

# APPROACHES OF RURAL MARKET & RURAL CONSUMERS BEHAVIOR: FUTURE PROSPECTS

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# **Approaches of Rural Market & Rural Consumers Behavior: Future Prospects**

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Abstract – Rural consumers always try to buy low price and more quantity. In India near about 70% peoples are lives in rural areas so it is essential for the marketers, researchers, and decision makers to know about what is situation of rural markets and prospects of rural markets. What are needs of rural consumers, what are preferences, what is buying habits, what is psychic factors related with the buying? To planning about the rural consumers approaches is a big need of present scenario. Every activity is connected with globalization, companies become MNC but this is possible when every type of consumers targeted and works accordingly. In some cases it may differ but mostly the same. Every company face competition so that it is necessary to plan out accordingly. Consumers are god whichever small or big. The modern scenario education level has been increase in rural areas and facilities provided by Government are comparatively good like, electricity, transport, educational facilities. Rural areas some basic requirements are necessary to provide that's basis share of rural markets will increase, which is to create awareness of basic things, availability of products and enhance satisfaction level.

Keywords: - Consumer Behaviour, Rural Consumers, Rural Market, Modern Scenario, Decision Makers and Marketers.

# **1. INTRODUCTION**

Rural areas is in India near about 70%, rural areas in terms of facility has poor but in this scenario terms of facility and development situation is continuously has been changing. Rural person's psychology, thinking, behavior and attitude may vary from urban and vary accordingly to area wise. In India rural population of every state is large mostly, comparison to the urban, so one thing is clearly shows that, the development of new company or existing, without the attachment of rural market not possible to sustain long run. Business is long run activity, we never aspect in short run. Long run small profit ratio becomes big. In present scenario rural India move towards growth but race of development in according to urban, rural areas is so poor. Positivity and ethical policy always benefitted for policy makers. Ethics are important not only in business but in all aspects of life because, it is an essential part of the foundation on which a civilized society is build (Araskumar 2016). Without ethics is not sustain any work especially in business, some of the business is not follow Government guidelines, ethical policy towards the consumers they had not adopted properly, then they will not gain success. In Indian culture especially in rural areas, persons linked with more society oriented in terms of buying process. Orientation towards friends, relatives and family members for buying or directly says they are follow suggestive buying. Society effects on buying habits also, friends, relatives or family members buying any products another buying the same, however the rural consumers experience greater influence of their families as compared to their urban counterparts (Jagvinder Singh 2012). Friends and family members' recommendations had significantly more impact on buying decisions of rural consumers especially in lower income group. Packaging had significantly more impact on buying decision of lower income consumers than high income consumers (Singh & Singh 2014). Small quantity, very low price prefer these peoples. Rural consumers always give preference more quality low cost but in small quantity in minimum price also preferred like, shampoo small quantity packet, face cream, even oil in small packets are available in one or two rupees. Rural market opportunity is very big. Marketers invent areas especially in rural, planning and research for better results.

Behavior of rural consumers always distinct from place to place, compare rural consumer from Punjab to Orissa, Tamil Nadu to Madhya Pradesh, Bihar to Kerala. Even if compare same district which is nearby

city and long distance backward places rural consumers are differ. Thinking of rural consumers, preference, buying habits and other basic things is different from place to place. Rural consumers mostly cases identify product on the basis of color, design and packaging. Rural consumer some time confused name of product, likely same name, consumers are not able to decided original brands. Sometime retailer try to sell this type of products and consumers are accepted innocently, they think shopkeeper is my friend, my neighbor, he always tell us true, because in rural areas every person's relations good and they are in terms of behavior attached to each other and rural retailer is local resident. The convenience of local retail stores has implications on store size and spread for retail chains, the outshopping by rural consumers is possibly related to the perceived value offered by these locations than just population or mass, in the context of rural areas convenience is an important determinant of shopping location and population may not completely explain outshopping behavior, this has implications for retail chains on the store size and their spread (Velayudhan 2014). Availability of products is one of the most important factors. Misunderstandings of consumers and availability, both are problematic factor, policy maker always keep in mind assess of rural consumers buying habits and some plan out awareness regarding the product and availability of products. The implications of the findings for a manager working for fast moving consumer goods (FMCG) company planning rural distribution would be that he/she first needs to understand the external environment at the taluka level in rural areas and then do the distribution planning, he/she needs to take into consideration the buying preferences of the rural retailer in terms of quantity and frequency of purchase and credit requirements (Aithal 2012). Rural areas in India spread largely; most of the state above 70% population lived in rural areas. Opportunity of rural marketing, especially in India is more than other foreign countries.

