

Rural marketing

[Business](#), [Marketing](#)



A Seminar Report On “ RURAL MARKETING” Submitted in the partial fulfillment of the award of PG Degree of Master of Business Administration Session 2008-09 Submitted To: Submitted By:- Department of Management Studies, Ravi MBA 4 th sem. (Marketing) Jaipur 1 Executive Summary A debate continued for a long time amongst the Indian marketers, both practitioners & academicians, on the justification for the existence of the distinct discipline of rural marketing. Consequently, two schools of thought emerged. The first school believed that the products/services, marketing tools & strategies that are successful in urban areas, could be transplanted with little or no more modifications in rural areas. However, the second school saw a clear distinction between urban & rural India, & suggested a different approach, skills, tools & strategies to be successful in rural markets. What differentiates the two markets is not mere income, but a host of other infrastructural & socio-cultural factors. Thus, the rural market cannot be tapped successfully with an urban marketing mindset & would definitely require its thorough understanding. In other words, the approach toward rural markets needs to be distinct from the one adopted for the urban markets.

Thus, in a large rural economy like India's, rural marketing has emerged as an important & distinct internal sub-division within the marketing discipline. This sub-division clearly highlights the differences between rural marketing & mainstream marketing.

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The following are some of the important items sold from the rural to urban areas: seeds, fruits and vegetables, milk and related products, forest produce, spices, etc. 3. Rural to Rural: This includes the activities that take place between two villages in close proximity to each other. The transactions relate to the areas of expertise the particular village has. These include selling of agricultural tools, cattle, carts and others to another village in its proximity. 4 URBAN RURAL RURAL URBAN RURAL RURAL Rural marketing

requires the understanding of the complexities. Indian agricultural industry has been growing at a tremendous pace in the last few decades. The rural areas are consuming a large number of industrial and urban manufactured products. The rural agricultural production and consumption process plays a predominant role in developing the Indian economy. This has designed a new way for understanding a new process called Rural Marketing. The concept of rural marketing has to be distinguished from Agricultural marketing. Marketing is the process of identifying and satisfying customers needs and providing them with adequate after sales service. Rural marketing is different from agricultural marketing, which signifies marketing of rural products to the urban consumer or institutional markets. Rural marketing basically deals with delivering manufactured or processed inputs or services to rural producers, the demand for which is basically a derived outcome. Rural marketing scientists also term it as developmental marketing, as the process of rural marketing involves an urban to rural activity, which in turn is characterised by various peculiarities in terms of nature of market, products and processes. Rural marketing differs from agricultural or consumer products marketing in terms of the nature of transactions, which includes participants, products, modalities, norms and outcomes. The participants in case of Rural Marketing would also be different they include input manufacturers, dealers, farmers, opinion makers, government agencies and traders. Rural marketing needs to combine concerns for profit with a concern for the society, besides being tilted towards profit. Rural market for agricultural inputs is a case of market pull and not market push. Most of the jobs of marketing and selling are left to the local dealers and retailers. The

market for input gets interlocked with other markets like output, consumer goods, money and labour.

Rural marketing in India is not much developed there are many hindrances in the area of market, product design and positioning, pricing, distribution and promotion. Companies need to understand rural marketing in a broader manner not only to survive and grow in their business, but also as a means to the development of the rural economy. One has to have a strategic view of the rural markets so as to know and understand the markets well. In the context of rural marketing one has to understand the manipulation of marketing mix has to be properly understood in terms of product usage. Product usage is central to price, distribution, promotion, branding, company image and more important farmer economics, thus any strategy in rural marketing should be given due attention and importance by understanding the product usage, all elements of marketing mix can be better organised and managed.

Evolution of Rural Marketing

| PHASE | ORIGIN | FUNCTION | MAJOR PRODUCTS | SOURCE | MARKET DESTINATION |
|-------|---|----------------------------------|---|---------------|--------------------|
| I | Before Mid- 1960 (from independence to green revolution) | Agricultural Marketing | Agricultural Produce | Rural | Urban |
| II | Mid- Sixties (Green revolution to Pre- liberalization period) | Marketing Of Agricultural Inputs | Agricultural Inputs | Urban | Rural |
| III | Mid- Nineties (Post- liberalization period on 20th century) | Rural Marketing | Consumables And Durables For Consumption & Production | Urban & Rural | Rural |
| IV | 21st century | Developmental marketing | All products & services | Urban & Rural | Urban & Rural |

1. Phase I (from Independence to Green Revolution): 6 Before the advent of the Green revolution, the nature of rural market was altogether different. Rural marketing then referred to the

marketing of rural products in rural & urban products. 2. Phase II (Green Revolution to Pre-liberalization period): During these times, due to the advent & spread of the Green Revolution, rural marketing represented marketing of agriculture inputs in rural markets & marketing of rural produce in urban areas. 3. Phase III (Post-liberalization period on 20th century): The third phase of rural marketing started after the liberalization of the Indian economy. In this period, rural marketing represented the emerging, distinct activity of attracting & serving rural markets to fulfill the need & wants of rural households, peoples & their occupations. 4. Phase IV (21st century): Learning from its rural marketing experiences after the independence, the corporate world has finally realized the quick-fix solutions & piecemeal approaches will deliver only limited results in the rural markets. And, if an organization wants to tap the real potential of the rural market, it needs to make a long-term commitment with this market. Its approach & strategies must not focus in just selling products & services, but they should also aim at creating an environment for this to happen. The objective of rural marketing in the current phase is the improvement of the quality of life by satisfying the needs & wants of the customers, not through stand-alone products or services, but by presenting comprehensive & integrated solutions which might involve a set of inter-related products & services. Till recently, the focus of marketers in India was the urban consumer and by large number specific efforts were made to reach the rural markets. But now it is felt that with the tempo of development accelerating in rural India, coupled with increase in purchasing power, because of scientific agriculture, the changing life style and consumption pattern of villagers with increase in education,

