

₹ 200

ISSN - 2249-555X

Volume : 1

Issue : 7

April 2012



Journal for All Subjects

www.ijar.in

Listed in International ISSN Directory, Paris.



ISSN - 2249-555X

Indian Journal of Applied Research

Journal for All Subjects

Editor-In-Chief

Dr A Kumar

Director, College Development Council (CDC)
Director, Internal Quality Assurance Cell (IQAC)
Professor in Management,
Department of Business Administration, Faculty of Management,
Bhavnagar University,

Editorial Advisory Board

Dr. S. N. Pathan
Maharashtra

Dr. SM. Ramasamy
Gandhigram

Dr. M. M. Goel
Kurukshetra

Dr. S. Ramesh
Tamil Nadu

Dr Ramesh Kumar Miryala
Nalgonda.

Dr. B. Rajasekaran
Tirunelveli

Dr. A. R. Saravankumar
Tamilnadu

Dr. Roy M. Thomas
Cochin

Dr. G. Selvakumar
Salem

Dr. Apurba Ratan Ghosh
Burdwan

Dr. Shrawan K Sharma
Uttarakhand

Dr. Sudhanshu Joshi
Uttarakhand

Prof. (Dr.) B Anandampilai
Pudhukottai

Advertisement Details

Position	B/W (Single Color)	Fore Color
Full Inside Cover	₹ 6000	₹ 12500
Full Page (Inside)	₹ 5000	-

Subscription Details

Period	Rate	Discount	Amount Payable
One Year (12 Issues)	₹ 2400	Nil	₹ 2400
Two Year (24 issues)	₹ 4800	₹ 200	₹ 4600
Three Year (36 issues)	₹ 7200	₹ 300	₹ 6900
Five Year (60 issues)	₹ 12000	₹ 600	₹ 11400

You can download the Advertisement / Subscription Form from website www.ijar.in. You will require to print the form. Please fill the form completely and send it to the **Editor, INDIAN JOURNAL OF APPLIED RESEARCH** along with the payment in the form of Demand Draft/Cheque at Par drawn in favour of **INDIAN JOURNAL OF APPLIED RESEARCH** payable at Ahmedabad.

1. Thoughts, language vision and example in published research paper are entirely of author of research paper. It is not necessary that both editor and editorial board are satisfied by the research paper. The responsibility of the matter of research paper/article is entirely of author.
2. Editing of the Indian Journal of Applied Research is processed without any remittance. The selection and publication is done after recommendations of at least two subject expert referees.
3. In any condition if any National/International University denies accepting the research paper published in IJAR, then it is not the responsibility of Editor, Publisher and Management.
4. Only the first author is entitled to receive the copies of all co-authors.
5. Before re-use of published research paper in any manner, it is compulsory to take written permission from the Editor-IJAR, unless it will be assumed as disobedience of copyright rules.
5. All the legal undertaking related to Indian Journal of Applied Research is subject to Ahmedabad Jurisdiction.
7. The research journal will be sent by normal post. If the journal is not received by the author of research papers then it will not be the responsibility of the Editor and publisher. The amount for registered post should be borne by author of the research paper in case of second copy of the journal.

Editor,

Indian Journal Of Applied Research

8-A, Banans, Opp. SLU Girls College, New Congress Bhavan, Paldi,
Ahmedabad-380006, Gujarat, INDIA

