural customers and more conscious about countrywide and international brand. Due to expand in literacy rate they get jobs in nearby towns. They earn city salaries however continue to stay in self owned houses in the villages, they have high buying power and choose to purchase branded product.

B. Increasing In Disposable Income and Purchasing Power:

Projects from personal companies and the rural employment initiatives with the aid of the Government like MNREGA (Mahatma Gandhi National Rural Employment Guarantee Act) schemes have given the rural population a probability to meet their daily needs. Government determined to extend the agriculture loan at lower fee of hobby and distribute millions of Kisan Credit Cards, has given a increase to the income level to the rural sector. According to advanced estimates of national income released by way of center statistic company "The Per Capita income at current prices for the duration of 2011-12 is estimated to be Rs. 60,972 in contrast to Rs. 53,332 in the course of 2010-11 showing a upward jostle of 14.3%. Companies have the opportunity to enter in this new market and take the advantage of accelerated disposable income.

C. Infrastructure Improving Rapidly:

In 50 years only, 40% villages have been connected by roads, in next 10 years any other 30% would be connected. Rural smart phone density has long gone up by 300% in the last 10 years. Government of India is planning its most formidable country wide

software in Jan.2013 to facilitate electricity via decentralized renewable electricity sources. The government ambitions to provide LED lights to around 400million houses that do not have an electrical energy connection with the aid of 2017. Rapid development of rural infrastructure is additionally major attraction for marketers.

D. Increase Population and Hence Increase in Demand:

The rural market in India is full-size and scattered and offers a plethora of opportunities in comparison to the urban sector. It covers the most populace and regions and thereby, the most variety of consumers. More than eighty percent of rural markets in India still do not have get right of entry to to any type of organized marketing and distribution.

E. IT Penetration in Rural India:

Today's rural teenagers and adolescence will develop up in an environment where they have „information access“ to education opportunities, job opportunities, government schemes, and global information and mandi prices. Rural areas offer a high-quality doable for increase in internet utilization with the quantity of claimed internet users in these spaces to be reached at 45million by Dec. 2012, according to the recent IMRB survey, conducted collectively with net and Mobile Association of India (IMAI).

VI. CHALLENGES:

The peculiarities of rural markets and rural consumers pose challenges to marketers in attaining them effectively. There are a large range of small villages which are now not without problems available because of all weather roads. The principal challenges of rural advertising are discussed below:

A. Transportation Problems:

Transportation is imperative for motion of products from city production centers to remote villages. In rural India transportation amenities are quite poor. Nearly eighty percentages of villages in the country are not linked by way of nicely constructed roads. Many parts of India have kwacha roads. Due to poor transportation amenities, it is no longer viable for a marketer to get admission to the rural.

B. Market Warehousing Problems:

A storage function is vital because there is a time gap between production and consumption of commodities. Agricultural commodities are produced seasonally however they are demanded over the 12 months so there is want to shop them. But in rural areas, there is lack of public as nicely as non-public warehousing. Marketers face issues of storage of their goods.

C. Underdeveloped People and Under developed Markets:

Rural society in India is underdeveloped. Modern technology has tried to enhance the humans and markets in rural areas. But the science has made very less influence in rural areas. Inadequate Media Coverage Media have loads of trouble in rural areas. Television is a properly supply to speak the message to rural people. But due to non-availability of energy as well as television sets, majority of rural population cannot get the advantages of various media.

D. Many Languages:

India is a united state of many languages. Language becomes barrier in effective conversation in the market efforts. The number of languages fluctuate from state to state, vicinity to vicinity and district to district, etc.

E. Low Level of Literacy:

The literacy fee is low in rural areas as in contrast to urban areas. Marketers face conversation problem due to the lack of literacy rate. Print medium is not much tremendous and it is irrelevant for the reason that it attains is poor. So, low level of literacy turns into challenge for marketers in rural areas.

F. Seasonal Demand:

Seasonal demand is essential hassle of rural market. Agriculture state of affairs plays a widespread function in the demand of commodities in the rural market because it is the foremost supply of income. Again, agriculture depends on monsoon so shopping for capability of rural consumers varies. Despite this, many rural areas are not connected through rail transport. Kuccha roads become unserviceable for the duration of monsoon.

VII. CONCLUSION

The learn about concluded that rural India offers huge opportunities which organizations can tap for their growth and development. However, Companies face many challenges in tackling the rural markets in India. 833 million humans live in India as compared to 377 million in city India so giant untapped opportunities are reachable in rural India, however marketer unable to tap these possibilities because infrastructure facilities. Literacy fee is low in rural place so people are unable to perceive brand difference. Now style has gone to change literacy price in rural region is increasing. Number of center and greater profits household in rural India is predicted to grow from 80 million to 111 million. There is speedy development in infrastructure all these opportunities attract corporations to goal rural market. With some applied sciences step forward in distribution and advertising of merchandise in rural India, companies in rural market can earn more profits, market share, etc. The Rural market is a larger future prospect for the marketers and there are many opportunities on hand for them in rural markets.

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