CHAPTER-5
CONCLUSION

The marketer, irrespective of operation in an urban or a rural area, gives importance to marketing, its concept and objective of satisfying consumers with goods and services for a profit. The four P’s which make up marketing mix are equally relevant in both the cases. However, the basic difference in these two segments lie in demographic, socio cultural and economic environment.

A sincere attempt has been made in this research to examine rural marketing of consumer durables in terms of its challenges, practices and effective management of marketing mix which comprises of product, price, place and promotion in the rural environment of five districts of Eastern Rajasthan. The findings of the study and suggestions for the present and prospective marketers keeping the concept of four aspects of marketing have been given here. This will help them to device their marketing strategy for the rural market.

5.1 FINDINGS

The rural Indian market has gained significance in the recent times as the overall economic growth of the country has led to an improvement in the living standard of the rural people. Every consumer as an individual is different from others. Across the world the rural consumer buying behaviour is considerably different from the urban consumer. Rural consumers vary not only in their behaviour and practices but also in their conviction and beliefs. Their thought process is simpler as compare to the urban masses. The rural market is quite different in terms of
the price-value equation, product usage pattern etc. because the meaning of convenience differs with market segments.

The major findings that have emerged from the study regarding the rural market are presented in this last chapter keeping the concept of four aspects of marketing:

I. MARKET POTENTIAL

1. The brands holding top two positions in different product categories in different segments and their market shares are as follows:

Table 5.1: Preferred brands and their market share

<table>
<thead>
<tr>
<th>Product</th>
<th>BRAND RANKED I</th>
<th>MARKET SHARE (%)</th>
<th>BRAND RANKED II</th>
<th>MARKET SHARE (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>COLOURED T.V.</td>
<td>ONIDA</td>
<td>86.5</td>
<td>L.G.</td>
<td>5.9</td>
</tr>
<tr>
<td>CEILING FAN</td>
<td>USHA</td>
<td>81.4</td>
<td>BAJAJ</td>
<td>6.71</td>
</tr>
<tr>
<td>REFRIGERATOR</td>
<td>GODREJ</td>
<td>92.1</td>
<td>WHIRLPOOL</td>
<td>6.2</td>
</tr>
<tr>
<td>MOBILE PHONE</td>
<td>NOKIA</td>
<td>69.8</td>
<td>LOCAL BRAND</td>
<td>19.1</td>
</tr>
<tr>
<td>RADIO</td>
<td>SONY</td>
<td>83.8</td>
<td>PHILIPS</td>
<td>12.5</td>
</tr>
<tr>
<td>WASHING MACHINE</td>
<td>VIDEOCON</td>
<td>96</td>
<td>GODREJ</td>
<td>1.7</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>LG</td>
<td>1.7</td>
</tr>
<tr>
<td>MOTORCYCLE</td>
<td>HERO HONDA</td>
<td>93</td>
<td>YAMAHA</td>
<td>4.8</td>
</tr>
</tbody>
</table>
It has been observed that most brands on top position have a monopoly.

2. The satisfaction level of customers was found to be varying product wise and segment wise. The segment wise differences may either be because of the lack of interest of the marketer in the promotion of the particular brand. For example the response to the product washing machine was very thin. The women were hardly aware of the various brands of washing machine.

3. Most of the rural purchases are made from the nearby cities or towns. The people have less faith on rural shops of durables. The people have clearly indicated discontentment regarding availability of products. The various popular brands just exist through T.V ads in their minds however their physical visibility in rural market is negligible.

4. An overwhelming majority has given a positive opinion about the selected established national brands indicating a high latent demand of existing brands and a welcome sign for new product line in consumer durables with new brands coming to rural market.

5. A majority of rural population in districts like Bharatpur and Tonk were not satisfied with the brand choice available locally. The intensity of latent demand for the non-existing varieties (brands) was very high. This indicated a very high potential for consumer durables in the rural areas of these districts.

II. Brand Awareness

1. The awareness test has shown that most of the selected brands are well known to the customers. However the proportion of sample aware about brands varies from segment to segment. The age and education level have also been found to be influencing factors of brand awareness.

2. The customer have given most importance to quality while selecting the product. The next purchase influencing factor has been price and then the availability. Price got second position after quality as most dominant factor. The low and medium
income were the most price conscious group. The rural consumer actually looked for quality at affordable price.

3. The pricing and promotional strategy should match the needs of age group and income of the target market. The youth emphasize that costly and popular items have better quality. Middle age people overemphasize the reputation of the brand but overlook the the popularity. Good looks have no place for the old aged people.

4. Most of the rural population is receptive to the idea of trying and accepting a new brand but the condition is that they should be easily available.

The above findings make the rural areas favourable for existing brands as well as for the new brands of these products. The only requirement is to confirm marketing activities with customer preferences.

### III. Promotion

1. Mass Media and reference groups have been mentioned as the dominant sources of knowledge by the large number of respondents followed by posters. T.V. and newspaper have reached rural households in a big way and are influencing their purchase decisions.

