

# Problems and Opportunities in Rural Marketing: A Study of Raipur's Southern Districts

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**Abstract:** Most Indians reside in villages. Furthermore, this rural population forms the backbone of Indian society and embodies the country's true character. The Indian rural market has been able to demonstrate to marketers across the country the signs of ripe opportunity due to its diverse range of demand. It presents the marketer with a variety of opportunities and difficulties that must be carefully considered in order to develop effective marketing plans. We still need to better understand rural consumers' buying patterns, attitudes, and behaviours, especially from a marketing perspective. The study is based on both primary and secondary data collected for three years, ranging from 2017 to 2019. The current investigation was conducted in four stages. The profiles of the marketers and their personality scores were discussed at the initial stage. The discussion of rural marketing issues is then followed by a second step of democratic discrimination over how these issues are seen. The analysis of market threats in rural markets, the SWOT analysis, and the areas of prospects in rural marketing are used to assess the prospects in rural marketing at the third stage. The necessary marketing strategies and rural marketing mix requirements are determined at the very end.

## 1 INTRODUCTION

Rural marketing in India significantly impacts people's lives and the Indian economy. It governs commercial activities involving the flow of goods from urban sectors to rural regions and the sale of non-agricultural items. Rural marketing focuses on the sale of manufactured goods in rural areas and agricultural products in metropolitan areas. The Registrars of Companies in each state manage the rural market, which accounts for nearly half of the nation's income. Rural consumers have unique traits, as well as regional variances in purchasing patterns, income levels, and macro- and microenvironments. A distinct marketing strategy is needed to meet the needs of rural consumers. Rural marketing tactics in India enable brands to connect with rural clients effectively. Techniques like hoarding and mobile marketing have evolved over time, making it easier to reach rural audiences. The large and developed rural market attracts many brands, making it crucial for marketers to adhere to these techniques and methods.

## 2 MARKETING APPROACHES FOR RURAL COMMUNITIES

There are numerous rural marketing tactics in India that can be used today to connect with rural clients. Your brand will thrive in rural locations with omplex planning and successful rural marketing methods. There are a variety of techniques available in the rural market, from hoarding to mobile. Reaching rural audiences has gotten easier as rural marketing in India has evolved over time. In the section below, we've listed the best rural marketing tactics for reaching Indian farmers. With these methods, rural marketing is now a rather simple procedure. The brands are able to effectively target rural audiences thanks to their rural marketing tactics. Due to the sizeable and developed nature of the rural market, there are many brands in India that are interested in entering it. Nowadays, the majority of marketers, both new and old, desire to penetrate this sector. Therefore, if you fall into this category, you must adhere to the rural marketing techniques and methods described above.

## 2.1 Need of the Study

Marketers have reached a certain saturation point in urban areas, but there is still enormous untapped potential in rural areas. But it's not always simple to reach the rural market. It doesn't resemble an urban market. It presents the marketer with a variety of opportunities and difficulties that must be carefully considered in order to develop effective marketing plans. Therefore, it is essential to grasp the current situation of the rural market, as well as its prospects and problems.

## 3 REVIEW OF LITERATURE

The following discussion includes a review of prior research on rural marketing in India as well as issues and future potential. Shukla and Tandon (2011) remarked that rural India provides opportunities for businesses to grow and thrive. Companies in the rural market might earn higher earnings, market share, and so on as a result of technological advances in distribution and marketing. Pawan (2013) the causes for the prospects of rural marketing in India have been discovered. These include an increase in disposable income and purchasing power, a reduction in risk during the recession, an increase in literacy, IT penetration in rural India, rapid infrastructure improvement, and an increase in population and demand. Malick and Jothi (2014) the significant problems in rural marketing have been identified. These include low literacy, communication issues, traditional living, promotional media, seasonal demand, transportation, distribution, a job in the rural market, purchasing decisions, and cultural considerations. Ingle (2015) stated that rural markets provide enormous growth prospects due to an unexplored market, a vast population, and a large scope for penetration. A competent marketing plan, such as acceptance, affordability, and awareness, as well as the adoption of some new marketing tactics, can assist organisations in tapping the enormous rural market. Gosari and Vishal (2016) the role of rural marketers in rural marketing was discovered. The scope of rural marketing is expanding for secured rural marketers. They are learning to take advantage of all opportunities and to turn dangers into opportunities. The majority of individuals in rural areas are unwilling to invest in business and are also unable to accept that being an entrepreneur is also their vocation. Shrivastava, N (2017) found that many Developing countries in the world may not have appropriate infrastructure due to a lack of funds. Now