Attracting to rural consumers are not so easy task because local players already keep up market, they are giving misleading information relating to new companies to the consumers, so it is necessary to proper plan out and then assess to rural market. Marketers fulfill true responsibility of business, then that time rural can chance to grow, that affects country development. The core of a scientific approach is to understand the market opportunities for rural products along with the country's development priorities and to chalk out a strategy where rural industries have an important role to play (Singh & Sharma 2012). Country development way is related with ethical business perspective, that's basis every person marketers, consumers and Government all benefitted. Rural market is very vast market, in India many languages, cultures, religions, costs and many customs has followed.

# 2. OBJECTIVE

To discuss opportunity of rural marketing approach through adopting various marketing and behavior techniques

## **3. REVIEW OF LITERATURE**

#### 3.1. Rural Market and Marketing Activities

(Kumar & Dangi 2013) Conclude that rural India offers huge opportunities which companies can tap for their growth and development. However, Companies face many challenges in tackling the rural markets. 833 million people reside in India as compared to 377 million in urban India so vast untapped opportunities are available in rural India, but marketer unable to tap these opportunities because of lack of infrastructure facilities. (Sandhu 2012) India is a vast country with several languages and regional behavior variation, needs attention in developing rural so it communication strategy, the next big marketing revolution in the world is going to happen in the rural India and corporate are likely to be involved in this venture. (Priteshkumar 2013) Suggested that today's consumers are very smart, so business should be carried out in an ethical ways. Even day by day various laws are being enforced for protecting consumer's rights. Rural consumers generally prefer to buy those products, where they can have credit facilities. Specifically in rural areas people are closely known to each other. (Bandyopadhyaya 2007) Suggested that in changing condition of Indian market and growing imperatives to go rural, product innovation has become a key to success of both multinational and local companies who intend to take advantage of the vast hitherto untapped rural market. (Kotni 2012)In rural markets, customs and beliefs play important role in success or failure of any Therefore every marketer has product. to concentrate on rural markets apart from the matured urban markets. (Bukhari & Gupta 2013) The companies and retailers are trying to cater to the needs of the rural people, but still much is needed to be done ahead. In addition, for the development of the rural markets, the up liftment & development of the rural people is also a critical requirement. (Hemant & Shruti 2013) concluded that Marketers need to identify the end users of product and services. They should frame marketing plans than considering the wholesalers and retailers who actually are the intermediaries in the process of purchase. Therefore marketers should consider the consumers and then develop their plans of action. Here lies the essence of marketing. The consumer is the king and all actions should start with his view in mind. (Aithal 2012) The study also brings out the influence of rural retailers on channel length which again can be considered as a contribution because of presence of small retailers in large number is a part of reality in rural areas and needs to be taken

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into consideration before planning for rural distribution.

#### 3.2. Rural Consumer Behavior on Products and Marketers

(Jha 2013)The findings suggest that for rural consumers the consumption pattern is very much influenced by family size and structure. After arriving at the choice set in the evaluation stage of the buyer decision process, all the selected brands are acceptable to the rural consumer. (Ali, Raj & Kahn 2012) Suggest rural customers trust retailers in their villages. During the field visits, it is observed out that though the retailers are aware of the fact that their customers listen to them, they are not aware of this wonderful principle called, the 'Trust Factor'. The companies must educate rural retailers about such modern marketing principles for a better performance. (Kumaravel & Vikkraman 2013) Consumer behavior is largely affected by product specific factors like place, price, product and promotion. In addition to that personal factors like psychology factors and people influences also having impact on the consumer behavior. (Srivastava & Kumar 2011) Suggested for research in done in the past, most consumer researches in rural market have used a piecemeal approach and there has been no comprehensive framework to integrate the findings in a meaningful manner.

