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**RURAL MARKETING EMERGING ISSUES SPECIAL
REFERENCE TO MADHYA PRADESH**

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***Abstract:** The rural market has been growing gradually over the past few years and is now even bigger than the urban market. The peculiarities of rural markets and rural consumers pose challenges to marketers in reaching them effectively. There are a large number of small villages which are not easily accessible because of all weather roads. The emerging issues of rural marketing are discussed in this study. Neglect of haats, undeveloped people, undeveloped market, Lack of communication facilities to face this disadvantages rural marketing has emerged. This study understands to the rural market, importance of rural marketing and status of rural market. The main aim of the study to find out need of rural markets and various emerging issues and new trends are being faced by rural market.*

Introduction

The underlying reasons for undertaking specific efforts to understand marketing practices and to evolve a suitable framework for developing appropriate marketing strategy for the rural India have their basis in two major developments. The first is that on account of rising purchasing power in the rural India, corporate sector is discovering the huge potential that must be realized by focusing marketing efforts in the rural segment. The second reason is that rural markets and the rural consumers are different enough to demand differential marketing effort and it is important for you to be able to understand these differences as well as the marketing implications that flow from them. The infrastructure and the marketing institution that characterize the rural markets are very different from the urban setting which the marketers are used to. There is therefore an immense opportunity for the marketer to create innovative and creative solutions to tap the rural potential.

The other reason for studying rural marketing as a specific course emanates from the knowledge that the rural consumer on account of his socio-economic and lifestyle profile presents a differential challenge to the marketer. The reference points used by the rural consumer are different from those used by his urban counterparts. Ability of rural consumer to discriminate between alternatives may be different and his value assignment behavior has been shown to be different. We today do not really have an adequate body of knowledge to understand all aspects of rural buying behavior, and application of appropriately modified research methods has only recently started being made.

Another development which has focused marketer attention now on to the rural markets is that slowly but surely the infrastructural scenario in the rural India is changing. A look at the successive plan outlays will demonstrate the attention that the policy makers are now directing at Rural Development.

From the strict marketing point of view, the market structure in India is dichotomous having rural and urban markets. But many do not concur with this view as they contend that consumer everywhere is a consumer and hence their needs, aspirations, beliefs and attitudes will also be the same. The fact, however, remains that there are certain unique characteristic features which call for separate marketing strategies to be distinctively developed to suit the rural and urban market behavior.

Conditions existing in urban markets at present can also be analyzed in this context. First, the urban markets have almost reached a saturation level that further tapping them with a high profit margin has become difficult. Secondly, competition is becoming tough in urban markets compelling many firms to incur heavy costs in promotional expenditure. Thirdly, the awareness level of urban consumers is high and hence product features have to be changed often. Needless to say this process needs a huge investment which will have a negative impact on profitability. Thus, except perhaps for easy reach the urban markets have become as oasis.

OBJECTIVE

1. To study the needs of rural marketing in India.
2. To study the emergence issues in rural marketing.

3. To study the emerging trends in rural markets.

METHODOLOGY

The Research design in this study is Descriptive research design. In order to achieve the conclusion Data is collected through secondary sources like the book, websites, journals, reports published on websites.

Need of rural marketing in India.

The rural markets are estimated to be growing fast compared to the urban markets. The potentiality of rural markets is said to be like a 'woken up sleeping giant'. These facts are substantiated in a study of market growth conducted by various researches. In recent years, rural markets have acquired significance in countries like China and India, as the overall growth of the economy has resulted into substantial increase in the purchasing power of the rural communities. On account of the green revolution in India, the rural areas are consuming a large quantity of industrial and urban manufactured products. In this context, a special marketing strategy, namely, rural marketing has taken shape. Sometimes, rural marketing is confused with agricultural marketing – the later denotes marketing of produce of the rural areas to the urban consumers or industrial consumers, whereas rural marketing involves delivering manufactured or processed inputs or services to rural producers or consumers.

A number of factors have been recognized as responsible for the rural market boom to come into existence:

1. Increase in population and hence increase in demand.
2. A marked increase in the rural income due to agrarian prosperity.
3. Standard of living is also increasing in rural areas.
4. Large inflow of investment for rural development programmed from government and other sources.
5. Increased contact of rural people with their urban counterparts due to development of transport and wide communication network.
6. Increase in literacy and educational level and resultant inclination to sophisticated lives by the rural folks.
7. Inflow of foreign remittances and foreign made goods into rural areas.
8. Change in the land tenure systems causing a structural change in the ownership patterns and consequent changes in the buying behavior.
9. Rural markets are laggards in picking up new products. This will help the companies to phase their marketing efforts. This will also help to sell inventories of products out dated in urban markets.

- **Emergence issues related to rural marketing**

The rural market offers a vast untapped potential; it should also be recognized that it is not that easy to operate in rural market because of several problems. Rural marketing is thus a time consuming affair and requires considerable investments in terms of evolving appropriate strategies with a view to tackle the problems. The problems are.

Neglect of Primary HAATS:

There is no gainsaying the fact that primarily Haats are the hub around which rural India has been gravitating since time immemorial. However, condition obtaining in most of these haats is far from satisfactory from the viewpoint of orderly marketing. Even the basic minimum facilities required to run the market such as sale platforms, cattle sheds, storage godowns, drinking water etc. are conspicuous by their absence.

