

Rural marketing

Q 1 A Fill in the blanks with best alternative (any 8)

8 mks

1. A set of basic values perceptions, wants, and behaviors learned by a member of society from family and other important institutions is known as culture(society, culture, sub culture)
2. Personal selling is a process of face to face interaction between the salesperson and the prospective customer (personal selling, Customer relationship management, Public relations)
3. Under the pull promotion special incentives are provided to dealers on the number of units sold to the ultimate consumers (pull up sales, push up sales, free gifts)
4. Haat are the weekly markets from where rural people buy the items of daily necessities, garments, farm inputs etc (haats, melas, dashavtars)
5. Scattered nature is a feature of rural markets (rural markets, urban markets, semi rural market)
6. Pomes is an examples of spell alike (spell alike, duplicates, look alike)
7. E-chopual was started by ITC(ITC, Unilever, P & G)
8. AGMARK the quality certification mark for agricultural produce (BIS, AGMARK, ISO 20000, ISI)
9. sarpanch is an example of opinion leader (school, sarpanch, newspaper)
10. Green revolution took place in the year 1965-68 (1965-68, 1980-85, 1991-93)

Q 1 B Match the pairs

7 mks

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|-------------------------|----------------------|
| 1. Packaging | a. puppetry (5) |
| 2. Penetration pricing | b. Fair & lonely (4) |
| 3. Rural markets | c. low prices(2) |
| 4. Fake products | d. bubble packs(1) |
| 5. Unconventional media | e. scattered (3) |
| 6. PDS | f. finance(7) |
| 7. NABARD | g. high prices |
| | h. Fare prices (6) |

Q 2 Answer any 2 of the following

15 mks

1. What is meant by Rural marketing? Discuss the challenges faced by companies when they enter the rural markets.
Ans: definition of rural marketing 2 mks & challenges any 5 points
2. Explain the profile of the rural consumer Ans: any 7 points
3. Discuss the features of rural markets in brief any 7 points

Q 3 Answer any 2 of the following

1. Explain the various forms of pricing strategies adopted by companies to generate sales in rural markets
Ans: penetration pricing, skimming, price points, etc, student has to explain each with examples
2. Discuss in detail some of the government schemes and initiatives including contribution of NABARD in the area of rural development. Any 7 schemes of the govt
3. Discuss the 4 A's in the context of rural marketing

Ans: availability, acceptability, affordability, awareness
Student has to explain each with example

Q 4 Answer any 2 of the following

1. Write a note on segmentation of rural markets with reference to geographic, demographic, psychographic and behavioral segmentation.
Ans: mention each segment & explain with examples
2. How can effective communication strategies be developed for rural marketing?
The student can mention conventional & unconventional media in this ans
3. Explain the various Public distribution system developed by the government to improvise distribution and storage facilities for farmers in rural areas

Q 5 Case study

The trigger point came when a local firm Nirma, through its new product formulation, pricing and distribution challenged HLL's detergent business. Nirma's attack from below made HLL realize its vulnerability as well as identify a new opportunity. Since then, HLL has launched various initiatives to reach out to the rural consumer. It has changed its product formulations and deliveries.

It has begun a number of initiatives in terms of widening distribution reach through traditional as well as unconventional channels. HLL has also empowered rural women by assisting them in obtaining financial assistance through its project Shakti.

Rural expenditures on Fast Moving Consumer Goods (FMCG) were growing at an impressive rate of 20 - 25%. Several companies were taking rural marketing seriously, one of them being Hindustan Lever Ltd (HLL), Unilever's Indian subsidiary.

In 2004, HLL was India's largest FMCG company, with 30 power brands turnover of over Rs. 10,000 crores and 40,000 employees. HLL derived around 50% of its sales from rural areas. HLL's rural marketing initiatives began way back in 1988, when the company had launched 'Wheel' for the rural and lower income urban consumer.

Q 5 A Explain the role of Project Shakti & its importance in raising the economic growth of rural areas

Ans: explain project shakti from the case example given

Q 5 B identify the journey of the Unilever product Nirma & how it has grown over the years

Q 5 "Rural markets are gold mines for MNC's" true or false with justification:

Ans: discuss the no of mnc getting in the rural markets & their growth