social mobility, improved means of transportations and communication and other penetrations of mass media such as television and its various satellite channels have exposed rural India to the outside world and hence their outlook to life has also changed. Because of all these factors, rural India is now attracting more and more marketers. 7 Increase in competition, saturated urban markets, more and more new products demanding urban customers, made the companies to think about new potential markets. Thus, Indian rural markets have caught the attention of many companies, advertisers and multinational companies. According to a recent survey conducted by the National Council for Applied Economic Research (NCAER), the purchasing power of the rural people has increased due to increase in productivity and better price commanded by the agricultural products. By and large this rise in purchasing power remains unexploited and with the growing reach of the television, it is now quite easy for the marketers to capture these markets. Rural marketing has become the latest mantra of most corporate. Companies like Hindustan Lever, Colgate Palmolive, Britannia and even Multinational Companies (MNCs) like Pepsi, Coca Cola, L. G. , Philips, Cavin Kare are all eyeing rural markets to capture the large Indian market. Coming to the frame work of Rural Marketing, Rural Marketing broadly involves reaching the rural customer, understanding their needs and wants, supply of goods and services to meet their requirements, carrying out after sales service that leads to customer satisfaction and repeat purchase/sales. Nature of Rural Market ? Large, Diverse and Scattered Market: Rural market in India is large, and scattered into a number of regions. There may be less number of shops available to market products. ? Major Income of Rural

consumers is from Agriculture: Rural Prosperity is tied with agriculture prosperity. In the event of a crop failure, the income of the rural masses is directly affected. Standard of Living and rising disposable income of the rural customers: It is known that majority of the rural population lives below poverty line and has low literacy rate, low per capita income, societal backwardness, low savings, etc. But the new tax structure, good monsoon, government regulation on pricing has created disposable incomes. Today the rural customer spends money to get value and is aware of the happening around him. ? Traditional Outlook: Villages develop slowly and have a traditional outlook. Change is a continuous process but most rural people accept change gradually. This is gradually changing due to literacy especially in the youth who have begun to change the outlook in the villages. ? Rising literacy levels: It is documented that approximately 45% of rural Indians are literate. Hence awareness has increased and the farmers are well-informed about the world around them. They are also educating themselves on the new technology around them and aspiring for a better lifestyle. ? Diverse socioeconomic background: Due to dispersion of geographical areas and uneven land fertility, rural people have disparate socioeconomic background, which ultimately affects the rural market. Infrastructure Facilities: The infrastructure facilities like cemented roads, warehouses, communication system, and financial facilities are inadequate in rural areas. Hence physical distribution is a challenge to marketers who have found innovative ways to market their products. Is rural marketing transactional or developmental in its approach? It is true, rural markets have become an attractive proposition for commercial business organizations. The role of rural marketing as such is

more developmental than transactional. It is more a process of delivering better standard of living and quality of life to the rural environment taking into consideration the prevailing village milieu.

9 Transactional Vs Developmental: For better comprehension of this role let us distinguish development marketing and transactional marketing. Table brings out the differences in brief.

| S. No. | Aspect | Transactional | Development |
|--------|----------|---|---------------------------------------|
| 1. | Concept | Consumer orientation, Marketing concept | Society orientation, societal concept |
| 2. | Role | Stimulating and conversional marketing | Catalytic and transformation agent |
| 3. | Focus | Product-market fit | Social change |
| 4. | Key task | Product innovations and communications | Social innovations and communications |

| S. No. | Aspect | Transactional | Development |
|--------|--------------------|--------------------------------|---|
| 5. | Nature of activity | Commercial | Socio-cultural, economic |
| 6. | Participants | Corporate enterprises, Sellers | Government, voluntary agencies, corporate enterprises, benefactors |
| 7. | Offer | Products and services | Development projects/schemes/programs |
| 8. | Target group | Buyers | Beneficiaries and buyers |
| 9. | Communication | Functional | Developmental |
| 10. | Goal | Profits | Customer satisfaction |
| 11. | Brand image | Market development | Corporate Image |
| 12. | Time-Frame | Short-medium | Medium-Long |
| 13. | Motivation | Profit-motive | Business policy |
| 14. | Service-motive | Ideological or Public policy | Model: The model of rural marketing represents a combination of the transactional and developmental approaches. |

•Rural marketing process is both a catalyst as well as an outcome of the general rural development process. Initiation and management of social and economic change in the rural sector is the core of the rural marketing process. It becomes in this process both benefactor and beneficiary.

•Innovation is the essence of marketing. Innovative

methods of social change for successful transformation of traditional society are virtual. Such a change narrows the rural-urban divide. •The process of transformation can be only evolutionary and not revolutionary. The growth of the rural market can be a planned evolutionary process based on strategic instruments of change rather than constitute just short-term opportunities for commercial gains. •The exposure of ruralites to a variety of marketing transactions during the change process puts them in the role of beneficiaries than of just 'buyers' of modern inputs and infrastructural services.

•Communication is the vital element of rural marketing. It should serve to resolve social conflicts, encourage cooperation and strengthen competitive spirit during interactions between rural and urban as well as within rural areas.

Another critical point for communication is the point of conversion of ruralite from an "induced beneficiary" to an "autonomous buyer". Classification of rural consumers The rural consumers are classified into the following groups based on their economic status: •The Affluent Group: They are cash rich farmers and a very few in number. They have affordability but not form a demand base large enough for marketing firms to depend on. Wheat farmers in Punjab and rice merchants of Andhra Pradesh fall in this group. •The Middle Class: This is one of the largest segments for manufactured goods and is fast expanding. Farmers cultivating sugar cane in UP and Karnataka fall in this category. 11 •The Poor: This constitutes a huge segment.

Purchasing power is less, but strength is more. They receive the grants from government and reap the benefits of many such schemes and may move towards the middleclass. The farmers of Bihar and Orissa fall under this

category. Roadblocks of Indian Rural Markets There are several roadblocks that make it difficult to progress in the rural market. Marketers encounter a number of problems like dealing with physical distribution, logistics, proper and effective deployment of sales force and effective marketing communication when they enter rural markets. The major problems are listed below.