Barter system

In the developing country like India, even today the barter system i.e., exchange of goods for goods exists. This is a major obstacle in the way of development of rural marketing.

Underdeveloped people and underdeveloped markets

The agricultural technology has tried to develop the people and market in rural areas. Unfortunately, the impact of the technology is not felt uniformly throughout the country. Some districts in Madhya Pradesh, Punjab, Hariyana or Western Uttar Pradesh where rural consumer is somewhat comparable to his urban counterpart, there are large areas and groups of people who have remained beyond the

technological breakthrough. In addition, the farmers with small agricultural land holdings have also been unable to take advantage of the new technology.

Lack of proper physical communication facilities

Nearly 50 percent of the villages in the country do not have all weather roads. Physical communication to these villages is highly expensive. Even today, most villages in eastern part of the country are inaccessible during monsoon season.

Inadequate Media coverage for rural communication

A large number of rural families in own radios and television sets there were also community radio and T.V sets. These have been used to diffuse agricultural technology to rural areas. However the coverage relating to marketing is inadequate

Many language and Dialects

The number of languages and dialects vary from state to state region to region. This type of distribution of population warrants appropriate strategies to decide the extent of coverage of rural market.

Market organization & staff:

The size of the market organization and staff is very important, to manage market system effective control. However the existing organizational setup particularly at district and block level needs to be strengthened in order make the services on various aspects available to the farmers timely and also easily accessible to them.

Other influencing factors in Rural Marketing

Natural calamities and Market conditions (demand, supply and price). Pests and diseases, Drought or too much rains, Primitive methods of cultivation, lack of proper storage facilities which exposes grain to rain and rats, Grading, Transport, Market Intelligence (up to date market prices to villagers), Long chain of middlemen (Large no. of intermediaries between cultivator and consumer, wholesalers and retailers, Fundamental practices (Market Dealers and Commission Agents get good part of sale of receipts).

- **EMERGING TRENDS IN MARKETS**

Online Rural Market:

Rural people can use the two-way communication through on – line service for crop information, purchases of Agree inputs, consumer durable and sale of rural produce online at reasonable price. Farming information online marketing easily accessible in rural areas because spread of telecommunication facilities all over India. Agricultural information can get through the Internet if each village has small information office.

Information through Local Agriculture Input Dealers

Most of the dealers have direct touch with the local farmers; these farmers need awareness about pests, decease, fertilizers, seeds, technology and recent developments. For this information, farmers mostly depend on local dealers. For development of rural farmers the government may consider effective channel and keep information at dealers, for farmer education hang notice board and also train the dealer recent changes and developments in agriculture.

National Chain Stores: large number of stores set up in different rural areas throughout the country by the same organization for marketing its products. Thus national chain stores can serve large number of customers in rural area.

Cost Benefit Analysis

Cost benefit can be achieved through development of information technology at the doorsteps of villagers; most of the rural farmers need price information of agri-produce and inputs. If the information is available farmers can take quick decision where to sell their produce, if the price matches with local market farmer no need to go near by the city and waste of money & time it means farmers can enrich their financial strength.

Need Based Production

Supply plays major role in price of the rural produce, most of the farmers grow crops in particular seasons not throughout the year, it causes oversupply in the market and drastic price cut in the agricultural produce. Now the information technology has been improving if the rural people enable to access the rural communication, farmers awareness can be created about crops and forecasting of future demand, market taste. Farmers can equates their produce to demand and supply, they can create farmers driven market rather than supply driven market. If the need based production system developed not only prices but also storage cost can be saved. It is possible now a days the concept of global village.

Market Driven Extension

Agricultural extension is continuously going through renewal process where the focus includes a whole range of dimensions varying from institutional arrangements, privatization, decentralization, partnership, efficiency and participation. The most important change that influences the extension system is market forces. There is a need for the present extension system to think of the market driven approach, which would cater the demands of farmers.

Processing Industry

India is the second largest producer of fruits and vegetables in the world with an annual production of more than 110 million tons of fruit and vegetable only 1.3 percent of the output is processed by the organized sector commercially, the reason higher consumption in fresh form. However, as the packaging, transportation and processing capacities increase, the market for processed fruits and vegetables is projected to grow at the rate of about 20 % per annum. 100 % export oriented units (EOU) and Joint venture units required improving the processing industry.

Rural Agri- Export

Rural produce, raw fruits and vegetable, processing goods, have the potential market in Asian, Europe and western countries. Particularly Soudhy countries have commendable potential for Indian rural produce.

Integrated Marketing

Under this concept, both the supply of inputs and servicing of inputs are undertaken at the same point or by the same company.

• CONCLUSION

In India, 70% of population lives in rural areas. There is a huge rural market in India, which is distinctively different from urban markets. For marketing of goods and services to rural markets, differential marketing efforts are required. Most of the FMCGs and large number of consumer durable companies realized the potential demand in rural markets, and designing specific marketing efforts to tap the rural demand

Rural markets, as part of any economy, have untapped potential. There are several difficulties confronting the effort to fully explore rural markets. The concept of rural markets in India, as also in several other countries, like China, is still in evolving shape, and the sector poses a variety of challenges, including understanding the dynamics of the rural markets and strategies to supply and satisfy the rural consumers.

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