2. The literate people (metric and above) are more influenced by the mass media whereas the illiterates also depend on reference groups. Reference groups can be family or opinion leaders in form of village head, priests, headmaster of the local school etc.

3. The highly advertised Brands were (in the given order) **Colour T.V.** (Onida, Samsung, L.G.) **Ceiling Fans** (Usha and Bajaj have about equal recall); **Refrigerator** (Godrej – almost has monopoly, followed by L.G.), **Mobile phones** (Nokia mostly) **Radio** (Sony, Bush), **Washing Machine** (Videocon, followed by Godrej and L.G.), **Motorcycle** (Hero Honda has the monopoly through the rural markets)
4. There is a close correlation in the advertisements position of various brands and their market share indicating an apparent impact of advertising on the market share.

5. T.V. is most important media followed by newspaper for advertising of the products. Television advertisements unconsciously affect the rural consumer behaviour since rural consumer is simple and understands clear messages which T.V. can easily do.

6. Consumer attitude towards the two promotional tools namely price discounts and free gifts has been positive, irrespective of segments, income, education and age group of customers inspite of the differences in the proportion favouring them.

IV. Distribution

1. The low proportion of purchases are local. People prefer to buy from cities. Since consumer durables are the kind of products which last long so they don't mind going to the city to buy them. This indicates the lack of confidence in local shop. Because of some weaknesses in the local distribution system (non availability being one of them) the city purchases are substantial.

2. Irregularity in supply is observed throughout. People’s choice of products are unavailable mostly so they prefer to purchase from towns and cities.
5.2 SUGGESTIONS

It is possible to evolve effective strategies for rural marketing considering the environment in which rural market operates and its associated problems. The suggestions given here though not universally applicable, as much depend upon the product characteristics, the targeted segment of the rural market, the choice of rural area, its economic condition and the specific environment, but certainly provide a framework for adopting marketing mix strategies for rural marketing:

I. Present and Potential Market

1. Most preferred brands in each product type have monopoly indicating that other brands can also make dent in the market by appropriate marketing strategies.

2. Segment wise product preference is varying, so the marketer has to understand the taste and choice of the particular segment and tap the potential for his product.

3. People have no confidence in local shops selling consumer durables. This provides opportunity to the companies to launch their products with right promotional and distribution strategies.

4. More brand choice should be made available to the people especially in Bharatpur and Tonk.

II. BRAND AWARENESS

1. The marketer should concentrate more on product attributes (quality) and not on price, image which come only next to quality.

2. The area wise differences also exist while identifying the dominant factors influencing the purchase so it is important consideration when selecting specific areas of marketing activities.

3. The pricing and promotional strategy should match the needs of age group and income of the target market.
III. PROMOTIONAL STRATEGY

1. Mass media specifically T.V. should be used as promotional media. People have access to it and identify a brand most through television.

2. Advertising a particular product in a specific area requires studying the area wise and product wise differences. Determining an advertising mix that suits the product and area is expected to give better results.

3. Free gifts and price discounts should be made an integral part of promotional package. A less priced consumer durable (of a new brand) can be given as a free gift with a costlier one.

4. Village opinion leaders can be used for promoting the products.

5. Marketers catering to rural people should use more traditional and less modern communication tools. A judicious mix of two with more stress on traditional medium and clarity of message about product is sought here.

III. DISTRIBUTION

1. Keeping in mind the preferences and choices of Rural Customers companies should device the distribution strategy so as to make the product available all the time in rural outlets.

2. Supplies should be made regular.

3. Special efforts can be made of making latest brands available in rural market specifically in haats etc. where canopy, mobile van etc can be used.
5.3 **Limitations of the Study**

The research is based mainly on the information and data supplied by the consumers of Eastern Rajasthan only. Due to low levels of literacy and conservative nature of rural folks, the percentage of response was low. The women were not very forthcoming with the responses. Moreover people were hesitant in responding accurately to certain questions. Customers sometimes did not remember the brand name correctly of the product used by them.

Despite these limitations, the findings of this study certainly provide some understanding of rural marketing environment, practices, structure and problems which are of relevance not only to the chosen villages under the study, but also for the rural markets elsewhere in the country. Thus, this would be useful addition to the limited literature available on the subject.

5.4 **Scope of Future Research**

The research here is confined to the five districts of Eastern Rajasthan. However the future scope lies in covering the representative districts of all states thus deriving an overall picture of total Indian Rural Market. This scenario will definitely help the marketers to design a comprehensive strategy plan. Further the product range here includes seven of the large range of consumer durables available in the market. Further research can be conducted taking a range of other products and observing and interpreting the rural markets response regarding them. The same kind of research can be extended to FMCG products and services.
The field is vast and almost unlimited as almost villages exist in India with different needs, preferences, choices, priorities. So the market has immense potential to tap which can be supported by more of detailed study in the rural set up.