1. Standard of living: The number of people below the poverty line is more in rural markets. Thus the market is also underdeveloped and marketing strategies have to be different from those used in urban marketing.
2. Low literacy levels: The low literacy levels in rural areas leads to a problem of communication. Print media has less utility compared to the other media of communication.
3. Low per capita income: Agriculture is the main source of income and hence spending capacity depends upon the agriculture produce. Demand may not be stable or regular.
4. Transportation and warehousing: Transportation is one of the biggest challenges in rural markets. As far as road transportation is concerned, about 50% of Indian villages are connected by roads. However, the rest of the rural markets do not even have a proper road linkage which makes physical distribution a tough task. Many villages are located in hilly terrains that make it difficult to connect them through roads. Most marketers use tractors or bullock carts in rural areas to distribute their products. Warehousing is another major problem in rural areas, as there is hardly any organized agency to look after the storage issue. The services rendered by central warehousing corporation and state warehousing corporations are limited only to urban and suburban areas.
5. Ineffective distribution channels: The distribution chain is not very well organized and requires a large number of intermediaries, which in turn

increases the cost and 12 creates administrative problems. Due to lack of proper infrastructure, manufacturers are reluctant to open outlets in these areas. They are mainly dependent on dealers, who are not easily available for rural areas. This is a challenge to the marketers. 6. Many languages and diversity in culture: Factors like cultural congruence, different behaviour and language of the respective areas make it difficult to handle the customers. Traits among the sales force are required to match the various requirements of these specific areas. 7. Lack of communication system: Quick communication is the need of the hour for smooth conduct of business, but it continues to be a far cry in rural areas due to lack of communication facilities like telegraph and telecommunication systems etc. The literacy rate in the rural areas is rather low and consumer's behaviour in these areas is traditional, which may be a problem for effective communication. 8. Spurious brands: Cost is an important factor that determines purchasing decision in rural areas. A lot of spurious brands or look-alikes are available, providing a low cost option to the rural customer. Many a time the rural customer may not be aware of the difference due to illiteracy. 9. Seasonal demand: Demand may be seasonal due to dependency on agricultural income. Harvest season might see an increase in disposable income and hence more purchasing power. 10.

Dispersed markets: Rural population is highly dispersed and requires a lot of marketing efforts in terms of distribution and communication. Attractiveness of rural market 13 1 Large population 2 Rising prosperity 3 Growth in consumption 4 Life cycle changes 5 Life cycle advantages 6 Market growth rate higher than urban 7 Rural marketing is not expensive 8 Remoteness is

no longer a problem 1. Large Population: The rural population is large and its growth rate is also high. Despite the rural urban migration, the rural areas continue to be the place of living majority of Indians. 2. Rising Rural Propensity: 14

INCOME GROUP 1994-95 2000-01 2006-07 ABOVE RS. 100, 000 1. 6 3. 8 5. 6
RS. 77, 001-100, 000 2. 7 4. 7 5. 8 RS. 50, 001-77, 000 8. 3 13. 0 22. 4 RS.
25, 001-50, 000 26. 0 41. 1 44. 6 RS. 25, 000 & BELOW 61. 4 37. 4 20. 2

Thus we see that population between income level of Rs. 25, 000- 77, 000 will increase from 34. 3% in 1994-95 to 67. 0% in 2006-07. The rural consuming class is increasing by about 3-4% per annum, which roughly translates into 1. 2 million new consumers yearly. 3. Growth in consumption:

PER CAPITA HOUSEHOLD EXPENDITURE (IN RS.) LEVEL NO. STATES

EXPENDITURE High (Above Rs 382/-) 7 Punjab 614 Kerala 604

Haryana 546 Rajasthan 452 Gujarat 416 Andhra Pradesh 386 Maharashtra 384

Average (Rs. 382/-) 5 West Bengal 382 Orissa 381 Tamil Nadu 381 Uttar

Pradesh 373 Karnataka 365 Low (Below Rs. 382/-) 3 Assam 338 Madhya

Pradesh 326 Bihar 289 Distribution household's income wise (projection in Rs

Crore) INCOME GROUPS 2001 – 02 2006 – 07 RURAL RURAL TOTAL NO. %

TOTAL NO. % HIGH 0. 26 0. 07 2 6. 9 0. 52 0. 12 23. 1 MIDDLE 12. 04 7. 73 6

4. 2 16. 72 10. 3 2 61. 8 LOW 5. 7 5. 09 8 3. 68 3. 52 95. 7 15 8. 7 TOTAL 18.

04 12. 8 9 7 1. 4 20. 90 13. 9 6 66. 7 Spending pattern (Rural Household's in

Rs.) ITEM %RICH POOR AVERAGE

FOODARTICLES 4 4147 73 95 TOILETRIES 2 067 33 43 WASHING MATERIAL 1

343 22 28 COSMETICS 1 033 17 21 OTC PRODUCTS 4 13 6 9 OTHERS 9 30 15

19 TOTAL 333 166 215 Average rural household spends on consumables excluding food grains, milk & vegetables are Rs. 215/-. 4. Life style changes: Income vs. usage of packed consumer goods (% of household using) 16
 GOODS MONTHLY HOUSEHOLD INCOME (RS.) UP TO 350 351 – 750 751 – 1500 1501 + WASHING CAKES/BARS 60 78 86 91 TOILET SOAPS 57 72 89 93
 TOOTH PASTE/POWDER 22 36 65 85 TALCUM POWDER 20 25 41 63 TEA (PACKAGED) 22 30 48 64 5. Life cycle advantage: STAGES IN LIFE CYCLE

PRODUCT URBAN MARKET GROWTH RATE % RURAL Popular soaps Maturity 2
 Growth Premium soaps Late growth 11 Early growth Washing powder Late growth 6 Early growth Skin creams Maturity 1. 1 Growth Talcum powder Maturity 4 Growth 6. Market growth rates higher: Growth rates of the FMCG market and the durable market are higher in rural areas for many products. The rural market share will be more than 50% for the products like toilet soaps, body talcum powder, cooking medium (oil), cooking medium (vanaspati), tea, cigarettes and hair oil. 7. Rural marketing is not expensive: Conventional wisdom dictates that since rural consumers are dispersed, reaching them is costly. However, new research indicates that the selling in Rural India is not expensive. According to one research it costs roughly Rs. 1 Crore to promote a consumer durable inside a state. This includes the expenses of advertising in vernacular newspapers, television spots, in-cinema advertising, radio, van operations and merchandising and point of purchase promotion. Campaign like this, which can reach millions, costs twice as much in urban area. 8. Remoteness is no longer a problem: Remoteness is a problem but not insurmountable. The rural distribution is not much developed for the reasons, 7 ? Lack of proper infrastructure such

as all-weather roads, electrification and sanitation, and ? Lack of marketer's imagination and initiative. Marketers have so far, failed in analyzing the rural side and exploiting rural India's traditional selling system- Haats & Melas.

