Rural Market Mix

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Abstract

Many companies are entering into the rural markets and educating them on newer products, their features and services and also about their maximum utilization. The rural youth today are playing a far more significant role in influencing the purchase decisions. They frequently travel out of the village and are the drivers of purchase decisions regarding radios, television (black and white as well as colour), automobiles and other goods. They may not be the end users but often these are the people who influence the purchase decision of high value products and they also decide on which brands to choose. The consumption level of consumer durables in the rural sector has risen dramatically over the last two decades or so. Even the rural woman is coming out of the house and also exercising her choice in selecting categories — the choice of brands may still be with the males of the household. The final purchase decisions still rests with the chief male of the family. In other words, the “chief wage earner” still applies in the rural markets.

INTRODUCTION

Rural consumers are mostly dependent on agriculture and are not very literate about products and services available in the market till some time
back. This scenario is slowly changing due to an increase in literacy and disposable income. Now a days rural consumers do not go to nearby city to buy branded products and services but big companies are flocking to rural markets to establish their brands.

Rural markets are these days very critical for every marketer, may be it for a branded shampoo or a television. Earlier marketers thought of van campaigns, cinema commercials and a few wall paintings to entice rural masses under their folds. Today a customer in a rural area is quite literate about branded products that are on offer in the market place, thanks to television and telecommunication media.

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The consumption level of consumer durables in the rural sector has risen dramatically over the last two decades or so. Even the rural woman is coming out of the house and also exercising her choice in selecting categories — the choice of brands may still be with the males of the household. The final purchase decisions still rests with the chief male of the family. In other words, the “chief wage earner” still applies in the rural markets.

**Influencing The Rural Consumers**
The biggest challenge faced by marketers today is to develop a model to influence the rural consumers mind over a large period of time and keep it going. This needs to be achieved in a minimum of limited or a reasonable budget. That’s where the marketers who really need to understand rural markets and advertising agencies can make a difference and develop a communication model.

The mass media has the drawback that the time gap between the point of exposure and the time of purchase is long. So it is very difficult and risky to use it in rural communication. The most important element in rural communications is that the marketer has to integrate the following three things in communication –

- Exposure of a message
- Trial or demonstration
- Final sale

There is minimal brand loyalty in rural consumers. This is mainly due to a bigger problem of brand recognition. There are a lot of looks alike in the rural market. The challenge is to create communication that would help the rural consumer in recognizing brands, logos, visuals, colors, etc., so that he or she actually buys the actual brand and not something else.

Marketing mix comprises of various controllable elements like product, price, promotion and place. Success of any business enterprise depends on marketing mix and these four elements are like powerful weapons in the hand marketers.
Since behavioural factors of rural consumers are different and almost unpredictable in nature, the marketers have a challenging task to design marketing mix strategies for the rural sectors. Due to considerable level of heterogeneity, marketers need to design specific programs to cater needs and wants of specific groups.

Rural markets face the critical issues of distribution. The marketer has to strengthen the distribution strategies. Distributing small and medium sized packets through poor roads, over long distances, into deep pockets of rural India and getting the stockiest to trust the mobility is a herculean task.

Both physical distribution and channel of distribution should be decided carefully to ensure easy accessibility of products for rural buyers. Choosing suitable mode of transportation, locating warehouses at strategic points, sufficient insurance, maintaining adequate inventory, maintaining a sufficient number of retail outlets at different regions, and deploying specially trained sales force are some of the critical decisions in rural distribution.

Normally, indirect channels (particularly one or two level) are more suitable to serve scattered rural customers. In two level channels wholesalers are located at urban and semi urban to serve urban and rural
retailers. However, not only in backward states, but also in progressive states, local producers (farmers and others) distribute directly to customers.

For service marketing, employees of rural branches and agents can do better jobs. Banking, insurance, investment, satellite and cable connection, cell phone, auto sales and services, etc., the market is booming in villages of some states. Service industries are trying to penetrate the rural segments by deploying the specially trained employees and local agents.

Surprisingly, online or cyber marketing is making its place gradually in rural areas of the progressive states. Marketer must design and modify time to time its distribution strategies according to nature of rural segments, may be quite differently than that of urban markets.

References

