Is Rural Marketing is Real Marketing?

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1. Introduction

The emergence of rural markets as highly untapped potential emphasizes the need to explore them. Marketers over the past few decades, with innovative approaches, have attempted to understand and tap rural markets. Some of their efforts paid off and many markets still an enigma. Rural marketing is an evolving concept, and as a part of any economy, has untapped potential: marketers have realized the opportunity recently. Improvement in infrastructure and reach, promise a bright future for those intending to go rural. Rural consumers are keen on branded goods nowadays, so the market size for products and services seems to have burgeoned.

The rural population has shown a trend of moving to a state of gradual urbanization in terms of exposure, habits, lifestyles, and lastly, consumption patterns of goods and services. So, there are dangers on concentrating more on the rural customers. Reducing the product features in order to lower prices is a dangerous game to play. Rural buyers like to follow the urban pattern of living. Astonishingly, as per the census report 2003-04, there are total 638365 villages in India in which nearly 70% of total population resides; out of them 35% villages have more than 1000 population.

Rural per capita consumption expenditure grew by 11.5 per cent while the urban expenditure grew by 9.6 per cent. There is a tremendous potential for consumer durables like two-wheelers, small cars, television sets, refrigerators, air-conditioners and household appliances in rural India. Above Statistical data motivates the researcher to do this theoretical study, which attempts to identify the potential of rural marketing and provide the answer for is rural marketing is real marketing?

2. Definition

The Rural Marketing refers to the activities undertaken by the marketers to encourage the people, living in rural areas to convert their purchasing power into an effective demand for the goods and services and making these available in the rural areas, with the intention to improve their standard of living and achieving the company’s objective, as a whole.

3. Concept of rural marketing

The concept of Rural Marketing in India Economy has always played an influential role in the lives of people. In India, leaving out a few metropolitan cities, all the districts and industrial townships are connected with rural markets. The rural market in India generates bigger revenues in the country as the rural regions comprise of the maximum consumers in this country. The rural market in Indian economy generates almost more than half of the country’s income. Rural marketing in Indian economy can be classified under two broad categories.

4. Attractions in the rural market

The marketers are following the strategy to “Go Rural” because of the following attractions in the rural market:

Large Population: Still, the majority of the population in India resides in Villages and therefore, the marketers find more potential in the rural areas and direct their efforts to penetrate the rural market.

Increased Income: The income and the purchasing power of the rural people have increased. With the use of modern agricultural equipment and technology, the farmers can produce more and can get better returns for their agricultural produce. The increased income motivates a farmer to improve his livelihood by purchasing a good quality product and thus, the marketer gets an opportunity to enter into the rural market.

Competition in Urban Market: There is a lot of competition in the urban market, where people are well aware of the goods and services and have created a brand loyalty. Therefore, the marketers move to the rural market to escape the intense competition and generate revenues from the untapped areas.

Improved Infrastructure facilities: Today, many villages are well connected with the roads and transportation facilities that enables the marketer to access the rural market and promote his goods and services. With the growth in telecom services, the rural people can be reached easily via mobile phones.

Saturated Urban Market: Also, the marketers may move to the rural markets, when the urban market has reached the saturation point, the i.e. market is well stuffed with the products, and the consumers are not likely to make a frequent purchase due to the varied options available in the market.

Support of Financial Institutions: Several Co-operative banks and public sector banks offer the loan facility to the rural people at low-interest rates. With the loan, the purchasing power of an individual increases, thus resulting in a better standard of living.

New Employment Opportunities: The Government is running several employment opportunity programmes, with
the intention to engage people in other activities apart from the agriculture occupation. The Integrated Rural Development Programme (IRDP), Jawahar RozgarYojana (JRY), Training Rural Youth for self-Employment are the certain programmes, designed to increase the livelihood of rural people.

Due to so much potential in the rural areas, the companies are focusing more on the needs and desires of people living in here and are taking every possible step to stimulate people to buy products and services and improve their livelihood.

5. Conclusion

IS RURAL MARKETING IS REAL MARKETING?

Yes, this study concluded that rural marketing is real marketing because as per the statistical report village population are spend more compare with urban. Study finds that how the marketers are attract to market the product in rural area.

References