Their near obsession with just duplicating the urban-type network and that too with very limited success, has kept them blind to the potential of these two outlets. RURAL VS URBAN MARKETING-SUMMARY NO. ASPECT URBAN

RURAL 1 PHILOSOPHY Marketing & Societal Concepts & Relationship

Marketing Marketing & Societal Concepts, Development Marketing &

Relationship Marketing A) MARKET 18 B) DEMAND High Low C) COMPETITION

Among Units In Organized Sector Mostly From Unorganized Units

CONSUMERS LOCATION Concentrated Widely Spread LITERACY High Low

INCOME High Low EXPENDITURE Planned, Even Seasonal, Variation NEEDS

High Level Low Level INNOVATION/ADOPTION Faster Slow 3 PRODUCT

AWARENESS High Low CONCEPT Known Less Known POSITIONING Easy

Difficult USAGE METHOD Easily Grasped Difficult To Grasp QUALITY

PREFERENCE Good Moderate 4 PRICE SENSITIVE Yes Very much LEVEL

DESIRED Medium-high Medium-low 5 DISTRIBUTION CHANNELS Wholesalers,

stockists, retailer, supermarket, specialty stores, & authorised showrooms

Village shops, " Haats" TRANSPORT FACILITIES Good Average PRODUCT

AVAILABILITY High Limited 6 PROMOTION ADVERTISING Print, audio visual

media, outdoors, exhibitions etc. few languages TV, radio, print media to

some extent. More languages PERSONAL SELLING Door-to-door, frequently

Occasionally SALES PROMOTION Contests, gifts, price discount Gifts, price

discounts PUBLICITY Good opportunities Less opportunities Special Products

for Rural Markets: 19 • Rural Transporter: Mahindra & Mahindra is busy

developing the prototype of what it calls a 'Rural Transporter' – basically a hybrid between a tractor and a rural transport vehicle. The product at 20-25 HP will be targeted at those who cannot afford a normal tractor and would also fulfill the need of a family transporter that could take in the rural roughs but would be much more comfortable and safer than the conventional tractor-trolley.

- Sampoorna TV: LG Electronics, the Korean firm has rejigged the TV to appeal to local needs. It spent Rs. 21 Lacs to develop a set that would have on-screen displays in the vernacular languages of Hindi, Tamil and Bengali. The logic, rural consumers unfamiliar with English would still be able to use the TV without being intimidated.

Titan Watches: A recent NCAER study revealed that there is a great potential for watches in rural areas. In fact it is considered to be a high priority list. It was also found that a rural consumer looks for the ruggedness of the watch more than the urban consumer does. He prefers thick watches than slim watches. The biggest problem that the Marketers are facing in the Rural Markets is Of IMITATIONS. Imitations may result in two types of goods depending upon the purpose, commitment, and competence of imitator. A poor imitator will end up in producing deceptive, spurious, fake, copycat products.

He dupes the gullible customer by offering products having close resemblance with the original. In quality, it is poor cousin to the original. On the other hand, a poor imitator may even produce an improved version of the original product. In this scenario the job of the Marketer becomes even more difficult in the sense that he has not to fight other competitors but also the imitated products. The advantages that these products enjoy in the rural

markets are that the Imitators who are in the villages are making these and they are offering More Margins & Better credit Facilities.

To solve this problem the Marketer has to educate the consumer about his product and show him the benefits of his products over the imitated ones.

Need-Product Relationships and the changes happening in Rural India Needs

Old Products New Products 20 Brushing Teeth Neem sticks, Charcoal,

Rocksalt, Husk Toothpaste, tooth powder Washing Vessels Coconut fiber,

Earthy materials, Brick Powder, Ash Washing Powders, soaps and liquids

Transport Bullock Cart, Horses, Donkeys Tractors, LCVs, Mopeds, Scooters,

Motor cycles Irrigation Wells, Canals, Water lifters, Wind Mills Bore-wells,

Motors, Power Generators, Pump Sets

Hair Wash Shikakai powder, Retha, Besan Shampoos and hair care soaps 21

Rural Consumer Behaviour Consumer Buyer Behaviour refers to the buying

behaviour of final consumers - individuals and households who buy goods

and services for personal consumption. All of these final consumers

combined make up the consumer market. The consumer market in this case

is Rural India. About 70% of India's population lives in rural areas. There are

more than 600, 000 villages in the country as against about 300 cities and

4600 towns. Consumers in this huge segment have displayed vast

differences in their purchase decisions and the product use. Villagers react

differently to different products, colours, sizes, etc. in different parts of India.

Thus utmost care in terms of understanding consumer psyche needs to be

taken while marketing products to rural India. Thus, it is important to study

the thought process that goes into making a purchase decision, so that

marketers can reach this huge untapped segment. Factors influencing buying behavior

The various factors that affect buying behavior of in rural India are:

1. Environmental of the consumer - The environment or the surroundings, within which the consumer lives, has a very strong influence on the buyer behavior, e.g. Electrification, water supply affects demand for durables.
2. Geographic influences - The geographic location in which the rural consumer is located also speaks about the thought process of the consumer. For instance, villages in South India accept technology quicker than in other parts of India. Thus, HMT sells more winding watches in the north while they sell more quartz watches down south.
3. Family - it is an important buying decision making organization in consumer markets. Family size & the roles played by family members exercise considerable influence on the purchase decisions. Industry observers are increasingly realizing that at times, purchase of durable has less to do with income, but has more to do with the size of the family & that's where rural India with joint family structures, becomes an attractive proposition.
4. Economic factors - The quantum of income & the earning stream are one of the major deciding factors, which determine to a great extent, what the customer will be able to buy. Many people in the rural market are below poverty line & for large number of people, agriculture is the primary occupation. More than 70% of the people are in small-scale agricultural operation. These factors affect the purchase decision.
5. Place of purchase (60% prefer HAATS due to better quality, variety & price) Companies need to assess the influence of retailers on both consumers at village shops and at haats.
6. Creative use of product ex Godrej hair dye being used as a paint to colour horns of oxen, Washing

machine being used for churning lassi. The study of product end provides indicators to the company on the need for education and also for new product ideas. 7. Brand preference and loyalty (80% of sale is branded items in 16 product categories)

Cultural factors influencing consumer behaviour Cultural factors exert the broadest and deepest influence on consumer behaviour. The marketer needs to understand the role played by the buyer's culture. Culture is the most basic element that shapes a person's wants and behaviour. In India, there are so many different cultures, which only goes on to make the marketer's job tougher. Some of the few cultural factors that influence buyer behaviour are:

1. Product (colour, size, design, and shape): There are many examples that support this point.
 - a. For example, the Tata Sumo, which was launched in rural India in a white colour, was not well accepted. But however, when the same Sumo was re-launched as Spacio (a different name) and in a bright yellow colour, with a larger seating capacity and ability to transport good, the acceptance was higher.
 - b. Another good example would be Philips audio systems. Urban India looks at technology with the viewpoint of 'the smaller the better'. However, in rural India, the viewpoint is totally opposite. That is the main reason for the large acceptance of big audio systems. Thus Philips makes audio systems, which are big in size and get accepted in rural India by their sheer size.
- 2.

