



UNLEASHING THE POTENTIAL OF MARKETING THROUGH SOCIAL MEDIA IN RETAIL SECTOR OF RURAL INDIA

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ABSTRACT The unorganised retail sector of India, especially in rural segment is the untouched area where not much of the research has been done. Looking at today's world of digitalisation and social media marketing, the rural areas need to cope up with the changing scenario and adapt to new technology marketing. This research paper focuses on the use of social media marketing in the rural areas by the unorganised retail shopkeepers. The research findings revealed that the unorganized retailers are making very limited use of social media. Most of them are not aware and inclined to use social media for promoting their businesses. There is a need to provide training to unorganized retailers on uses of social media to promote the businesses.

KEYWORDS : unorganised retail sector, social media, promotional strategies

A. Introduction

Unorganized retail sector has strong roots in India. Various retail stores (popularly known as Kirana stores) are found within a single locality. This scenario prevails across India. The retail sector in India is highly scattered & unorganized. In India, it is found that retail shops are run by family owned small stores. Rural parts of India are no difference. Large number of small volume unorganized retail shops (micro & small enterprises) are catering to the needs of people. They are using traditional methods of running & promoting the business. In the era where online marketing, social media is making large impact on customers, one finds that most of these rural area retail shops are still far away from the use of social media & online platforms.

Various reports have predicted a rapid growth in internet usage in rural India with almost 300 million Indian consumers to be online by 2020. Rural population in India amounts to two-thirds of the country's population. It is expected that rural users will constitute about half of Indian internet users by 2020. More options will be available for the companies to engage the rural consumers with the spread of wireless data networks and cheaper mobile handsets. Popular activities for rural consumers are downloading media (45%), searching for information (41%), and chatting and gaming (30% each).

Rural users' online behavior varies by segment. Ambitious users play games, download media, and are especially active on social networks. The online activities of next-wave users are more limited: interacting on social networks and listening to music. Late adopters are mainly social networkers, while mature users seek out business and job information, read news, and play games.

At present the major challenges for rural online market penetration are lack of connectivity, power breakups, affordability of smart phones, lack of infrastructural facilities for mobile data services etc.

B. Research Gap

Literature on application of social media marketing in unorganized retail in rural India is largely lacking. Big business houses employ the services of research firms to understand the impact of social media but small retailers hardly spend on social media marketing. Very limited research has been done on rural area retailers. Hence there is very limited data available on application of social media in rural retail sector of India.

This study is an attempt to explore following elements:

- Value addition through social media marketing by unorganized retail of rural area
- Impact of use of social media on sales & customer retention of unorganized retail of rural area
- It is also important to investigate how the social media marketing is perceived by the owners of unorganized retail in rural area

C. Research Problem

In the technology driven market place, it is difficult for rural unorganized retail businesses to survive without using social media. The multinationals are targeting retail sector. They are making full use of social media by employing aggressive social media marketing strategies. There is a need to critically examine the application of social media & its impact on unorganized retail in rural areas of India. In this article, researchers have critically analyzed the application of social media in 8 Tahsils of Wardha district. The efforts have been taken to explore the ways with which unorganized retailer can promote their businesses.

D. Objective of the Study

- To critically examine the application of social media & its impact on unorganized retail in rural areas.

E. Research methodology

Following research methodology is used in the research.

Sample Area: Wardha, Ashti, Deoli, Samudrapur, Karanja, Seloo

E. 1. Sampling Method

The study population covers all the retailers using social media, which covers large population and hence was difficult to collect data by census method, thus justified sampling method is used to collect the information. Also taking into consideration the time, resources available, the collection of data from such a big sample was also difficult task, hence non-probability Convenience sampling method is used.

E.2. Hypothesis

H01: Use of social media does not attract customers to retail business in rural areas.

H11: Use of social media attracts customers to retail business in rural areas.

H02: Social media does not play any role in promotion retail business in rural area

H12: Social media play vital role in promotion of retail business in rural area

E.3. Statistical tools

The statistical tools implemented in this study are

1. Reliability Test Analysis: Cronbach's alpha reliability test is used to check the internal consistency of items under consideration of a subject.

2. Validity Test Analysis : Data preprocessing is performed to check any outliers falling out of the range of 1-5 against each factor response. By default value for each response was kept as 3 (neutral) against any of the non response or the missing value. Demographic responses based

on location of respondent was kept mandatory.

3. Descriptive Analysis : Graphical tools of Stack charts, Pie chart, and bar charts are used to identify the trend on each item under consideration.