#### 4. STRATEGIES FOR MAINTAINING LONG TERM SUSTAINABILITY OF RURAL MARKET

4.1. Price: price is important aspect, rural consumer think low price and more quantity. They never expect price variability in short duration. Especially in rural market in short duration variability gave negative effects. Sometimes companies not increase price but decrease in quantity, in present scenario this types of changes gave negativity. Because education level enhances day by day but most of time uneducated consumers not concentrated properly. For the purpose of analyzing the relative significance of Price Related Factors, Two Factors, namely, Reasonable Price of the Brand and Availability of Special Discounts on the Brand were put forth before the respondents with a request to rank them 1 and 2 order in of Importance (Dhadhal 2011).

4.2. Quality: Rural consumers are preferred quantity but companies continuously decrease quality that is bad health for business concern. This is important factors that should be follow marketers and strategy makers for healthy business. Quality factor is very important aspect in any business operation.

4.3. Adopt New Strategy and Preserve Social, Demographical Factors: Always need to remember one thing that is cultural, social, demographical adoptability that should necessary for good business environment.

4.4. Set effective Marketing Plan: Marketing plan and logical factors are important aspects because rural persons not read newspaper properly and T.V. advertisement is sometimes affect, sometime movie or any other Television actor advertise some most prominent product that is affected in some times. Sometimes rural consumers forget name of product, called it actors name whose advertise that product. Sometimes local person become big player, actor then if they are advertise such particular products that is good impact in marketing.

4.5. New Product Development: Some time consumer not satisfied for particular brand then that time need arise for do research in particular circumstances and launch new product in new name then that is easily without see company name not understandable what the company is? So keep and advertise and maintain liability to success in business.

4.6. Values for Consumers Thinking: Consumers thinking is most valuable because of that, it is a way to assess success. In 6, 7 years ago mobile company allowed to only per minute basis calling, consumer if called and talked to 10 seconds mobile company deducted in full minute charges then Tata Docomo GSM services allowed to second basis services, sometime later every company gave same service. This example is best suited for this factor.

**4.7. Availability of Products:** Availability of products is important aspects. Rural market is vast area that should be approach but maintain is not so easy. In rural areas not specified shop for each product. One shop contained multiple types of products. If marketers will provide every types of facility, provided same as urban areas, in convenience way, that is base for achieve rural market share.

4.8. Behavior of Retailer: Retailer behavior affects business if voice tone of retailer is not good consumer goes another shop whichever sell any other products that are loss situation for company. So it is essential that retailer has been trend and well behave towards the consumer.

4.9. Policy of Customer Care Action: Customer care policy is important in modern scenario because new generations of rural persons is educated, so they are smartly understand what is good for him? Another factor is that every rural person not understands any standard language like, Hindi or English so companies provide local customer support for particular area. So companies may attract rural consumers and can growth rural in areas.

#### 5. TECHNIQUES FOR KNOWING CONSUMER BEHAVIOR AND BUYING HABITS OF RURAL CONSUMERS

Rural consumer's behavior is different from urban, so strategy may vary to assess consumer behavior of rural. Some techniques that basis assess behavior.

**5.1. Conduct Survey for Research Purpose and Analyzing Factors:** Marketers should necessary to conduct survey for the purpose of research and find some solution. Survey is also necessary for the update of new information related to the market. Every time marketers update information and necessity to forecast things for do better in future.

**5.2. Sample Distribution:** Distribute samples of company and gather information regarding the product is suitable for their uses. Free sample and then advertise products, then some special campaign arrange for advertisement. Rural consumers always try to products which are comparatively low and credit system also wants to the retailer. Credit system in rural market is important aspects that's basis mostly of business concerns happened. Rural areas every person's known to each other so credit facility is become habitual.