Social practices : There are so many different cultures, and each culture exhibits different social practices. For example, in a few villages they have common bath areas. Villagers used to buy one Lifebuoy cake and cut it into

smaller bars. This helped lifebuoy to introduce smaller 75-gram soap bars, which could be used individually. 3. Decision-making by male head : The male in Indian culture has always been given the designation of key decision maker. For example, the Mukhiya's opinion (Head of the village), in most cases, is shared with the rest of the village. Even in a house the male head is the final decision maker.

In rural areas, this trend is very prominent. 4. Changes in saving and investment patterns From gold, land, to tractors, VCR's, LCV's 24 4 A's approach of Indian Rural Market The rural market may be appealing but it is not without its problems: Low per capita disposable incomes that is half the urban disposable income; large number of daily wage earners, acute dependence on the vagaries of the monsoon; seasonal consumption linked to harvests and festivals and special occasions; poor roads; power problems; and inaccessibility to conventional advertising media. However, the rural consumer is not unlike his urban counterpart in many ways.

The more daring MNC's are meeting the consequent challenges of availability, affordability, acceptability and awareness (the so-called 4 A's) » Availability The first challenge is to ensure availability of the product or service. India's 627, 000 villages are spread over 3. 2 million sq km; 700 million Indians may live in rural areas, finding them is not easy. However, given the poor state of roads, it is an even greater challenge to regularly reach products to the far-flung villages. Any serious marketer must strive to reach at least 13, 113 villages with a population of more than 5, 000.

Marketers must trade off the distribution cost with incremental market saturation. Over the years, India's largest MNC, Hindustan Lever, a subsidiary of Unilever, has built a strong distribution system which helps its brands reach the interiors of the rural market. To service remote village, stockiest use autorickshaws, bullock-carts and even boats in the backwaters of Kerala. Coca-Cola, which considers rural India as a future growth driver, has evolved a hub and spoke distribution model to reach the villages. To ensure full loads, the company depot supplies, twice a week, large distributors which who act as hubs.

These distributors appoint and supply, once a week, smaller distributors in adjoining areas. LG Electronics defines all cities and towns other than the seven metros cities as rural and semi- urban market. To tap these unexplored country markets, LG has set up 45 area offices and 59 rural/remote area offices. 25 » Affordability The second challenge is to ensure affordability of the product or service. With low disposable incomes, products need to be affordable to the rural consumer, most of who are on daily wages. Some companies have addressed the affordability problem by introducing small unit packs.

Most of the shampoos are available in smaller packs. Fair and lovely was launched in a smaller pack. Colgate toothpaste launched its smaller packs to cater to the travelling segment and the rural consumers. Godrej recently introduced three brands of Cinthol, Fair Glow and Godrej in 50-gm packs, priced at Rs 4-5 meant specifically for Madhya Pradesh, Bihar and Uttar Pradesh — the so-called `Bimaru' States. Hindustan Lever, among the first

MNC's to realize the potential of India's rural market, has launched a variant of its largest selling soap brand, Lifebuoy at Rs 2 for 50 gm. The move is mainly targeted at the rural market.

Coca-Cola has addressed the affordability issue by introducing the returnable 200-ml glass bottle priced at Rs 5. The initiative has paid off: Eighty per cent of new drinkers now come from the rural markets. Coca-Cola has also introduced Sunfill, a powdered soft-drink concentrate. The instant and ready-to-mix Sunfill is available in a single-serve sachet of 25 gm priced at Rs 2 and multi serve sachet of 200 gm priced at Rs 15. » Acceptability The third challenge is to gain acceptability for the product or service. Therefore, there is a need to offer products that suit the rural market. One company which has reaped rich dividends by doing so is LG Electronics. In 1998, it developed a customized TV for the rural market and christened it Sampoorna. It was a runaway hit selling 100, 000 sets in the very first year. Because of the lack of electricity and refrigerators in the rural areas, Coca-Cola provides low-cost ice boxes — a tin box for new outlets and thermocol box for seasonal outlets. The insurance companies that have tailor-made products for the rural market have performed well. HDFC Standard LIFE topped private insurers by selling policies worth Rs 3. 5 crores in total premium. The company tied up with non-governmental organizations and offered reasonably-priced policies in the nature of group insurance covers. With large parts of rural India inaccessible to conventional advertising media — only 41 per cent rural households have access to TV — building awareness is another challenge. Fortunately, however, the rural consumer has the same likes as the urban consumer — movies and music — and for both the urban and rural consumer, the family

is the key unit of identity. However, the rural consumer expressions differ from his urban counterpart. Outing for the former is confined to local fairs and festivals and TV viewing is confined to the state-owned Doordarshan. Consumption of branded products is treated as a special treat or luxury. » Awareness Brand awareness is another challenge. Fortunately, however, the rural consumer has the same likes as the urban consumer — movies and music — and for both the urban and rural consumer, the family is the key unit of identity. However, the rural consumer expressions differ from his urban counterpart. Outing for the former is confined to local fairs and festivals and TV viewing is confined to the state-owned Doordarshan. Consumption of branded products is treated as a special treat or indulgence. Hindustan Lever relies heavily on its own company-organized media.

These are promotional events organized by stockiest. Godrej Consumer Products, which is trying to push its soap brands into the interior areas, uses radio to reach the local people in their language. Coca-Cola uses a combination of TV, cinema and radio to reach 53.6 per cent of rural households. It doubled its spend on advertising on Doordarshan, which alone reached 41 per cent of rural households. It has also used banners, posters and tapped all the local forms of entertainment. Since price is a key issue in the rural areas, Coca-Cola advertising stressed its 'magical' price point of Rs 5 per bottle in all media.

LG Electronics uses vans and road shows to reach rural customers. The company uses local language advertising. Philips India uses wall writing and radio advertising to drive its growth in rural areas. The key dilemma for

MNC's ready to tap the large and fast-growing rural market is whether they can do so without hurting the company's profit margins. 27 Evolving a New Marketing Mix for Selling to Rural Indians 12. 2% of the world lives in Rural India. Put in a different context, this works out to 1 in 8 people on Earth. Being able to successfully tap this growing market is every marketer's dream.