Contact.: +91-9824097643 E-mail : editor@ijar.in

INDEX

Sr. No.	Title	Author	Subject	Page No.
1	Current Issues In Indian Capital Market	Bhavin S. Shah	Accountancy	1-3
2	Accounting Standard (AS) 30 Accounting for Financial Instruments	Kalola Rimaben A, Chauhan Lalit R.	Accountancy	4-6
3	A Study on Lithology and Petrography of the Tipam Sandstones Exposed along the Tipong Pani River Section of Upper Assam Basin	Dr. Pradip Borgohain	Applied Geology	7-11
4	Study of Fluvial Geomorphic Features of the Lower Subansiri Basin, North-East India using Remote Sensing and GIS.	Dr. Uttam Goswami	Applied Geology	12-14
5	Sheared volcanics in the north of Pugging, East Siang District, Arunachal Pradesh	T. K. Goswami, P. Bhattacharyya, D. Bezbaruah	Applied Geology	15-18
6	Heavy Metal Biosorption Using A Biopolymer Chitin	D. Saravanan, P. N. Sudha	Chemistry	19-23
7	Impact of peripheral cues on rural consumer buying decision for FMCG products with special reference to Palitana (Gujarat)	Dr K.S. Vataliya, Bhavik .P. Parmar	Commerce	24-26
8	A Growth of Rural Postal Life Insurance in India [A Study with special Reference to Dharmapuri District]	Dr. A. Vinayagamoorthy K. Senthilkumar	Commerce	27-28
9	Promotional Strategies for International Markets with respect to Agricultural Products	Dr. B. B. Bhosale	Commerce	29-30
29	Business Risk And Financial Risk - Indian Corporate Sector	Dr. M. Dhanabhakyam, P. Balasubramanian	Commerce	31-33
10	"Customer Relationship Management"- In Banking Industry	G.V. Kori, Sri. Basavaraj Huggi	Commerce	34-36
11	Role of Investment Banks and Institutions in Economic Development	Jitendra Dhirajlal Karia, Dr. (Prof.) Vijay Kumar Soni	Commerce	37-38
12	Nature Of Information Shared And Communication Methods Used In Small Manufacturing Firms	Vipul Chalotra	Commerce	39-41
13	China's WTO Accession: An Empirical Assessment of Merchandise Trade with India	Anjali Tandon	Economics	42-45
14	Regional Disparities - Social Sector Expenditure in Rural-Urban India	Dr. Shankar B. Ambhore, Dr. Ashok S. Pawar	Economics	46-47
15	(Presenting Thought About Industry, Trade And Co-operation Of Rajarshri Shahu Maharaj)	Dr. Ashok Shankarrao Pawar, Dr.Sunita J. Rathod	Economics	48-49
16	An Assessment On Poverty Alliviation Programmes In Rural India-A Case Study	Dr. Parvathamma G. L.	Economics	50-55
17	Liveability in Guwahati: A Factor Analytic Approach	Dr. Daisy Das, Dr. Ratul Mahanta	Economics	56-58
18	Backward Class Disparities in higher Education in India	Dr. Shankar B. Ambhore, Dr. Pawar Ashok S.	Economics	59-60
19	Revenue and Expenditure Pattern of Municipal Corporations of Punjab	Naresh Kumar	Economics	61-66

20	Livelihood Security of Traditional Fishermen of Kerala: Analysing and Identifying the Roles of Self Help Groups	(Dr.) D. Rajasenan, Rajeev B.	Economics	67-70
21	Levels and Types of Questions Raised by EFL Teachers In Southern Al-Mazar Directorate of Education	Dr. Jihad Al-Turki	Education	71-74
22	Issues And Recommendations Of National Knowledge Commission In Higher Education System	Vidhi Bhalla	Education	75-77
23	Multiple Sequence Alignment of Different Species	Perna, Pankaj Bhambri, Dr. O.P. Gupta	Engineering	78-82
24	Analyzing the Phylogenetic Trees with Tree- building Methods	Jasmine, Pankaj Bhambri, Dr. O.P. Gupta	Engineering	83-85
25	Low Power High Speed with Improved Noise Margin for Domino CMOS Inverter.	Pushpa Raikwal, Dr.Vaibhav Neema, Dr.Sumant Katiyal	Engineering	86-88
26	Analysis of Drag for an Aircraft Wing Model with and without Winglet	Mitul Patel, Sharvil Shah, Dharmendra Dubey	Engineering	89-91
27	Cognitive Radio	Chauhan Jayesh R.	Engineering	92-95
28	Problems In Teaching English As A Compulsory Subject	Prof. Madhvi R. Acharya	English	96-97
30	Financial Banking Is The Science Of Managing Money: Indian Financial System	Dr. Shailesh N. Ransariya, Dr. Shailesh N. Ransariya	Finance	98-100
31	Carbon Trading a Step towards Green Environment	Ashok R. Bantwa	Finance	101-102
32	Effect of Supplementation of A Multinutrient Chocolate Bar on Nutritional Status and Athletic Performance	P. Muhtulakshmi, Dr. M. Sylvia Subapriya	Home Science	103-104
33	Imperatives of Inclusive Growth for Sustainable Development of Indian Economy Post Globalization	Dr Mahalaxmi Krishnan	Indian Economy	105-107
34	RIGHT TO INFORMATION ACT AND THE ROLE OF PRESS, MEDIA & NGO'S	Dr. Krushna Chandra Dalai	Law	108-109
35	``Thesis: A Powerful Source Of Information``	Arvind M Bhadrashetty	Library Science	110-111
36	Present Day English and Inflections	Dr Syed Mohammed Haseebuddin Quadri	Literature	112-113
37	Jigsaw II: An Effective Strategy To Develop Reading Comprehension Of High School Students	Dr. P. Nagaraj, Sindhu Thamba	Literature	114-115
38	CAPITAL STRUCTURE ANALYSIS (An Empirical Study of Paper Mills in India)	Ashok Mundhra	Management	116-118
39	Emerging Trends In Indian Rural Market	Dr. N. Ramanjaneyalu	Management	119-121
40	Credit Card Usage in Coimbatore	G. Murali Manokari, Dr. R. Ganapathi	Management	122-126
41	Micro Credit – Two Sides of the Same Coin	R. Durga Rani, J. Gnanadevan, Dr. R. Ganapathi	Management	127-130
42	Work Place Stress and Yoga Therapy	K. Revathi, Dr. R. Ganapathi	Management	131-132
43	Customer's Satisfaction Towards Modernized Petrol Stations With Reference to Coimbatore City	Dr. R. Ganapathi	Management	133-137

