

# A Study of Rural Marketing in India with Special Reference to Villages in Western Uttar Pradesh

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**ABSTRACT-** Companies are always willing to capture new markets and thus they tried to make things available to the villages and developed an infrastructure of supply chain. The media habits of rural consumers have a large influence on the effectiveness of rural marketing. Though all forms of media are used in rural areas, audiovisual media such as radio, television, and films are especially important due to low literacy rates. As a result, most marketers prefer mass media to reach rural audiences; however, mass media, while effective in urban areas, cannot be as effective in rural areas. This is primarily due to a lack of electricity and linguistic diversity. Before developing a communication package to deliver the product message to rural audiences, it is critical to understand the aspirations, fears, and hopes of rural customers in relation to each product category. Earlier rural market which was limited to agricultural products mainly now has been a market for so many goods.

**KEYWORDS-** Rural Market segment, Villages market potential, marketing.

## I. INTRODUCTION

Rural markets are the most diverse in nature. Unlike their urban counterparts, where demand for goods and services is highly concentrated, rural markets are dispersed across the country. As a result, while many rural markets appear attractive on paper, they are actually quite costly to serve. As a result, it is extremely difficult for marketers to provide better service to each and every rural market. This research paper discusses the challenges that marketers face when serving rural markets, as well as the methods for overcoming these challenges. Some of the major challenges encountered are listed.

### A. Non-Homogeneous Nature Of Rural Customers

Marketers face significant challenges due to India's vast population and heterogeneous markets spread across various states. The majority of rural India market size data takes the aggregate households or household spend for a predetermined geographical boundary. Unlike in urban markets, where demand is concentrated, rural markets are more dispersed. Of course, this significantly increases sales efforts and costs. As a result, while many rural markets appear attractive on paper, they are actually quite expensive to service [1, 8].

### B. Inaccessible Rural Markets

Logistics and transportation are important factors to consider when developing rural marketing strategies. In India, transportation infrastructure is so poor that even getting to remote areas can be difficult. Even though there are a large number of customers waiting to be served in these remote areas, most of the time the efforts to serve them properly fail. Almost half of India's villages are not even connected by road. As a result, serving rural consumers in these regions proves to be a formidable challenge for marketers [7].

### C. Low Literacy Level

Because a large portion of the population in rural India does not have access to education, the literacy level in these areas is very low. Again, this is one of the critical areas that marketers must consider. It is a significant challenge for marketers to raise awareness among people in rural areas about the development of new products. Furthermore, the villagers are unaware of the MNCs and the brands they sell. On top of that, these marketers must consider the various languages spoken by people living in different parts of the country [2].

## II. LITERATURE REVIEW

The literature review is an important part of every research [3, 4] suggested that in today's competitive market, businesses must adapt their marketing strategies to maximize growth and profits. Rural marketing strategies differ significantly from urban ones, and businesses must tap into both urban and rural markets to survive. Work studied [4] marketing strategies in rural banks in India, focusing on increasing demand for products or services. In today's competitive market, banks must adapt to changing consumer preferences and preferences to remain competitive and retain clients. Research work [5] aimed to identify the major barriers to digital marketing in rural India. To identify the barriers to digital marketing in rural India, an extensive literature review was conducted. Furthermore, the analytical hierarchical process is used to rank the various digital marketing barriers based on weighted values. The AHP model (analytical hierarchical process) was used to calculate the weighted values of various barriers [7]. Research examined [3] the interrelationships between factors that promote rural tourism development. This touristic segment has enormous potential, but India still

lacks consistent means and measures to ensure the holistic development of rural tourism. Thimmaiah (2022) report a gradual growth in the rural market, with 83.3 million Indians living in rural areas, compared to 37.7 million in urban areas. The study explores opportunities and challenges in rural marketing in Karnataka's Davanagere district, highlighting government development initiatives' impact on the sector. [8]

Ryu, S., & Christensen (2019) found that attitude, trust, adaptation, value, and quality are factors that motivate people to use digital marketing tools [5, 6]. They found that digital marketing is more effective than traditional marketing and users prefer it. The article provides research on various types of analysis and case studies, highlighting the importance of digital marketing in research. As the turn of events and levels of education and mindfulness among rural market [3,4].