However, myths abound. India's rural markets are often misunderstood. A clear distinction needs to be made with regard to the reality versus the image of rural India. If such a distinction is not made, we will be unable to distinguish between the serpent and the rope and the rope and the serpent. The rural market is not homogeneous. Though the aggregate size is very large, individual subsets of this market tend to be rather small and disparate. Geographical, demographical, statistical, logistical differences are very apparent. Positioning and realities regarding the potential of each of these market segments differ and lie at the very core of forming the strategy for the rural markets. The face of Indian agriculture is changing from dry land and irrigated agriculture into high-tech and low-tech agriculture. Farmers in states like Maharashtra and Andhra Pradesh have reaped the benefits of adopting new age farming practices, including green house cultivation, fert-irrigation and hydroponics. This has radically changed the economics of farming, with the investment in these systems lowering the cost of cultivation, increasing yields due to integrated crop management practices and reducing the dependence on rainfall.

As a result, disposable income has grown sharply. The aspirants are becoming climbers showing a sustained economic upturn as purchasing power is increasing in the rural markets. The proportion of very rich has increased five- fold. The growing incomes have modified demand patterns and buyer behaviour. Moreover, the need for a product or service is now adequately backed up with the capacity, ability and willingness to pay. However, the market still remains largely unexploited. At most times, potential markets need to be found and at times, even created. Such creation of demand needs efficient management of the supply chain. To increase market share, behavioural change needs to be at the forefront of any strategy. Further, due to the diversity of this market, marketers need to think, plan and act locally. It is therefore essential to develop an accurate Marketing Mix for selling to rural Indians. 28 Product The Rural market is not a homogenous set of customers with preferences frozen in time. When developing products in any category, marketers must identify the typical rural specific needs. Urban products cannot be dumped onto rural markets without modifications. Tailor-made products are better received by the rural audience as the consumers feel empowered and tend to identify with the offering. For instance, shampoos or soaps with distinctive, strong rose or jasmine perfumes are very popular with the rural women in South India. The urban women do not identify as strongly with these perfumes. Sachetization is also a distinctly rural-driven phenomenon. As demand in several categories is being created, intensity of use is quite low. On average, rural folk would use a shampoo only once a week. Habits take time to change and

making unit sachet packs affordable is the key to inducing trial and purchase.

Systematic, in-depth research that can help understand the depths of the mind of the villagers, their buying criteria, purchase patterns and purchasing power are an essential input while developing rural specific products or services. A common error has been to launch a completely stripped down version of the urban product in the rural market, with the objective of offering the lowest possible price. This is not what a rural consumer wants. What is required is to introduce a product with ‘essential’ features, whose needs are recognized and for which the consumer is willing to pay (value-adding features).

Product developers should aim at eliminating all the cost-adding features, i. e. , features which a consumer is unwilling to pay for as he sees no obvious utility. This would “redefine value” in the minds of the consumer and tremendously increase product acceptability. Product development is severely constrained by legislation in the case of agricultural inputs like fertilizers, insecticides and pesticides. In the case of fertilizers for instance, though levels of deficiency of nutrients have increased significantly over the past decade, no significant changes in formulations notified under the Fertilizer Control Order have taken place. This has severely restricted the availability of cost effective specialty fertilizers of global standards to Indian farmers. Technological know-how for manufacture of such fertilizers exists within the country. However, farmers using modern farming practices are unable to get an assured supply of such farm inputs due to draconian

legislation. A move to liberalize the sector could perhaps consider the accepted worldwide norm of allowing manufacturers with a strong R base to decide their own formulations with the government machinery conducting checks on market samples of finished products to ensure that they live up to the labelled specifications. 29 This would be a major policy initiative that would give a huge impetus to innovative product development in the farm sector. Product life cycles as are becoming shorter and these are having their impact on company life cycles. Thus for any company wishing to develop its product portfolio, allegiance to the classic American P-A- L Principle of Partnership - Alliances - Linkages is a basis for survival. Pricing Every marketer must realize that the rural consumer is not a miser. He is not simply looking for the cheapest product in every category. He understands and demands value for money in every purchase that he makes. Pricing therefore is a direct function of factors including cost-benefit advantage and opportunity cost. Pricing offered to consumers should be for value offerings that are affordable. Price sensitivity is extremely high and comparison with competitive prices is common. Consumers seem to create narrow psychological price bands in their minds for product groups and price elasticity beyond the extreme price points is very high. The perceived utility or value of the product or service is the ultimate decision making factor.

It is certain however, that buying cheap is not the primary objective. Rather, it is “ buying smart”. A study revealed that the average rural consumer takes approximately 2 years to decide on buying a watch! He will not do so unless he is totally convinced that he is getting value for Money. Impulse buys and purchases for conspicuous consumption are also extremely few and far

Between considering the “value for money” factor that reigns supreme in most rural purchase decisions. It must be remembered that the rural consumer does not have a budget problem. He has a cash flow problem.

This is because the village folk receive funds only twice a year. At these times, he is capable of making high volume purchases. At all times, however, the unit price is critical and so is the pack size. Because of this, in the lean season when there is a cash flow crunch, marketers need to provide financial products, schemes or solutions that suit the needs of the rural population.

Promotions & Advertising There are a lot of barriers that militate against homogenous media and message delivery. These barriers stem from the fact that rural markets vary immensely in terms of tastes, habits and preferences leading to different expectations of every segment of the population. However, one fact is certain across all areas. The rural consumer likes to touch and feel a product before making a choice. Demonstrations are undoubtedly the most effective promotional tool that shapes purchase decisions of the rural population. Demonstrations establish the credentials of any new technology used in developing the product. In today's information era, it is very important for companies to wise-up on emerging technologies. It has in fact become a medium to attract larger audiences for a product demonstration.

Technology must be used to prepare a database of customers and their requirements. The use of video using mobile vans and even large screen video walls at events should be arranged. The classic conundrums of reach and coverage of the media are shattered. Several creative communication

media have been used by various companies to tackle the problem of having to use visual communication and non-verbal communication to reach the rural audience. This is required because a large proportion of the rural population cannot read or write. Alliances with cottage industries, harmsalas, panchayats, post offices and police stations for advertising have also helped immensely. More importantly, in rural India, experience has proved time and time again that word of mouth is the key influencer. Intermediaries are the foundation to rural distribution. If the intermediary understands and is constantly reminded about your product, then the end user will not be allowed to forget. The companies must reinforce this highly effective medium and use all their innovation and money to develop more dramatic point of sale and point of contact material. This becomes all the more important when in rural

India, more often than not, the overlap between the product categories sold in a single outlet is tremendous. For instance, a store may call itself as a grocery store but will stock everything from groceries to vegetables to fertilizers and may at times even stock medicines. In such cases, the point at which the customer actually comes in contact with a product may not be the point at which the sale is affected. The re-use capacity and colour of the container in which the product is packed is also a crucial factor. In fact, reusable packaging is considered a major aid in promoting sales for products in the rural market.

