



**DNYANSAGAR INSTITUTE OF MANAGEMENT AND RESEARCH
MBA-II/ SEM-III
COMPREHENSIVE CONCURRENT EVALUATION 2021-22**

**Subject: RURAL MARKETING
Faculty: Dr. Manisha Jagtap**

Specialization: RABM

Important Instructions:

1. The subject is evaluated on the basis of five components

	Components	Marks	Date of Submission
1.	Written Home Assignments	50	22nd March 2022
2.	Caselets	50	23rd March 2022
3.	Field Visit Report	50	25th March 2022

2. The submission has to be in the format prescribed for each component.

3. Answers should be in own words, copied answers will be not be marked.

4. Student Name, Contact number & Specialization must be clearly mentioned on the submission sheets.

REFER BOOKS:

- The Rural Marketing Book by Pradeep Kashyap & Siddhartha Raut
- Books Rural Marketing – Concepts & Practices by Balram Dogra, Karminder Ghuman
- Rural Marketing by R.V. Badi, N.V. Badi



1. WRITTEN HOME ASSIGNMENTS

Assignments are to be written in Assignment sheets

Each question carries equal marks and all questions are compulsory

1. Briefly discuss the rural environment in terms of the infrastructure available for marketing. How does this environment affect the marketing decisions and opportunities? Explain with reference to
 - (a) Marketing of banking services
 - (b) Marketing of consumer necessities like toilet soap and detergents
2. Identify a product which was targeted/ launched for BOP market. Discuss the strategy with reference to four element of BOP strategy.
3. What are the products which can be introduced in rural market? Prepare a marketing plan for 5 different products of different categories.
4. Write the importance of rural marketing research. Write a research plan to identify the awareness and perception of cosmetics in rural market.
5. What are the key behavioural dimensions that must be considered while planning rural distribution strategy? Explain with respect to:
 - (a) e-Two wheeler
 - (b) Mobile Phones
6. Discuss the major differences between urban and rural market research. You have been asked to assess the market acceptance for an economy range of personal care products in villages of North India. What sources of secondary data and primary data will you use for your market research? Briefly explain.
7. Is it a right move for ITC, which already has a presence in Indian villages with special tie-ups with farmers for tobacco cultivation, to enter into e-ventures?
 - (a) Will this model run successfully in the long run?
 - (b) What can ITC derive out of e-choupals?
 - (c) Will a company, which thinks of social marketing as its objective for rural development, really succeed in winning the hearts of rural Indians? Is ITC going the right way in this initiative, according to you?
8. Define Rural Marketing, explain the various transformations the rural markets are witnessing in the changing marketing scenario.



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9. Looking at the profile of the rural consumers in India today, what are the key challenges posed for Indian marketers in the rural market segments? Discuss with reference to an FMCG product and a consumer durable product of your choice.
10. Discuss the various strategies marketers use for product modification decisions for the rural markets, with the help of suitable examples. As the product manager of an established consumer goods company, how would you handle the menace of spurious brands in the rural markets?

2. CASELET

Solve all the cases in assignment sheets

Read the cases given below and answer the questions given at the end of the case.

CASE NO 1

In a study conducted by ICICI it was found that:

- Only 40 per cent of shops in small towns have electricity, while in feeder villages this figure was 11 per cent.
- Shops in towns were located on rented premises. while in interior villages in 88 per cent of the cases the shops were located on owned premises and lacked electricity
- In feeder villages, four fifths of the shops have one person working full time, while in interior villages 70 per cent have two or three persons working on a part-time basis.
- Over two-fifths of the retail outlets stocked eight to nine standard product categories.
- It was found that three –fourths of the outlets that stocked eight to nine product categories kept four items or less in each category, while one–fourth had five to six items in each category.
- The total number of items stocked in retail outlets was about 50 in interior villages and 115 in feeder villages.
- The stock turnover ratio in the study is the number of times the stock is sold in a month. This is obtained by dividing the stock level by monthly off-take. The ratio for toiletries in interior villages was close to unity, while in the feeder villages two thirds had a ratio in the range of two to three. The ratio of one indicates that on average interior village shops had stocks for one month, while shops in feeder villages maintained stocks for two or three months. The value of the stock turnover ratio in towns had a wider spread and higher values in the range of three or even. five because of the wide variety of products stocked.



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Questions:

- (a) Critically evaluate the above rural retail scenario for the marketer of consumer products.
- (b) What implications does the above scenario have for the long – term distribution system design of a multi–product necessity Goods Company wanting to make a foray into the rural markets?

CASE NO 2

Agricultural extension is a national priority and support from the industry and other organizations are sought by the government in this Endeavour. With the advancement of agricultural technology and liberal market scenario, the service aspect needs reiteration and further strengthening. A group of specialized people in agriculture, particularly those who intend to take up export oriented agri-business, will heavily depend on professionalized extension services for which they will be willing to pay. Some of the growers, through their associations like Seed Growers Association, Grapes Growers Association, have organized themselves for obtaining tailor made extension support. The large majority of small and marginal farmers will, however, look forward to the government system and mass media for access to information on latest technological advancements. Consultancy services in agriculture sector are popping up but buyers are mostly large organizations or affluent farmers. Mr. Sharma has a large grape growing vineyard in the Sholapur district Maharashtra, the crop is generally exported and little is sold in the local markets in the past few years the crops exported are being rejected in the Middle East Countries and Mr. Sharma is facing a strong financial crisis. He is looking at some expert advice on the cultivation methods, to regain his lost markets and future growth, the advice from the some of the experts has not yielded the desired results.