better infrastructure facilities can be easily created by foreign funds, Foreign direct investment (FDI) is the most strategic and vital tool for any country's infrastructure, domestic investment, increasing human capital formation, and facilitating the technology transfers for the development of rural areas.

## 4 RESEARCH GAP

Indian research on rural marketing is extensive, but little is known about the perspectives of farmers and dealers. This study aims to fill research gaps by examining their perspectives on challenges and opportunities in rural marketing using a proposed research paradigm.

### 4.1 Objectives

- To examine the problems in rural marketing as per the view of marketers.
- To identify the discriminant aspects in problems and prospects in rural marketing among the farmers and traders.
- To analyse the strengths, weaknesses, opportunities, and threats in rural marketing.
- To study the required marketing mixes for future rural marketing.

### 4.2 Methodology

The study uses primary and secondary data from 2017 to 2019, with a carefully planned interview schedule divided into four halves. The first section discusses marketers' characteristics, challenges, market threats, SWOT analysis, and potential areas for rural marketing. The second section focuses on marketing strategies and mixtures for the future. Five farmers and five traders from each of the four southern districts participated in the pilot survey. In response to their comments, adjustments were made to the final schedule for gathering the marketer's core data, and the Likert scale including some changes and deletions.

Table 1. Determination of sample size

S.N.	Category	Sample Size-- $n=[Z\sigma/D]^2$	Total
1	Farmers	$n=[1.96 \times 0.6173/0.5]^2=585.55$	586
2	Traders	$n=[1.96 \times 0.4984/0.5]^2=381.7$	382
	Total		968

The sample size of farmers and traders included in the present study is determined with the help of the above-said formula and shown in table no 4.1. Farmers and traders were assigned sample sizes of 586 and 382 based on the standard deviation of marketers' satisfaction with rural marketing in the pilot study, which was 0.6173 and 0.4984, respectively.

### 4.3 Area of Study

The researcher chose four rural marketplaces in Raipur's southern region for this work. The researcher is knowledgeable about the local dialect and culture in these places. In all four rural market areas, namely (Fundahar, Mathpurena, Sejbahar, and Tikrapara), the determined sample size of farmers and traders is distributed evenly in all four marketplaces. In total, 586 farmers are dispersed evenly across all four rural marketplaces in Raipur's southern region. As a result, each district's sample size is 149 farmers. In each

district, the permitted sample size is 94 traders. As a result, the current study's sample approach is judgment sampling.

Table 2 summarises the Eigen value and the percentage of variation explained by each key concern that the first three IPRM narrated by the factor analysis are poor marketing systems, financial-related problems, and poor marketing knowledge since their Eigen values are 6.4, 5.1, and 4.3 respectively. The percent of variation explained by these three IPRMs are 15.1, 12.1, and 10.1 respectively. The next IPRM identified by factor analysis are customer-related problems and poor informative access since their Eigenvalues are 4.1 and 3.8 respectively. The percent of variation explained by these two IPRMs are 9.3 and 9.1 percent respectively. The last two IPRM narrated by the EFA are sales-related problems and lack of infrastructure since its Eigenvalues are 3.4 and 3.1 respectively. The percent of variation explained by these two IPRMs is 8.3 and 7.2 percent respectively. These seven IPRMs are included for factor analysis.

Table 2: Important problems in rural marketing (IPRM) \*Significant at zero percent level.