4. Inferential Analysis: As per the Hypothetical statement under consideration the Statistical Hypothesis testing are conducted using Chi-square test. For this the five point

Likert's scale was converted by defining the following rules:

- (i) If response value was either 1,2 or 3 , then convert it into 0 (i.e. NO), that indicates non supportive of the factor.
- (ii) If response value was either 4 or 5 , then convert it into 1 (i.e. YES), that indicates supportive of the factor.

5. Conclusion: Based on the interpretation of the previous step the acceptance or rejection of the hypothetical fact is determined.

Note: The 5% level of significance is considered for all the statistical hypothesis testing.

E.3.1. Cronbach's Alpha Reliability Test.

On the basis of initial samples collected from 10 retailers from 8 Tehshils of Wardha District, the following table provide the results of the pre-survey of the study.

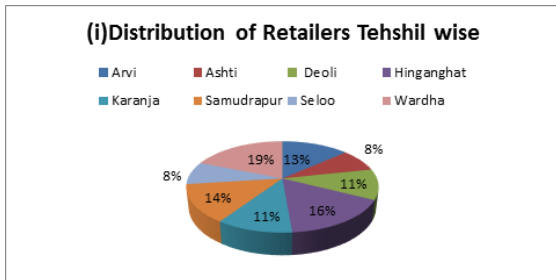
Table 1. Reliability Test Analysis

| Sr. No. | Hypothesis No. | No. of Factor | Cronbach's Alpha Value | Interpretation |
|---------|----------------|---------------|------------------------|----------------|
| 01. | H1 | 06 | 0.859 | Good |
| 02. | H2 | 05 | 0.890 | Good |

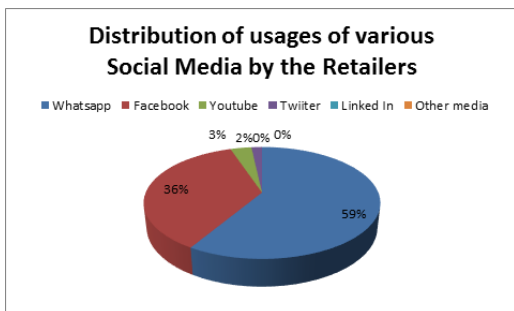
Interpretation : Since for both the hypothesis, Cronbach's alpha > 0.8, both the models are good enough to use all the items under consideration for caring out their testing. For conducting the post survey under these hypothesis, there is no need for any of the alteration in any of the questions.

E.3.2. Graphical Representation

(i) Demographic Information

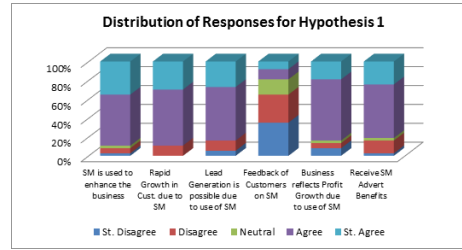


Maximum responses were collected from Proper Wardha (7 samples, i.e. 19%), where 6 samples (16%) were collected form Hinganghat. These places share large markets as compared to the other tehshils. Ashti was least among the all.

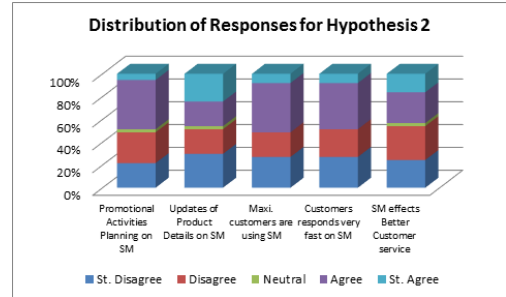


Maximum responses were for using Whatsapp i.e.59% whereas Facebook was 34%. Remaining social media showed negligible responses.

(ii) Responses against Hypothesis



All most all the factors showed Maximum response for Agreed and Strongly Agreed except the fourth factor i.e. retailers receive feedback of customer on social media. This indicates the fact that the use of social media attracts customers to retail business in rural areas.



All most all the factors showed Maximum response for Disagreed and Strongly Disagreed. This indicates the fact that the Social media does not play any role in promotion retail business in rural area.

E.3.3. Hypothesis Testing

D) Test for Hypothesis 1 .

Statement :

H01: Use of social media does not attract customers to retail business in rural areas.

H11: Use of social media attracts customers to retail business in rural areas.

Data preprocessing :

First 6 factors were considered for testing this hypothesis for all the 37 responses. Each of the response was converted into either YES or NO as per the mentioned rule (i) and rule(ii). Chi square test was carried out using SPSS tool.