44	Evaluation Tactics: A tool to evaluate success of corporate training programme	Dr. Shobha Dedhia	Management	138-140
45	A Preliminary Study On Issues And Challenges Faced In Measurement Of Social Media Return On Investment	Khushbu Pandya	Management	141-142
46	Profitability Analysis (A Case Study of Selected Public and Private Sector Companies)	Manish Manglik	Management	143-144
47	Performance Management System	S.Jayakrishna, N.Sainath, M.V.Subbareddy, N.Raji Reddy	Management	145-147
48	A Study On Organizational Culture In Bharath Heavy Eletrical Limited, Ranipet	S.Sridhar, D.Yuvaraj, V. Kandasamy	Management	148-150
49	Cost Effective Transportation	Sarada Prasanna Patra Dr. Manjusmita Dash	Management	151-154
50	A Study On Efficiency Of Outbound Training With Reference to Titan Industries, Hosur	V. Kandasamy, D. Yuvaraj, S. Ragothaman	Management	155-157
51	Performance Improvement Enhance The Efficiency	Vidya L. Hulkund	Management	158-159
52	Packaging- The Salient Seller	Vidya L. Hulkund	Management	160-161
53	An Empirical Study Of Student Satisfaction With Reference To Gujarat Technological University (Gtu)	Dr. Vijay K. Patel	Management	162-163
54	Maximizing Customer Profitability in Retailing Industry (Durable Goods) - Role of Analytical CRM -A Case Analysis	Dr.A.R.Krishnan, R.Selvamani	Management	164-165
55	Financial Inclusion - Role Of Banking Industry	Dr. K. Marutha Muthu, Ms.T. A.Tamilselvi	Management	166-167
56	The Growth of Self Help Groups in India: A Study	S.Ravi, Dr. P. Vikkraman	Management	168-170
57	Role of E-Banking	K. K. Devi	Marketing	171-172
58	Reasons after the war of going Green –Green Marketing	Kavita A. Trivedi	Marketing	173-175
59	Strongly Minimal Generalized Boundary	K. Chandrasekhara Rao, P . Padma	Mathematics	176-177
60	ACCESSORY RENAL ARTERY: A CASE REPORT	Archana U Shekokar, Vandana A Tendolkardolkar	Medical Science	178-179
61	Fibrinous Pericarditis: A Case Report	Vandana A Tendolkar, Archana U Shekokar	Medical Science	180-181
62	Social life, Addictions and Subjective Wellbeing of the Transsexuals	Seemanthini.T.S, Manjula. M. Y	Psychology	182-184
63	Using E-Content In Science Class: The Effect Of Treatment, Gender, And Their Interaction On Science Achievement	Suman Rani	Psychology	185-188
64	Bullying - Societal Curse- A Serious Issue	Latha Janaki. R, Dr.Kalyani Kenneth	Social Science	189-191
65	Factor Influencing Foetal Wastage	Dr. Dipti Bhavsar, Dr. C. D. Bhavsar	Environment	192-195
66	Approach Of Universilization Educational And Women Empowerment Of Rajarshri Shahu Maharaj	Dr. Ashok Shankarrao Pawar, Dr. Sunita J. Rathod	Economics	196-199