Consumer and Trade schemes that Incentivise Spending using discount coupons, off season discounts, free samples, etc. encourage spending. Lucky

draws and gift schemes are a major hit in most states. 31 The use of local idioms and colloquial expressions are an excellent way to strike a rapport with the rural consumer and must be borne in mind when developing media plans and public relations programmes. No high voltage publicity is required. The rural consumer is very down to earth but equally discerning and marketers need to step into the shoes of the rural folk while creating product promotion campaigns.

Another unique feature of rural markets is that the Decision making process is collective. The persons involved in the purchase process - influencer, decider, buyer, one who pays can all be different. So marketers must address brand messages in their campaigns at several levels. Apart from regular household goods, several agribusiness companies have also started providing gift schemes with offers for free jewellery that influences the ladies to pressure the farmers to purchase agricultural inputs from select companies. This promotion strategy thus makes women influence purchase decisions that they would ordinarily not be involved in.

Youth power is becoming increasingly evident in villages. Rural youth bring brand knowledge to the households. This has forced several companies to change the focus and positioning of their products and services towards this segment that is growing in absolute number and relative influence. There are other attributes in the promotion strategy which are explained as under: 1. Mass media: In the present world mass media is a powerful medium of communication. The following are the mass media generally used:

Television. Cinema Radio Print media: Handbills and Booklets, posters, stickers, banners, etc. 2.

Personal selling and opinion leaders: In personal selling it is required that the potential users are identified and awareness is created among them about the product, its features, uses and benefits. This can be achieved only by personal selling by highly motivated sales person. In fact the word of mouth information holds lot validity in rural areas even today. This is the reason why opinion leaders and word of mouth are thriving among rural consumers. An opinion leader in rural areas can be defined as a person who is considered to be knowledgeable and is consulted by others and his advice is normally followed.

The opinion leaders may be big landlords or politicians or progressive farmers. 32 3. Special campaigns: During crop harvest and marketing seasons it is beneficial to take up special promotion campaigns in rural areas. Tractor owners (tonee) conducted by MRF Limited is one such example. Brooks Bond carries out marches in rural areas with band, music and caparisoned elephants to promote their brand of tea. Mandi and Mela magic At last count, India witnessed over 50, 000 melas. Of these 25, 000 meals are held to signify religious, cultural festivals as well as local fairs and events.

On an average, visitors at these melas spend between Rs. 5, 000 to Rs. 50, 000 a day. For example, 3 lakh people visited the annual mela at Navchadi which lasts for 7 days in Meerut. The largest such mela is the Maha Kumbh Mela which is visited by an average of 12 crore people. There is however, a

caveat when an organization is considering using mela for marketing their products. Is the audience at this mela fit for promotion of the product at hand? What are the psychographics of this audience? What is the motivational and behavioural impetus that brings visitors to each of these melas.

On considering these questions, it has been observed that melas are fit to generate product exposure, package familiarity, brand reminder and word of mouth. However, for products that need concept marketing and those that have high prices, such melas are not suitable promotion media. This is because the time and the mood of the people that visit these melas are not right to digest technical information or for making large purchases. People come to melas to have a good time and are not reminded of such high technology or high priced products when they return home. In the words of Mr. Neville Gomes,

Managing Director of Multimedia Aquarius, promotion at melas is like a “one night stand”. There will be no reminder later. Thus, a large amount of qualitative judgment is indeed in planning promotions at melas by media planners. Place place is the major reason behind the evolution of rural marketing as a distinct discipline. A village as a place for promotion, distribution & consumption is very different from a town or city, thus the general marketing theories can't be applied directly in rural markets. Reaching the right place is the toughest part in today's rural marketing, as most of the products reach up to the nearest townships of any village, but due to higher distribution costs, these products fail to reach the village as

the distribution channel fails to put in the required efforts. Most of the times, the rural 33 retailers themselves go to the urban areas to procure these goods. Rural markets imply complex logistical challenges that show up as high distribution costs. Significance of Distribution No matter how well devised a company's product, pricing or promotion strategy, the most crucial link in ensuring the success of rural marketing efforts is distribution.

Distribution must be strengthened and this would raise investment cost barriers for new entrants. In Rural India, the selection and use of distribution channels is a nightmare. The reason for this is very clear when we consider that on an average, Urban and Rural India both have approximately 3 million retail outlets. However, Urban India has only 4, 000 towns where these outlets are located. On the other hand, Rural India's 3 million outlets are located in 6. 3 lakh villages. Thus, marketers are faced with the problem of feeding 3 million shops located in vastly diverse areas each of which records an average sale of only Rs. 5, 000 per outlet.

Further compounding this problem is the fact that even this meagre sale is mostly on credit. The diversity in the distribution of shops is the self-limiting factor in terms of servicing the rural distribution network. 34 The distribution of outlets however shows that a marketer need not be present in all markets at all times. Being present in 6 lakh villages is virtually impossible for an organization of any size. Rural wealth and demand is concentrated typically at satellite towns, district headquarters, assembly markets and such central locations. Rural distribution has a rigid hierarchy of markets that make channel decisions relatively structured. It is essential for rural marketing companies to understand this hierarchy. Rural folk are habituated to

travelling once a week for their weekly purchases to a satellite town. They do not expect such items to be present in every village. For durables where the outlay involved is typically large, the purchase would be made in an assembly market for reasons of choice and availability of adequate cash flow. This is due to the fact that it is at assembly markets that auction yards are present where the farmers congregate to sell their output.

After such sale of produce, they are cash rich and can afford to make such purchases. It is therefore not necessary for a marketer of TV sets to take their distribution channel all the way down to the village shop. A TV will not be sold there as the cash flow does not exist at that point in the hierarchy of markets. A television distributor must be present at assembly markets which are much smaller in number, more controllable, easier to reach and service. Keeping the hierarchy in mind will help decide the optimum level of penetration required to reach a critical mass of rural consumers. Haats Haats are the nerve centre of Rural India.