Chi-Square Test :

Test Statistics

| | SM is used to enhance the business | Rapid Growth in Customers due to use of SM | Lead Generation is possible due to use of SM | Feedbak of Customers on SM | Business reflects Profit Growth due to use of SM | Receive SM Advertisment Benefits |
|-------------|------------------------------------|--------------------------------------------|----------------------------------------------|----------------------------|--------------------------------------------------|----------------------------------|
| Chi-Square | 22.730 ^a | 22.730 ^a | 16.892 ^a | 14.297 ^a | 16.892 ^a | 14.297 ^a |
| df | 1 | 1 | 1 | 1 | 1 | 1 |
| Asymp. Sig. | .000 | .000 | .000 | .000 | .000 | .000 |

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 18.5.

Interpretation: Since all the Asymp.Sig. i.e. p values are less than 0.05, we reject the null hypothesis H01 for all these 6 factors at 5% level of significance and accept H11.

Conclusion: Based on above interpretation, we accept the fact that "Use of social media attracts customers to retail business in rural areas", stand true.

i) Test for Hypothesis 2 .

Statement:

H02: Social media does not play any role in promotion retail business in rural area.

H12: Social media play vital role in promotion of retail business in rural area.

Data preprocessing:

Last 5 factors were considered for testing this hypothesis for all the 37 responses. Each of the response was converted into either YES or NO as per the mentioned rule (i) and rule(ii). Chi square test was carried out using SPSS tool.

Chi-Square Test :

Test Statistics

| | Promotional Activities Planning on SM | Updates of Product Details on SM | Maxi. customers are using SM | Customer s responds very fast on SM | SM effects Better Customer service |
|-------------|---------------------------------------|----------------------------------|------------------------------|-------------------------------------|------------------------------------|
| Chi-Square | .027 ^a | .243 ^a | .027 ^a | .027 ^a | .676 ^a |
| df | 1 | 1 | 1 | 1 | 1 |
| Asymp. Sig. | .869 | .622 | .869 | .869 | .411 |

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 18.5.

Interpretation: Since all the Asymp.Sig. i.e. p values are much larger than 0.05, we accept the null hypothesis H02 for all these 5 factors at 5% level of significance and reject H12.

Conclusion: Based on above interpretation, we accept the fact that " Social media does not play any role in promotion retail business in rural area ", stand true.

F. Findings of the Study

- 37% retailers are using social media for promoting their business.
- Out of the 37% retailers who are using social media for business promotion, almost 90%
- retailers are using Whatsapp & Face book. Uses of other social media like YouTube,
- Twitter, Linked-in are negligible.
- Most of the retailers are using social media to enhance their customer base. They are attracting new customers & also trying to retain existing customers.
- Maximum retailers are enhancing their businesses & profits through social media use.
- They are also finding social media advertisements effective to increase sales as well as
- profit.
- Very few customers provide their feedback on social media. With free facility of voice call by one of the mobile service provider & close proximity of business, maximum customers provides their feedback directly without using social media.
- Social media is not considered while planning the business promotional strategies. it is
- used afterwards as a supporting tool to promote the business.
- The unorganized retailers of rural area do not update their business products & services
- regularly.
- The unorganized retailers of rural area believes that maximum customers are using social media. However they also felt that maximum customers do not respond quickly on social media. It takes time to receive customer responses.
- The unorganized retailers of rural area do not use social media for providing better services to customers. They feel customers are happy with their present services. The social media is best used for advertisement which can attract customers.

G. Implications of the Study

The study provides insights on unorganized retail sector of rural area of India. Social media plays vital role in marketing of the products & services. The unorganized retailers are making very limited use of social media. Most of them are not aware and inclined to use social media for promoting their businesses. There is a need to provide training to unorganized retailers on uses of social media to promote the

businesses.

Unorganized retail sector is very important part of Indian economy. Considering the penetration of large business houses in retail sector, it will be tough for unorganized retailers to compete with them. By making proper application of social media, the unorganized retail sector can sustain in longer run.

A Road Ahead:

Recommendations based on the study for the retailers in rural sector :

Segmentation of the rural markets: The rural consumers are to be targeted depending upon the segment to which they belong. (Mature users, Ambitious users, Late adopters, Next wave users, Dark on the internet). It is necessary to know which segment usually buys what type of products.

Online experience: Keeping in mind that most of the consumers in rural areas may have devices whose screens are smaller or connections are slower. The content should be so designed so as to fit in the screens and run in low connectivity as well.

Overcoming Barriers : The major barriers today in the rural segment is the lack of awareness and myths about the security of the e-commerce. It is the duty of the retailers moving forward to use mobile apps for the order and sale of the goods, that they should educate and create awareness about the convenience, speed of the buying-selling process to the end user.

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