S.N.	problems in rural marketing	Number of variables in	Eigen value	% of variation explained	Cumulative % of variation explained
1	Poor marketing system	10	6.4	15.1	15.3
2	Finance related problem	7	5.1	12.1	26.1
3	Poor in marketing knowledge	6	4.3	10.1	36.2
4	Customer related problems	6	4.1	9.3	45.3
5	Poor information access	6	3.8	9.1	54.1
6	Sales related problems	5	3.4	8.3	62.3
7	Lack of infrastructure	4	3.1	7.2	68.4
KMO measure of sampling adequacy:0.7396			Bartlett's test of sphericity: Chi square value: 81.09*		

Table 2 displays the results. where the t statistics are significant at the 5% level. Poor marketing expertise and customer-related problems have the highest mean differences, with mean differences of 0.6 and 0.5, respectively. Wilks lambda values of 0.102 and 0.119, respectively, indicate higher discriminant power in the event of inadequate marketing expertise and a poor marketing system.

Table 3: Marketers' View on SWOT in Rural Marketing.

S.N.	Components of SWOT	Mean score among		't' statistics
		Farmers	Traders	
1	Strengths	3.38	3.79	-2.4224*
2	Weaknesses	3.83	3.33	2.6038
3	Opportunities	3.28	3.77	2.5117*
4	Threats	3.74	3.21	2.5084*

\*Significant at a 5 percent level

Table 3 contains the results. Farmers place a high value on weaknesses and threats, with mean values of 3.83 and 3.74, respectively. These two are strengths and opportunities among traders, with mean scores of 3.79 and 3.77, respectively. Since its 't' statistics are significant at the 5% level, there is a considerable difference in the farmers' and traders' perspectives on all four components of SWOT.

Table 4 shows the Eigen value and the percentage of variation explained by IRMFIRM. Since their eigenvalues are 7.82 and 4.91, respectively, availability and awareness are the first two IRMFIRMs that factor analysis describes. The percentage of variation that these two IRMFIRMs account for is 23.70 and 14.91%, respectively. Because their Eigen values are 4.1132 and 3.97, respectively, the factor analysis selected affordability and acceptability as the next two IRMFIRM. These two IRMFIRMs account for 12.51 and 12.02 percent of the variation, respectively. The four narrated IRMFIRM have been added for additional analysis. The 33 variables in the RMFRM are explained by the recounted four IRMFIRM to a degree of 63.05 percent.

Table 4: Important Required Marketing Mixes for Future Rural Marketing (IRMFIRM).

S.N.	IRMFIRM	Number of variables in	Eigen value	% of variation explained	Cumulative % of variation explained
1	Availability	11	7.82	23.70	23.70
2	Awareness	9	4.91	14.91	38.57
3	Affordability	7	4.11	12.51	51.03
4	Acceptability	6	3.97	12.02	63.05
KMO measure of sampling adequacy:0.7089			Bartlett's test of sphericity: Chi square value: 81.83		

## 5 SCOPE FOR FUTURE RESEARCH

The current study will serve as the foundation for a wide range of next studies in the field of rural marketing. Here is a list of them. The issues with rural marketing may only be the subject of a separate investigation. According to the marketers, it might cover the reasons of these issues and their solutions. Similarly, to this, future research may evaluate the potential for rural marketing, its region, and necessary tactics as a separate topic of study. Future research may examine the relationship between rural marketing's issues, opportunities, and performance. Rural consumer behaviour in the age of globalization may be the subject of different research. In the near future, it may be researched how government actions influenced the growth of rural marketing. The focus

of the next research will be on marketing tactics and techniques used in the study area's rural markets.

## 6 CONCLUSION

The current study comes to the conclusion that while there are many opportunities in rural marketing, there are also many serious difficulties. Poor marketing understanding and issues relating to customers are the main issues. Despite issues including a lack of infrastructure and difficult access to information, these are described by the qualities at a higher rate. Overall, farmers are experiencing more issues than traders. It can be a result of their personal characteristics and personality features, which the current study acknowledges. To successfully position their products, marketers are urged to create effective rural marketing mixes that include availability, awareness, affordability, and acceptability. The current study has recognized the following strategic rural marketing practices as being necessary for the future of rural marketing: effective promotion strategies, developmental marketing, knowledgeable sales staff, demand management, value-added services, and input building. If marketers follow the procedures, they will profit more from rural marketing because the prospects there are better.

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