Questions

1. What is the role of the service providers in the agriculture markets?
2. What in your opinion should be the course of action for Mr. Sharma to regain the lost markets?
3. Do you feel the Agriculture services have a future in agriculture markets?

CASE NO 3

Mr Verma of Master Detergent was a worried person; another competitor had launched a special pack of a Detergent with a very competitive price and very aggressive advertisement and Sales promotion schemes. The flagship brand of the company MAST was taking a beating in the market and sales were going down. The company Master is an old company existing for more than 60 years and has a strong brand equity in the rural market. The products of the company are well known and command a premium and have a niche place in the rural market, there are also other products as Soaps Shampoos and other consumer goods the company offers. The New Company does not have the long Range of products Master has but is strong on Raw materials buying and thus offers very low prices to attract customers this according to Mr Verma is a big strength. Mr Verma is sitting in his office trying to find a new marketing strategy to regain the lost market share.



Questions:

- Q1 Please help Mr Verma in his endeavor to regain the lost share and increase brand equity.
Q2 Should Mr Verma creates a separate marketing strategy for the rural markets?

CASE NO 4:

Do We Need Middlemen in Rural Marketing?

A.R. Rao was angry and fed up. He had just delivered a large consignment of packed broilers to the local buyer and understood that the prices he received did not even cover the costs of production. His business friend Kumar who was discussing with Rao sympathized and said,

“I was in the main market an hour ago and prices of broilers are up”.

“There is something wrong here,” Both Rao and Kumar agreed. The next day Rao and Kumar met a number of other unhappy and grumbling broiler producers to discuss the problem. In the meeting, one of the members said: “it is the middlemen who create problems and get large business. They buy low, sell high and pocket our profit”. “What can we do about it?” said Kumar. One member suggested “we need to eliminate the greedy middlemen from the rural market. We must operate our own marketing facilities and sell direct to customers or end users. This is the only way we can get 100% of consumer’s money”. Rao interferred and cautioned – “It would cost a lot of money. Are we capable of entering into wholesaling and retailing?” Kumar replied, “That is not my cup of tea. I am a chick and broiler producer. I am not a market man”. An elderly villager in the meeting said: “It sounds risky and complicated. Marketing has so many ifs and buts and the area are vast”.

Questions

- What advice will you give to Rao, Kumar and their friends in broiler marketing or on their plan of entering into wholesale and retail business?
- What are the pros and cons of the proposal to eliminate middlemen from rural marketing? Discuss with reference to poultry, eggs, broilers and the meat business.
- Examine the factors influencing channel design decisions.
- How do you select channel members?

CASE NO 5

Sensing a big opportunity in rural markets, Om Kotak Life Insurance set up a separate rural business division headed by a senior vice president. The marketing strategy revolved around generating business using agent routes, initially in Maharashtra.

Press advertisements were released in both national and regional newspapers to select and appoint agents. However, despite repeated insertions the response was very poor. Thereafter, the company approached a



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recruitment agency, a marketing agency operating in rural areas and an agency with its networking sources in rural areas.

The first two agencies did not have reach in rural areas. So, Om Kotak finalized a deal with Rural Relations, a Pune-based agency with an excellent network of rural volunteers, to recruit agents for the company.

Based on its previous experience, Rural Relations emphasized three components of their recruitment strategy: (1) direct personal contact (2) spreading information, through group discussions (3) motivating people to become life insurance agents through counseling.

The awareness-building strategy included sending letters to opinions leaders using the huge Rural Relations database, highlighting the benefits of becoming agents for the insurance company and requesting them to spread the news locally to identify suitable agents. Six persons were trained by Rural Relations to contact villagers, particularly rural youth and brief them about the insurance business. A well-produced leaflet providing information on the company and career prospects was also handed out at the preliminary interviews held in nearby talukas.

The first level agent assessment was done based on the information provided in the application forms, followed by quality of participation in the counseling session and performance in a direct personal interview. Out of the 375 candidates who appeared, 110 were shortlisted for the second round of interviews.

In the second round, the company head of the rural life insurance business conducted the interviews, along with his sales manager and an HR manager from Rural Relations. Out of the 68 candidates who appeared, the best 30 were selected. Thereafter, they were put through a 20-day Insurance Regulatory Development Authority stipulated training programme, conducted by Maharashtra Institute of Technology at Pune.

During the training period, Rural Relations coordinators interacted with the candidates on a daily basis to solve and personal or course-related problems. To sustain motivation levels, informal dinners were also arranged on a weekly basis to encourage candidates to interact with each other and with members of the Rural Relations team.

These efforts were successful in building up the candidates' self-confidence in their abilities to become competent rural life insurance agents, as was evident from the 100 per cent pass rate in the final examination.

Questions:

- a. Critically evaluate the recruitment strategy followed by Om Kotak for its insurance salespeople.
- b. What are the alternative strategies that you would have followed to attract larger numbers of prospective applicants from the rural segment? Give reasons for your answer.

3. FIELD VISIT REPORT

Instructions:

1. Student Name, Specialization, Project Topic must be clearly mentioned on the report.

Conduct a field study by talking to 50-60 rural consumers around your city or to people with a rural background, collect information on what are the most influential reference groups for the following products and services purchase decision for the rural consumers. How is this influence exercised?

1. Purchase of a tractor
2. Decision to send a child to high school outside the village
3. Purchase of insurance
4. Purchase of household detergent

You can make your assumptions.

Submit in MS Word with maximum 5000 words and also have a power point presentation ready. Hard copy to be submitted in person and soft copy of report & PPT (10 slides maximum) is expected on drmanishajagtapdimr@gmail.com.