They are a readymade distribution network embedded in the fabric of rural society for over 1000 years. They have been held on a regular basis across the length and breadth of the country for over 1000 years. Right from the time of Chandragupta Maurya, Haats are seen as a place for social, cultural and economic interchange. 35 One in every five villages with a population of over 2000 has a haat. In villages with less than 2000 people this figure reduces to 1 in 20 villages. Typically, an average haat will have close to 300 stalls. A haat usually serves around 5000 visitors. Considering that the average population of an Indian village is approximately 1000, each haat

serves 5 villages. A study estimates that 47, 000 haats are conducted in rural India. These rural super markets are much larger than all the world's K-marts and Wal-marts put together. A lot of re-distribution also occurs through haats. This is because, a large number of retailers and sub-wholesalers buy from haats for their village stores. What is most attractive to marketers is that 90% + of sales in haats are on cash basis. Traditionally, in village shops a lot of credit sales occur due to the fact that in a small geographic area of a village, everybody knows everybody.

Considering that over 5000 visit a haat from 5 villages, the system gets derelationalised. Apart from the 90% cash sale, 5 to 7% is conducted on barter system and the rest 3 to 5% is on credit. Also attractive to companies wishing to use the system is the low selling overheads. Participation fees at haats are a flat Re. 1 to Rs. 5 per stall and this rate is common to a giant like Hindustan Lever and the smallest local seller. Distribution costs must be reduced through optimum utilization of the network. Thus, incorporating haats in the distribution strategy of a rural marketing organization selling consumer goods and FMCG products (typically once a week purchase items) is a tremendous opportunity. Perhaps the other most important factor to consider while developing rural distribution strategy is that the move from transactional marketing to relationship marketing is most evident in the village market. A strong bond needs to be created with every consumer even in the remotest village and the smallest town. Marketing in Rural India is undoubtedly a long-haul exercise and one that involves great expense. Only those with a strong mind, a tough heart and stiff hands survive. There is also a need to realise that the dealer is the company's "unpaid" sales force.

It is essential to educate and involve him as he is the local company representative and is the only member in the channel of distribution that is in direct contact with the final consumer. The dealers' feedback needs to be obtained as the direction for future strategy emanates here.

MARKETING STRATEGIES TO CAPTURE RURAL INDIA 36 ? SEGMENTATION OF RURAL MARKET

The first step is to develop & implement any strategy for the rural market should include the appropriate segmentation of the rural market. The important thing is that appropriate segmentation basis need to be applied. Different product categories have different rural markets to cater to & these can be selected by applying different criteria of segmentation. The organization can do the following thing to start with:

- ? Focus on select markets.
- ? Focus on select villages.

?? BY COMMUNICATING AND CHANGING QUALITY PERCEPTION

Companies are coming up with new technology and they are properly communicating it to the customer. There is a trade off between Quality a customer perceives and a company wants to communicate. Thus, this positioning of technology is very crucial. The perception of the Indian about the desired product is changing. Now they know the difference between the products and the utilities derived out of it. As a rural Indian customer always wanted value for money with the changed perception, one can notice difference in current market scenario.

?? BY PROPER COMMUNICATION IN INDIAN LANGUAGE

The companies have realized the importance of proper communication in local language for promoting their products. They have started selling the concept of quality with proper communication. Their main focus is to change the Indian

customer outlook about quality. With their promotion, rural customer started asking for value for money. ?? BY TARGET CHANGING PERCEPTION 37

If one go to villages they will see that villagers using Toothpaste, even when they can use Neem or Babool sticks or Gudakhu, villagers are using soaps like Nima rose, Breeze, Cinthol etc. even when they can use locally manufactured very low priced soaps. Villagers are constantly looking forward for new branded products. What can one infer from these incidents, is the paradigm changing and customer no longer price sensitive? Indian customer was never price sensitive, but they want value for money. They are ready to pay premium for the product if the product is offering some extra utility for the premium. ? BY UNDERSTANDING CULTURAL AND SOCIAL VALUES

Companies have recognized that social and cultural values have a very strong hold on the people. Cultural values play major role in deciding what to buy. Moreover, rural people are emotional and sensitive. Thus, to promote their brands, they are exploiting social and cultural values. ?? BY PROVIDING WHAT CUSTOMER WANT The customers want value for money. They do not see any value in frills associated with the products. They aim for the basic functionality. However, if the seller provides frills free of cost they are happy with that.

They are happy with such a high technology that can fulfil their need. As " Motorola" has launched, seven models of Cellular Phones of high technology but none took off. On the other hand, " Nokia" has launched a simple product, which has captured the market. ?? BY PROMOTING PRODUCTS WITH INDIAN MODELS AND ACTORS Companies are picking up Indian models,

actors for advertisements as this helps them to show themselves as an Indian company. Diana Hyden and Shahrukh Khan are chosen as a brand ambassador for MNC quartz clock maker " OMEGA" even though when they have models like Cindy Crawford. ?? BY ASSOCIATING THEMSELVES WITH INDIA 8 MNCs are associating themselves with India by talking about India, by explicitly saying that they are Indian. M-TV during Independence Day and Republic daytime make their logo with Indian tri-colour. Nokia has designed a new cellular phone 5110, with the India tri-colour and a ringing tone of " Sare Jahan se achcha". ?? BY PROMOTING INDIAN SPORTS TEAM Companies are promoting Indian sports teams so that they can associate themselves with India. With this, they influence Indian mindset. LG has launched a campaign " LG ki Dua, all the best". ITC is promoting Indian cricket team for years; during world cup they have launched a campaign " Jeeta hai jitega apna Hindustan India India India". Similarly, Whirlpool has also launched a campaign during world cup. ?? BY TALKING ABOUT A NORMAL INDIAN Companies are now talking about normal India. It is a normal tendency of an Indian to try to associate him/her with the product. If he/she can visualize himself/herself with the product, he /she become loyal to it. That is why companies like Daewoo based their advertisements on a normal Indian family. ?? BY DEVELOPING RURAL-SPECIFIC PRODUCTS Many companies are developing rural-specific products. Keeping into consideration the requirements, a firm develops these products.

Electrolux is working on a made-for India fridge designed to serve basic purposes: chill drinking water, keep cooked food fresh, and to withstand long power cuts. ?? BY GIVING INDIAN WORDS FOR BRANDS 39 Companies use

Indian words for brands. Like LG has used India brand name " Sampoorna" for its newly launched TV. The word is a part of the Bengali