**5.3. Products Varied from Various Types Uses:** Company if provided various types of products are good because it helps to assess more share of rural areas. To cover every aspects and every persons, so it is essential for provide variety of products. Some cases marketers think in rural market these types of products are not selling but they are not right because in modern scenario rural areas has been changed. Examples, Rural areas in presently those consumers are use branded products that is mostly, HUL products, ITC and electronics segments Philips, LG are mostly preferring user are the most

**5.4. Quality:** Quality aspects are important because it's provided information which types of products like which area most? So according to this next strategy prepare. In rural market marketers not fulfill every activity according full desire; one of the reasons is that accessibility of rural places is difficult and second marketers some time think rural persons does not know every policy in well but ethical policy is necessary for performing in business, place is not matter of ethics. It is necessary for every aspect.

**5.5. Collect information about rural consumer behavior in research papers, articles and books:** Various mode articles, books and thesis have available, so collect information related to this.

# 6. PSYCHOLOGICAL THINKING'S OF MARKETERS AND CONSUMERS BOTH

**6.1. Rural Purchasers Psychology:** Rural consumers purchase decision taken by suggestion of relatives, friends, family and trend of local areas but if company

provide product according to the needs of rural society defiantly company success to achieve target. Rural society wants mostly low price products, small quantity packets and large quantity in low price. Sometimes consumers wait for particular product for long time because of price. Advertising effects not positive in rural areas but marketers may be vary for some advertising campaign for attract rural consumers. In local hats, melas, local regional language newspapers and recruit local sells persons for advertise products in targeting to rural areas that's basis marketers may be achieve success for business.

**6.2. Marketers Psychology:** Some marketers mentally attached, rural areas large sale of products is equivalent to medium sells of urban area, but this types of thinking is not good, they are think rural areas is backward place and where every types of products is suitable and any types research and inventions not necessary in rural areas.

# 7. SUGGESTIONS

7.1. Companies should not always price maker, price is depends upon reaction of consumers and expanses of company.

7.2. Values of system and respect of system, should be learn not only top hierarchy, ground level workers and sales persons need to know also and apply in real work.

7.3. Consumers protections law enforce very fast and many consumer has been knows about these laws, so if think strategy makers rural consumers are not know protection law and they are not educated properly, they are never take law against in marketers, for a small product, this types of thinking is not a identity of vigilant businessman.

7.4. Technology enabled services enhencing very fast, consumers protection law has been apply fastly, through social services most of law and related things approach fast on every persons, so vigilancy is very important and ethical values.

7.5. Technolgy updated fast, so complaits and compliment has been increased fast, handling all these services fast and well manner staffs for handling these services should be necessary.

7.6. Technolgy and social sites uses create difficulty for marketers, one of best example suited for this, Indian Railway provided services but Railway is a monopoly base organization, that's not substitute but in this time complaints and reports incresed via Twiter and they are giving proper response.

7.7. Credit system is a base of rural consumers, so need of ethical and qualitative business.

7.8. Business run on the basis of 4ps that is product, price, place and promotion but if ( $5^{th}$  p, people)

apply then it may banifiacial for companies because rural consumers more oriented towards society.

# 8. LIMITATION

This paper is based on secondary data that is collected by various journals and Ph.D. thesises, so may be some updated information had left.

# 9. CONCLUSION

Approachs of this paper is futurstic and imlicable for business, this paper is try to conclude especially the rural area concepts. Rural market is vast, various research has been conducting in this area. Aim of this paper is to spread awarness among markters and researchers in rural areas, especially in new marketers.General point of view every person's says that rural is heart of India and farmers are foundation of nation but actually everybody ignored rural areas in reality, everybody think what are benefits to apread facilities of rural areas? Everbody think, they are not understand smart services because of litracy. We need powerful India, every field, everywhere Indian style will become emulator. So, we need ethics on thinking and doing both, then we have create good nation and good business practices.

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