



An Anantical Study of Ict Strategies For Retail Sector In Rural Area With Special Reference To Retail Merchandise Browses In Hingoli District

KEYWORDS

DR.SUBHASH VADGULE

Principal, Toshniwal Arts, Commerce & Science College, S.R.T.M. University, Nanded, Tq. Sengaon Dist. Hingoli (MS)

ABSTRACT Today rural market is important for all companies producing consumer products. This is because most urban markets are becoming competitive and saturated. Rural markets are tomorrow's market and the marketers should know how to penetrate these markets. This is not just because 70% of India's population still lives in rural areas, but because of sweeping changes that are occurring here. These changes are being fueled by the cable and satellite television as also by the advent of internet and telecommunication facilities. This has enhanced rural consumer's awareness and aspirations.

For the rural consumer, access to product or services is more critical than just its ownership. Rural marketing therefore requires an innovative approach. It involves changing the value paradigm by altering product's price performance relationship. It also involves designing products that can deliver in sub optimal conditions and despite infra-structural constraints. Companies will however have to establish strong distribution networks and grapple with unwieldy logistics as there are not enough dealers or distributors with access to rural markets and no proper retail outlets.

Reasonable pricing would have to be the key factor. Companies would have to concentrate more on "no frill products" for the rural consumer. In other words, they have to offer good quality functional products although it may not be equipped with features presents in high-end models. However, advertisers have to follow the principle of "thinking global and acting local" and even brand ambassadors have to be picked judiciously for reaching out to the rural consumers.

This paper attempts to study how the ICT strategies of 4P's are implemented in the rural market and whether implementing the right strategies for the right product will really helps the marketers to boost the business. A structured questionnaire was administered to find out the strategies of 4P's and 7P's should be adopted by the companies.

INTRODUCTION

The Indian rural market is at once fascinating and challenging. It offers large scope on account of its size and potential. It is also steadily growing, whereas the urban market is highly competitive, the rural market is fairly quiet. In fact, for certain products, it is totally a virgin market. As such, firms can certainly reap big rewards from the rural market. The catch is that market also poses several problems and hurdles. The firms have to face them squarely. They must recognize that rural marketing is primarily is developmental marketing and must be willing to take an approach of 'market seeding' in the initial stages. It is often said that marketers are made, not found. This is particularly true of the rural market of India. It is a market meant for the truly creative marketer. The rural markets have some characteristic features which the corporate and government must analyse properly. They are as follows:

1 Huge And Scattered Market:

The rural market of India is large and scattered in the sense that it consists of over 63 crore consumers from 5,70,000 villages spread throughout the country.

2 Major Income From Agriculture:

Nearly 60% of the rural income is from agriculture. Hence, rural prosperity is tied with agricultural prosperity.

3 Low Standard of Living:

The consumer in the village area do have a low standard of living because of low literacy, low per capita income, social backwardness, low saving etc.

4 Traditional outlook:

The rural consumer values, old customs and tradition, they do not prefer changes.

5 Diverse Socio-economic Backwardness:

Rural consumers have diverse socio-economic backward-

ness. This is different in different parts of the country.

6 Infrastructure facilities:

The infrastructure facilities like roads, warehouses, communication systems and financial facilities are inadequate in rural areas. Hence, physical distribution becomes costly due to inadequate infrastructure facilities.

INDIAN RURAL MARKETS AND ITS POTENTIAL: Rural markets in India have acquired significant growth and resulted into substantial increase in the purchasing power of the rural communities. Some impulses to go rural are large population, rising rural prosperity, growth in the market, impact of globalization. These markets as part of economy have untapped potential. There are several difficulties confronting the efforts to explore them fully. The concept of rural markets in India is still in evolving stage, and the sector poses a variety of problems like under-developed market, lack of proper physical communication facilities, lack of media for rural communication, many languages and dialects. Further, the markets are dispersed, low levels of literacy, prevalence of spurious brands and seasonal demand hindered the growth of rural market.

Brand consciousness is not so important in the rural market as the choices are limited. (For example Chick shampoo and lifebuoy soap, Nirma bar and detergent powder are very popular brands in the rural market as compared to urban market. The success of brands in the rural market is as unpredictable as rain. Many brands, which should have been successful, have failed miserably. This is because most firms try to extend marketing plans that they use in urban area to the rural markets. The unique consumption pattern, tastes, perception, and needs of the rural consumers should be analysed at the product planning stage so

that they match the rural people.

Marketers need to understand the psyche of the rural consumers and then act accordingly. Rural marketing needs more intensive personal selling efforts than urban marketing. Firms should refrain from designing goods for the urban market and subsequently pushing them in the rural areas.