Emerging Trends In Indian Rural Market

* Dr. N. Ramanjaneyalu

* Assistant Professor in Management, Kousali Institute of Management Studies, Karnatak University

ABSTRACT

Rural markets have become integral part of global market. The negative impact of all the recent economic crisis on urban India has been more than offset by encouraging performance in rural areas. To explore and understand rural market is crucial for any marketers today. Rural market is like goldmine with lot of difficulties. This needs to formulate a well designed strategy to feel the pulse of the rural consumers and to tackle the mystic rural market. Many companies go to rural markets, still to make money, not to guide or help or develop rural consumers. The rural marketers must think rural for long-term success instead of short-term profit. In this context this paper highlights the emerging trends and challenges in Indian rural Market.

Keywords : Rural Market, Indian economy

INTRODUCTION

Business organizations have been embarrassing number of new trends in modern marketing such as E-marketing, Mobile marketing, Digital marketing, Green marketing, Corporate Retailing and so on. However, the very important trend happened in India is the tremendous growth in rural marketing. Indian Rural economy emerging as biggest contributor to economic growth of India it is estimated that it will be around 45% of GDP by 2020. The rural economy has provided a cushion to the Indian economy. Indian economy is able to sustain in spite of all the crisis happened in other parts of the world is because of the backup of rural market. Rural consumers, who were on the receiving end so far, are now slowly getting into position to dictate the terms for the first time. Rural market is like goldmine with lot of difficulties. This needs to formulate a well designed strategy to feel the pulse of the rural consumers and to tackle the mystic rural market.

Many experts defined rural market too narrowly confined only to geographic and demographic characteristics and ignored the socio-cultural and behavioral part of rural market. The marketers must understand, rural market means rural consumers' mindset, whether they buy from rural outlets or urban shops, whether they buy low end products or high end products, whether they live in village or in town, rural consumers have unique characteristics as their urban counterparts.

The word rural cannot be confined to the village, rural is not geography, not population, it is a mindset. Those who possess it are rural consumers and those who do not are urban. It calls for separate marketing strategies to be distinctively developed to suit the rural mindset. Most of the villagers highly depend on urban markets for their goods and services they have to go to nearby cities to buy the products. But, marketers not considered rural consumers as their target market even considerable amount of goods are consumed by rural consumers.

Some other experts opined that rural marketing is Agri marketing, which involves marketing of Agri inputs and outputs. However, rural marketing involves movement of goods and services from urban to rural and rural to urban markets. Rural marketing covers involve all the goods/services which satisfy the rural consumers and improve their standard of living. Many companies go to rural markets, still to make money, not to guide or help or develop rural consumers.

WHY THIS SHIFT IN MARKETING FOCUS TO RURAL INDIA?

1. Market conditions: Today marketers look at rural market by compulsion and by choice. It is compulsory because urban markets almost reached saturation point and there is no other go. It is also a choice because they are attractive and potential. Marketers start moving into the rural markets and find that there is a big fortune at the Bottom of the Pyramid.
2. Competition: Competition is becoming tough in urban markets compelling many firms to incur heavy costs in promotional expenditure. Most of the companies spending heavily on promotion which will become burden on existing consumers. Marketers find rural markets are more attractive where there is less competition.
3. Awareness Level: The awareness level of urban consumers is high hence they always look for new product or new features in existing product. This process needs a huge investment which will have a negative impact on profitability. Thus, perhaps for easy reach the urban markets have become extremely difficult. Since the awareness level of rural consumers is low they easily accept existing products.
4. Interdependency between urban and rural market: Urban markets invariably depend on rural markets for Agri produces such as food grains, fruits and vegetables, milk and meat, Agri based raw materials for sugar, cotton industries and so on. Similarly rural markets depend on urban products such as Agri inputs and other goods and services. Today this dependency has been increasing due to change in life style of rural consumers.