### III. RESEARCH METHODOLOGY

#### A. Objective of the Research

To understand the rural market in India

##### • Method

##### • Sample

Researcher will select rural demography for collection of data. Sample from rural population of Village & Panchayats of District Barabanki, Lucknow and Ayodhya.

Sample size calculation is very important part of the research. Adequate sampling techniques and sample size reduces method biases. Researcher has used Rao soft sample size calculator free online templet for sample size calculation. As per reports of Census India, population of Lucknow in 2011 is 2,817,105. Researcher has considered the population size in the templet as 2 Lakhs. The response distribution as 50%. The estimated sample size for same appeared 384. The present study the final data has been collected from 500 respondents (after eliminating the incomplete responses).

### IV. FINDINGS AND SUGGESTIONS

Until recently, multinational corporations and marketers in India were primarily concerned with the urban consumer. However, there was little effort made to reach out to rural markets. However, this is changing. Increased smartphone uses and more affordable data plans are driving an increase in rural internet users. The country is expected to have over 650 million internet users by 2023, attracting the attention of marketers looking to capitalise on new opportunities emerging in Indian markets. They are not only targeting rural markets, but also the Next Billion Users (NBU), a group of first-time internet users. The researcher tried to know about the rural market segmentation and the findings are as follows:

- Respondents have to purchase household goods weekly (FMCG) (Frequent Buyer). Being a frequent buyer, it suggested that village people are now having purchasing power. Their economic status has been elevated.
- Several people agreed that they have recently bought electronic appliances. Some of them but it for other so they were no sure to say that they should say they have bought or not as they did not buy for themselves.

The objective of putting the question was just to know that FMCD goods have made their way to rural market. Earlier there was no electricity in the villages so imagining the sale of electronic goods were difficult.

- Respondents suggested that they buy branded cosmetics and grooming products often.
- Respondents suggested that they spend on branded cloths. The village market can be subject to target of luxury players and brands. They can use similar marketing approach as they use for urban market.
- Respondents suggested that they have/ likely to have my own 02-wheeler/ car with in next 03 months. This suggested that the rural market is no more limited to agricultural equipment only. Need of general-purpose vehicle in new segment in rural market.
- Villages are equipped with public transport. This suggested that their connectivity and now access to market can be made easy as cannot be considered as a case in earlier rural market.
- Respondents believe that they have easy access to purchase vehicle in their area. Availability of high milage bike and cars are suggesting that earlier rural market indicators have lost their relevance and modern market have already got supported by them.
- Need of auto mobile has provided scope for service centre for bike/cars/tractors. Rural market has become consumer of these services too.
- Even form the rural market people have considered it as a need to own a vehicle.
- Rural connectivity has been improved so as the rural market.
- Respondents themselves believe that the rural market connectivity have increased the rural buying. Days were gone when weekly markets, haats, bazars were meeting the need of rural customer. Rural market potential has been grown that can only be satisfied with a proper and established market.
- Rural market has been updated but the changes has not removed the agriproducts need. Agribusiness like seed, fertilizers, etc is still the key segment to market.
- Need of agricultural equipment has been still a key aspect of rural market. Harvesting and other instruments are easily available for rent and purchase.
- There were times when agricultural market was expected to manage 4-5 villages. Proximity to buyer has increased and this suggests the increasing market.
- To test the fact that rural market has been grown and the market demand has shifted form agriproducts. But the respondents felt that there is huge scope of Agri-products in their area.
- Respondents have suggested that in their area there is always a demand of fertilizer, seeds and other agricultural products.
- Rural market has also seen a shift in infrastructure development. They have shops for educational supplies like books etc.
- Once rural market was limited to few goods. Even basic Civic facility like health care was not medical shops have required medicine in their area.
- To test the market potential and infrastructure development questions related with shops have been

asked. Mostly respondents suggested that they have proximity to shopping complex/mall.

