Semester - 5

Chapter - 1

Rural Marketing : Concept and Nature

Intro

The Indian rural market is becoming a center of attraction for marketers ~~all~~ across the country because 75 percent of the ~~con~~ country's population lives in rural areas and about 50 percent of the national ~~incomes~~ income is generated from rural areas. In 1960, the focus of marketers was only on urban markets, but after 1990, they started focusing on rural ~~mark~~ marketing. ~~is essential for correct development~~

Rural Marketing can be classified into two parts :-

(a) Rural Consumer
(b) Rural Demand

Consumer

(a) Rural Consumer

Based on the 2011 census, an average of 75% of India's total population lives in villages. In States like UP, MP, Rajasthan, kerala, Bihar, and Odish, the percentage of rural population is up to 80 to 90%, i.e. 80 to 90 percent of people in these states lives in villages.

(b) Rural Demand :

Rural demand is made by affluent farmers, government employees, other farmers, tenants, agricultural laborers etc.

Meaning of Rural Marketing

Rural marketing refers to the purchase and sale of goods and services produced at the rural level. It includes the study of production and distribution activities of agricultural products and institutions related to the ~~agricute~~ agriculture industry.

Definition

Rural marketing is that branch of agriculture science in which the production and distribution of ~~agriculture~~ agricultural product, activities are analysed, and the analysis of ~~organi~~ organisations related to agriculture ~~indu~~ industry is also done.

— Philip Kotlar

Features

1. Vast and Scattered Market :

- India's rural market is quite vast and scattered across different regions.
- It has 625 million consumers.
- This market is spread across 5,76,500 villages.

2. Low living Standard :

The purchasing power of rural consumers is quite low, and apart from this, their educational level is also low.

3. Unity in Diversity :

- Indian rural consumers are different in terms of religions, language, culture, and Social customs.

4) Steady Growing Market :

It the last three decades, growth has been seen in the rural market.

5. Demand is Seasonal :
In rural India, the demand for goods and services is based on ~~agricul~~ agriculture. It is 60 % of the rural generated income.

Importance

1. Source of Employment :
Rural marketing reduces the problem of unemployment in the country to a great extent because India is an agriculture dominated ~~ton~~ country, so a large part of India's population is earning its livelihood from the marketing of agricultural products.

2. Importance Of Industries :
- Industries in India depends on agriculture for raw material. Rural marketing provides them with raw materials. Ex : tea, coffee, & rubber etc.
- Rural marketing also fulfills the demands for raw materials of ~~small-scale~~ ;

Small - scale industries.

(3) Supply of ~~Stoo~~ food grains:

- Rural marketing plays an important role in meeting the growing food demand of the population.
- Rural marketing provides an adequate amount of food for the growing population.

(4) Development of Transport System:

- Various means of transport are used in rural marketing activities. Ex: Railways, motors etc.
- When using these through rural marketing ~~to~~ leads to their ~~do~~ development, i.e., the transport industry thrives.

(5) Availability of Commodities:

- Essential commodities are delivered to customers through rural marketing.