

# Approaches To Rural Marketing Strategies for Fast-Moving Consumer Goods in The State of Rajasthan

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*Abstract— There is a significant demand in the rural Indian market, which presents marketers with excellent opportunities. Nearly half of India's national GDP comes from rural regions, where two-thirds of its consumers reside. The conduct of commercial operations that bring in the flow of commodities from the country's urban sectors to its rural areas, as well as the marketing of a variety of items made by non-agricultural workers from rural to urban areas, are determined by rural marketing. Numerous tactics, including those pertaining to goods, pricing, distribution, marketing, and sales, might assist different organisations in gaining a significant portion of the rural Indian market. Operating in rural markets is challenging, however, due to a number of issues, including undeveloped marketplaces and underdeveloped people. Lack of appropriate physical communication infrastructure, multilingualism, and inadequate media coverage for rural communication. However, there is a solution for every issue. Therefore, enhancing infrastructure, communication, and packaging facilities may help address the issue of rural marketing.*

*Index Terms- Rural Marketing, Strategies, Fast Moving Consumer Goods, Underdeveloped Markets.*

## I. INTRODUCTION

Marketing is the business activity that investigates unmet needs and wants, assesses their size, identifies the target market that can be served most effectively, and chooses the best products, prices, promotions, and distribution strategies to reach these markets in order to discover new opportunities and establish a market orientation. The art of marketing is not new. Perhaps Adam and Eve are responsible for the first marketing transaction. It is a relatively new discipline that has emerged in management. And it has acquired a lot in this comparatively short time. By meeting these requirements and desires via exchange procedures and providing the highest quality products with the guarantee that the client will be served in the best possible way, marketing plays a crucial part in

establishing enduring relationships. Developing a product or service's value via positioning for consumers is a good way to describe the process.

## II. RURAL MARKETING

All of India's corporate houses are now drawn to rural areas, which are regarded as the most profitable markets in the world since businesses from a variety of industries are vying for their business. There are a lot of unexplored and plentiful prospects in rural markets. Rural marketing is a marketing strategy where items are offered in rural regions and the majority of buyers or sellers are from these areas.

This suggests that marketing inputs (i.e., goods or services) to the rural populace and marketing products from the rural markets to other regions constitute the essence of rural marketing. The 2001 Indian census defines "rural" as any area having a population density of fewer than 400 people per square kilometre, where at least 75% of the working-age male population is employed in agriculture, and where there is no municipality or board.

The foundation of Prahalad's (2006) concept is raising rural communities' buying power. He asserts that the impoverished need to become engaged, knowledgeable, and active consumers in his classic essay, "The Fortune at the Bottom of the Pyramid." Co-creating a market around the needs of the poor may lead to a decrease in poverty.

Features of Indian Rural Market

- **Vast and Dispersed Market:** India's rural market is vast and dispersed, with over 70 crore customers from 6,27,000 villages distributed throughout the nation. A research conducted by Francis Kanoi Marketing Planning Services Pvt. Ltd., a company located in Chennai, estimates that the rural market is worth Rs. 65000 crores for FMCG, Rs. 5000 crores for durable goods, Rs. 45000 crores for tractors and agricultural supplies, and Rs. 8000 crores for two and four-wheelers.
- **Traditional Outlook:** Rural consumers respect and adhere to long-standing traditions and conventions. They are obligated to uphold the traditional norms established by society and religious organisations and dislike change. Additionally, Indian consumers have a strong affinity for local goods. This truth is further shown by the previously described Thumps Up and Coca-Cola example. Thumps Up is a locally produced Indian brand that rural people can identify with, despite the fact that it is thought to be of inferior quality than Coke.
- **Infrastructure:** In rural areas, there are insufficient and inappropriate infrastructure facilities, such as roads, warehouses, and communication systems.