Firms should be very careful in choosing the vehicle to be used for communication in the rural market. The advertisement has to be done in the local languages. This gives a powerful impact on the minds of the rural people, grabs their heart by inducing local elements and flavors to the product so that they have some emotional attachment to it. More personalized and relationship based experience should be emphasized in rural marketing.

MARKETING MIX FOR THE RURAL MARKETS:

Marketer will need to adapt his/her marketing mix to suit rural conditions and the maximum adaptation will have to be in the distribution and media mix. **I. Product Decision; II. Pricing Decision; III .Promotion Decisions; IV.Distribution:**

THREE EXTENDED P'S OF MARKETING MIX – People; Process; Physical Evidence: RESEARCH METHODOLOGY

Research Objective:

To study the strategies of 4P's and 7P's of the marketing mix elements in the rural market.

Data Collection Method:

Type of Data:

Primary data has been used for the research.

Sources of Data:

Primary data was collected directly from the 'Kiranas' of various villages of Hingoli district using a questionnaire.

Research instrument:

Questionnaire

Sampling Unit:

Small Kirana stores in Hingoli district.

Research Area:

Twelve villages of Hingoli district was selected at random and based on the population of these villages, Kirana stores are selected.

Sample Size:

32 Kirana stores

DATA REPRESENTATION

To study whether rural customer are price sensitive or not.

Price sensitivity	Number of respondent	Percentage
Yes	29	91
No	03	09
Total	32	100

Interpretation

91% of the respondents say customers are price sensitive and 9% respondents say customers are not price sensitive.

To study whether rural customer prefer branded products.

Prefer branded products	Number of respondent	Percentage
Yes	24	75
No	08	25
Total	32	100

Interpretation

75% of the respondents say customer want branded products and 25% respondents say customer do not want branded products.

To study the availability of the products throughout the year.

Product availability	Number of respondent	Percentage
Yes	07	22
No	25	78
Total	32	100

Interpretation

22% of the respondents say that products are available throughout the year and 78% respondents say that products are not available.

To study the promotion activities carried out by companies.

Promotional activity	Number of respondent	Percentage
Television	10	31
Mobile vans & Posters	17	53
Road shows	05	16
Total	32	100

Interpretation

31% of the respondents say that television helps in brand promotion, 53% respondents say that companies mobile vans & posters helps brand promotion whereas 16% respondents say that road shows help in brand promotion.

To study whether product display helps rural customer to select the product.

Product Display helps in purchasing	Number of respondent	Percentage
Yes	22	69
No	10	31
Total	32	100

Interpretation

69% of the respondents say that product display helps rural customers to select the product and 31% respondents say that product display do not help rural customers to select the product.

FINDINGS

1. 91% customers are price sensitive.
2. 75% customers prefers branded products.
3. 78% respondent says that distribution is not consistent.
4. 53% respondent say mobile van & posters helps to improve brand promotion.
5. 69% respondents say product display helps product selection easy.

CONCLUSION

1. It is observed from the findings that, rural customers are price sensitive. Therefore, marketers should adopt appropriate pricing strategy like offering the product in small sachet, reducing the price of the product by focusing on the economy packs etc.
2. Rural customers prefer branded products, but these products are not available in the kirana stores and also price of the branded products are high which affects the purchasing decision of the rural customers.

3. It is observed that the products in the rural markets are not available throughout the year. Due to non-availability of the products, customers have no choice for their preferences. Due to poor connectivity of the roads, rail-roads and air, the marketers cannot distribute their products in the rural markets. Therefore, more emphasis has to be given on the infrastructural development which will help the marketers to enhance their businesses, which in turn help the nation to raise the economy and the development of rural India as well.
4. It is observed that visual displays of the posters and banners help the customers to purchase the products. In addition to this, mobile vans also play an important role in promotion of the product.
5. Kirana stores in the rural areas can go for the product displays in the shops which helps the rural people to know about the product and its information. Merchandising plays an important role in marketing the products like urban market, it helps in attracting the rural customers too.

REFERENCES

1. **Case studies on Brand Management**, How to break the clutter, Prof. Naveen Das, and Kumar Satyaki Ray, ICFAI books, 2007.
2. **Case studies in Strategic Marketing Management**, ICFAI, 2006.
3. **Rural Marketing**-Text and cases, C.S.G. Krishnamachryulu & Lalitha Ramkrishnan, Pearson Education, 2006.
4. **Case studies in Sales and Distribution Management**, ICFAI, 2006.
5. **Rural Marketing**-Targeting the non-Urban costumers, Sanal Kumar Velayudhan, Sage Publications inc., II edition , 2007.
6. **Case studies in International Marketing**, ICFAI, 2006.
7. **Rural Marketing**-concept and practices, Balram Dogra & Karminder Ghuman, Tata McGraw Hill Publishing Publishing Company Ltd., 2008.