SOME FACTS ABOUT RURAL MARKET

Rural India consumes 45% of all soft drinks, 50% of sales of motorcycles, TVs, cigarettes, detergents, fans, blades, and a lot others. 70% of new subscribers for telecommunication, 55% of new policies for LIC, 60% of India's annual consumption of gold and jewelry is from rural and semi-urban areas. One of the key trends in the rural markets is people changing very quickly from cable to satellite TV. 50% of DTH connections are from rural market. Around 75% of the rural people are aware of insurance but less than 20% rural house holds owned a policy. Less than 10% of rural households own a

two-wheeler. Telecommunication services covered only 20% of rural market. Be it automobile, telecom, insurance, retail, real estate or banking, the future drivers of growth are rural. No marketer can afford to ignore the possibilities of rural India.

EMERGING TRENDS

1. The change in consumption pattern: The consumption pattern and life style among rural consumers is changing due to exposure to media. Media particularly TV has been a great leveler. Even in small villages, people who have seen the urban lifestyle on television seem to want similar goods and services. On the consumption front, 33% of rural consumers are eating biscuits and bread for breakfast. Instant noodle sales are double in rural India compared to urban. Seemingly 'urbane' brands in categories like deodorant and fabric softener are growing much faster in rural India than urban and 17% of rural buyers of hair dye now use colors other than black to indulge in the trend of externalized beauty that is picking up fast in rural areas. Companies have realized this and are going all out to tap this latent demand.
2. Increased level of education and employability of rural youth: Villagers realized their children education is the first priority. Most of the rural youth especially teenagers are well aware of products due to their school education and media exposure. Significant progress on literacy levels – 90% of the villages have a primary school within a 1 km walk. Private school enrolment in rural India has enhanced by 5.5% points over past six years. The literacy rate has also gone up by 68.91% in rural India. This enhanced the employability of rural youth they are not sitting idle in villages they are motivated to go to nearby towns to find the jobs.
3. Huge in Size: Indian rural market is huge in size because rural population accounts for almost 70% of Indian population as the recent Census 2011, 833 million live in rural India, 33% of rural population includes youth, number of households increased from 25 to 33 crore. The rural market is currently worth approximately USD\$ 10 billion in consumer spending in the FMCG market annually. Food categories are currently driving the bulk of the additional USD\$ 90 billion into the marketplace by 2025.
4. Increased purchasing power: Rural purchasing power has grown faster than urban in the recent years. Rural Indian economy is highly supported by increasing disposable income, Government initiatives and schemes and favorable demographics. As a result, the rural segment of the Indian economy is growing at a pace of 8-10% per annum. Government spending in rural India has tripled over the last four years and is now translating into higher consumer spending. Therefore, rural consumers are consuming more premium and convenience oriented categories that are typical of their urban counterparts. "Policy measures like the waiver of agricultural loans around US\$ 13.9 billion and the National Rural Employment Guarantee Scheme, which guarantees 100 days of employment to one member of every rural household (NREGS), the Bharat Nirman program with an outlay of US\$ 34.84 billion for improving rural infrastructure etc helped the rural economy.
5. The Rural youth will look for a piece of "premium" at an affordable price but the products must not appear "cheap". The classic example is TATA Nano Car; one reason Tata Nano hasn't taken-off is because it was seen as a cheap car. It indicates that rural consumers seeking a premium, in the sense that they are seeking an upgrade and not value for money. Value has to fall into place but it is one of the drivers, not the only driver. Brands, in the rural space, need to add a bit of imagery to themselves. Those consumers are reaching out to brands that are giving them that sense of premium. Rural India is seeking a sense of

moving up in life, a sense of pride. If brand managers believe that rural consumers will buy everything / anything cheap it is absolutely wrong.

6. Migration of Rural youth: Rural youth come to cities in search of better jobs. When they travel back home, they carry with them stories of urban lifestyles. Awareness is thus created in the potential markets. Increased contact of rural people with their urban counterparts due to development of transport and wide communication network has influence on rural consumers' life style. Transportation and telecommunication tools are seen as status symbol for the rural youth.