#### Facts Related with Rural Indian Economy

1. Of India's total population, 70% reside in 6,27,000 rural villages. According to the NCAER research, rural regions had almost twice as many "lower middle income" households than metropolitan ones.
2. There are 2.3 million urban families in the high-income category, compared to 1.6 million rural households.

### III. REVIEW OF LITERATURE

According to Sharma and Tripathi (2022), the level of digital literacy in rural Rajasthan is increasing, which enables businesses to include mobile marketing and digital ads into their overall plan. Consumers in rural areas, particularly younger generations, are becoming more active on social media platforms such as Facebook and WhatsApp. These channels provide an opportunity for fast-moving consumer goods firms to communicate with their customers.

According to Kaur and Singh (2021), the packaging and price of products should be modified so that they are in line with the expectations of customers in rural areas. An example of this would be the introduction of smaller-sized packaging for popular fast-moving consumer goods (FMCG) products in order to appeal to lower-income sectors who prefer smaller, more economical units.

According to Gopaldas and Narayan (2020), about forty-five percent of the overall consumption of fast-moving consumer goods (FMCG) is accounted for by rural India, with Rajasthan being one of the top states in terms of rural demand. The buying power of rural consumers in Rajasthan has been further increased as a result of the rise in literacy rates, improvements in connectivity, and policies implemented by the government with the intention of fostering rural development. Therefore, in order to successfully tap into these markets, FMCG firms need to implement marketing strategies that are tailored to their specific needs.

Raju and Sharma (2018) discovered that confidence in local shops and word-of-mouth recommendations play a significant influence in the decision-making process regarding purchases. Rural customers have a tendency to place a higher emphasis on value for money and are more likely to remain loyal to a brand if it demonstrates its dependability over time. Additionally, in rural families, decision-making is often in the form of a group effort, with members of the family taking a significant part in the purchasing choices.

According to Kumar and Gupta (2019), businesses that deal in fast-moving consumer goods (FMCG) encounter significant challenges when attempting to break into rural markets in Rajasthan. These challenges include restricted distribution networks, logistical concerns, and a lack of retail infrastructure. Last-mile delivery is made more challenging in rural regions because of the bad road conditions that are common in these locations. In addition, there is a considerable dearth of organised retail establishments in rural areas, which forces fast-moving consumer goods (FMCG) corporations to depend on tiny, local kirana stores for distribution.

### Research Problem

More than seventy percent of the people living in rural regions are employed in agricultural activities. In addition, they demanded goods and services for consumption that were comparable to those found in metropolitan areas.

### Objective of the Study

- To understand Rajasthani FMCG businesses' rural marketing tactics.
- To determine the issues with rural marketing that FMCG firms confront.
- To determine the source of FMCG product purchases made by rural consumers.
- To provide recommendations to FMCG businesses in order to ensure the success of rural marketing.

### Data Collection

The number of respondents who will be requested to participate and provide information about the research will be determined by the use of convenience sampling. Convenience sampling is the process of gathering data from people who are genuinely affected by a situation. The primary sources of secondary data include books, journals, periodicals, periodicals, newspapers, and the internet.

### Limitation of the Study

In order to be both exploratory and conclusive, the study design was used due to the study's shortcomings in the current situation. The study's primary emphasis is on MNCs' FMCG products in India's rural markets.

### Statement of the Problem

The most crucial element of economic growth is marketing. No company or sector can thrive without effective marketing. These are the kinds of commodities that everyone needs. These products are quickly consumable and are often purchased and sold to satisfy consumer demand. Any organization may guarantee its growth, progress, and stability with a well-thought-out rural marketing plan.

### CONCLUSION

The rural market is quite important since it offers a lot of different chances. If India's policymakers had invested in the development of suitable infrastructure for rural India, the country's rural market may have been more robust than it is at the moment. As a component of any economy, rural markets contain potential that has not yet been realised. Therefore, taking into consideration the difficulties and approaches, the government needs to make an effort for the future of people living in rural areas in order to utilise them to the greatest possible benefit.

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