

RURAL MARKETING

INTRODUCTION

- The term 'rural marketing' which was earlier used as an umbrella term to refer to all commercial transaction of rural people, acquired a separate meaning of great significance in 1990s.
- Several myths about rural sector:-
- > Rural people do not buy brands.
- > Rural customers buy cheap products.
- > Rural market is a homogeneous mass.

EVOLUTION OF RURAL MARKETING

- Phase –I (Pre 1960s)- Rural marketing was considered synonymous with 'agricultural marketing'.
- Phase-II (1960s-1980s)- Green revolution.
- Phase-III (1990s- 2000)- Both Indian as well as MNCs realized the enormous potential of rural markets.
- Phase-IV (After 2000)- Rural marketing came to the centre-stage.

UNDERSTANDING RURAL CONSUMERS

 Rural consumers are fundamentally different from their urban counterparts.

 Different rural geographies display considerable heterogeneity.

NEW INFLUENCERS AND PRODUCTS

- Liberalization
- Globalization.
- Emergence of knowledgeable rural youth.
- Migration from villages to cities and towns.
- Usage of products is different in the rural environment.

RURAL DISTRIBUTION

- 90% of the durables are purchased from 20,000+ population towns. (As per IMRB study)
- Marketers need to understand where rural consumers buy their goods and products.
- Accordingly the distribution strategy must be planned.

RURAL COMMUNICATION (AICDA Model)

- Awareness.
- Interest.
- Conviction.
- Desire.
- Action.

DEFINITION

 Rural marketing involves the process of developing, pricing, promoting, distributing rural specific product and a service leading to exchange between rural and urban market which satisfies consumer demand and also achieves organizational objectives.