- Branded cloths and household supplies are easily available in rural market. Marketers have already considered the fact that rural market is growing in their spending power. Considering this fact, the shopping complex has been developed in rural market. These are group of shops in a certain area.
- Respondents have favoured the sales of branded goods are high in their area.
- Rural market has mobile connectivity. This development has revolutionised the rural area. Most of the respondents have suggested that mobile network work good in our area.
- Rural areas have also gained internet quality in their area. Mobile communication and accessories are new product line in rural market. These markets are filled with counterfeit and regionally developed variants of mobile batteries, charges etc.
- Mostly people have Mobile phone in our village/town. Earlier the radio has almost similar place as the mobiles are having now. The change in the rural market have to consider while refomenting rural market segmentation strategies and indicator.
- Banking services are also an additional indicator of rural market. People in our area have credit cards.
- Respondents have suggested that almost everyone in our area has bank account.
- People are showing interest in buying insurance/loan etc. rural area.
- There is a significant relation of transportation availability in rural area with the buying attitude of rural buyers.
- There is a significant relation of agricultural ease in rural area with the buying attitude of rural buyers.
- There is a significant relation of the availability of civic facilities in rural area with the buying attitude of rural buyers .
- There is a significant relation of tele-communication availability in rural area with the buying attitude of rural buyers.
- There is a significant relation of banking services availability in rural area with the buying attitude of rural buyers

Even in this advanced age, the rural market still dominates the Indian economy. As a result, most Indian marketers strive to reach out to the rural market and consumers. This blog will teach you the best rural marketing strategies for reaching out to rural customers. Rural India is a sizable and rapidly evolving market. The rural market in India is not a separate entity in and of itself; it is heavily influenced by the country's social and behavioural factors. All marketing activities aimed at satisfying the rural consumer are included in the rural market, including demand generation, product planning, distribution, and the entire marketing process. A rural market includes all business activities that involve the transportation of goods and services from producers to rural consumers. Because transportation and communication have greatly improved over the last decade, rural marketing is also much easier than it was for the pioneers. Marketers can reach out to rural consumers in a variety of ways. Many rural marketing strategies in

India are available in this modern age to help marketers reach rural consumers. Complex planning and effective rural marketing strategies will aid in the growth of your brand in rural areas. Many methods are available in the rural market, ranging from hoarding to mobile. Rural marketing in India is evolving over time, and reaching rural markets is now simple. In the following section, we will discuss the top rural marketing strategies that will assist marketers in reaching the rural market in India. With these methods, rural marketing is now a simple process.

Any of such 50 years old managerial concept may not have relevance in contemporary world. Similar we can say that Thompson Rural Market Index (TRMI) is years old phenomena. Yet the present study suggested that the frame work and approach provided for the rural market segmentation is unique and can be considered very useful even in present scenario. The market has been filled up with new variables that become representative of the rural market and marketers could eye for them.

## V. CONCLUSION

The present research is an effort to understand the rural market segmentation. Researcher has tried to understand the relevant aspects to identify rural market potential. The present research can be useful in many ways to the marketers. Marketer can use the present research for rural market segmentation and identifying the potential market for their product. Students of marketing can refer the work as recent literature on rural marketing. Research scholars can refer the approach to conduct similar research using the statistical procedures. The present literature can also be Helpful to common readers to understand the changing aspects of the rural India. Research can be conducted in other states to identify the rural market over there. The growth and development in India are uneven and some states still have such villages where basic facilities are not available. The researcher suggested that similar research in villages if Bihar may bring more insight about the rural market. A product specific study can be conducted that can be helpful for the marketers. A study can be conducted separately on banking need and banking scope in rural market. Researcher has proposed a study that will surely help the marketers to understand the rural market. They can understand the scope of selling their products in rural market. Understanding the demography will help them to regain the success of the market. The study will help to understand the rural market in Uttar Pradesh.

## CONFLICTS OF INTEREST

The authors declare that they have no conflicts of interest.

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