CHALLENGES AND STRATEGIES IN RURAL MARKET

Delivering to the rural markets is a real challenge to many marketers. In fact, the whole dynamics of rural markets are so unique that one has to look at beyond traditional marketing mix with advanced mix containing the 4A's instead of the traditional 4P's of marketing: *Acceptability* – develop what the consumer wants, *Affordability* – Make an affordable product, *Availability* – product made available at villages and *Awareness* - Don't promote the brand, demonstrate the product. Most of the marketers look at rural market as an extension of existing urban market hence they simply dump their existing product which is outdated in urban market into rural market. Hence marketers fail to penetrate into rural market in big way. Though rural consumers attracted towards urban life styles their dynamics are differ from urban consumers. Similarly rural marketing strategies are also significantly different from the marketing strategies aimed at an urban consumer.

1. Communicating with heterogeneous rural market: Every 20 kms of distance India is different. Different in terms of Language, lifestyle, culture, food habits, dressing and needs and wants and so on. Therefore, communication strategies must be more specific to the language and local culture. Mass media may serve the purpose of achieving awareness and interest but for creating conviction the consumer must have face-to-face communication medium. Client and Location specific promotion strategy based on the location and the client and co-operative promotion strategy, participation between the marketing agencies and the client are more relevant in rural market.
2. Lack of Infrastructure facilities: Infrastructure continues to be a challenge in rural India. There are many villages without access to continuous electricity, water, health and education and so on. Due to this problem reaching the remote village consumers is much difficult. Nearly 50% the villages in the country do not have proper roads. Physical communication to these villages is highly expensive. But instead of using traditional supply chains, many companies are distributing through rural self-help groups and micro lenders that are already plugged into villages.
3. Selection of sales force: The salesman in rural markets should be selected from the educated unemployed villagers, trained well and appointed as salesmen. The town-to-villages shuttling salesmen are to be replaced by stationary salesman in villages.
4. 'Foot in the door' strategy is the most popular marketing approach used for selling products like cell phone and motorcycle to rural segment.
5. 'Bundling of inputs' denote a marketing strategy, in which several related items are sold to the target client, including arrangements of credit, after-sale service, and extension Services such as providing the required know-how and so on.
6. Developmental marketing refer to taking up marketing programmes keeping the development objective in mind and using various managerial and other inputs of marketing to achieve these objectives.

7. Unique Selling Propositions (USP) involves presenting a theme with the product to attract the client to buy that particular product, the classic example, "Thanda matlab Coco cola". In urban India, it is a question of reach. But in rural India, it is about reach and preach". "You have to tell them what a cold drink is, how it is opened, how [to drink it] in a macho manner by holding your head up – you cannot take it for granted."

CONCLUSION

India's rural market could have been stronger than the present position, if Indian policymakers have made adequate infrastructure for rural India. Unless the proper infrastructure

developed in rural market with sufficient power, water, communication etc at a nominal cost, this demand may not be sustainable for long. The corporate people should think beyond their products and initiate innovative corporate efforts to replace government intervention for providing basic facilities, for example ITC's e-Choupals, to capture the rural market and stay long over there. Corporate sector needs to realize that to be successful in the rural market; they must go in with clear long-term strategy. Marketer must have willingness to invest in rural market with equal importance as they give urban market. Short-term promotional efforts may not deliver the desired results in the rural market.

REFERENCES

1. Pradeep Kashyap, Siddhartha Raut, The Rural Marketing, 2008, biztantra, New Delhi. | 2. S. Dhinesh Babu, A. Peer Mohamed Ariff, M. Ravichandran, Emerging Trends in Rural Marketing. | 3. <http://blog.nielsen.com/nielsenwire/consumer/india%E2%80%99s-rural-fmcg-market-to-grow-to-100-billion-by-2025/> | 4. <http://www.thehindubusinessline.com/features/brandline/article1543730.ece> | 5. <http://ingene.blogspot.com/2011/03/tata-nano-story-downfall-saga.html> | 6. http://www.ibef.org/artdisview.aspx?in=78&art_id=31134&cat_id=938&page=2 | 7. NTT DoCoMo's Tata Deal: Why Global Telecom Firms Want to Dial India. | 8. <http://online.wsj.com/article/SB125199080965883577.html>.



Sara Publishing Academy
Indian Journal Of Applied Research
Journal for All Subjects



Editor,
Indian Journal Of Applied Research
8-A, Banans, Opp. SLU Girls College,
New Congres Bhavan, Paldi, Ahmedabad-380006.
Contact.: +91-9824097643 E-mail : editor@ijar.in