CHAPTER- 7

FACTORS AFFECTING RURAL MARKETING

Before considering the factors, which affect the rural marketing, an attempt is being made to draw differences between rural and urban marketing because it creates the factors specially needed to be considered while rural marketing.

Environment Different:

The urban environment is characterized by:

- Large contiguous settlement units of town or urban agglomerations mostly concentrated.
- High infrastructural level (such as road, electricity)
- High density of population per square kilometer of space
- Good physical connectivity, high mobility

The rural environment presents a different picture

- Small contiguous settlement units of villages widely dispersed
Low infrastructural level (such as road, electricity)

- Low density of population per square Kilometer of space

- Poor physical connectivity with other villages and towns, low mobility

**Social Relations Peculiar:**

In the urban society, social dynamics represents a more liberated system.

- Large number of interactions with persons, less frequent between the same people

- Individuals are less known and identified between members in the social and settlement system

- Social norms are less visible

- Status is achieved

- Caste influence indirect and of less strength, generally subjected to economic influence.

On the contrary, the outlook of rural society is a mixture of both of traditional and modern 'isms'. The traditional picture is:

- Less number interpersonal interactions, more frequent interactions between the same people.
Individual better known, and identified

Social norms influencing individuals are more visible

Status is ascribed, determined by birth in a family

Caste influence direct and strong.

Low Exposure to Marketing Stimuli:

Urban markets are in a vantage position. They have better exposure to marketing stimuli

- High product exposure; high exposure to branded products
- High ad exposure, high brand awareness
- High exposure to marketing researchers, multiple sources of information and learning
- More convenient buying, high rate of retail outlets per 1000 population and high market reach, availability of wide range of products.

A different and apathetic situation it find in rural markets

- Low product exposure, low exposure to branded products
- Low ad exposure, low comprehension of ads, low brand awareness
- Low exposure to marketing researchers, limited sources of information and learning
Less convenient buying, low rate of retail outlets per 1000 population and low market reach, availability of limited range of branded products along with imitation products.

**Dependence on Nature:**

In the urban areas, dependence on natural resources is less.

- Access is a function of purchasing power
- Most resources to be purchased
- Low dependence on employment and incomes on natural factors

On the other hand, the rural life is dependent on

- Abundance of natural resources and high dependence on them for a large number of household needs.
- Differential access to resources based on caste, political and money power etc.
- High dependence on livelihoods/employment and income on natural factors

**Employment and Incomes Seasonal:**

The urban occupations and incomes are more stable and permanent.

- Occupations mostly include employment in government, business,
industry and service organizations; contract or daily labour in organized and unorganized sector

- White collar employees and workers a majority
- Frequency of income receipts predictable and at regular intervals.

On the other hand, rural people work in a less certain environment

- Agrarian base, mostly small land holdings per house hold (two hectares or less) and more than to 70 per cent people in small scale agricultural occupations.

Acute seasonality in income receipts:

high chance element in income receipts (because of the dependence on agriculture and natural factors)

On the basis of above said differences following factors are important while formulating marketing strategy for any rural market.

1. Marketers

Till recently, marketers have exposure mostly to urban markets. They have to reorient themselves to be successful in their mission. A rural marketer requires the following attributes:

Understanding:

A deeper understanding of the rural milieu is needed, for which people with proper exposure are required.
Respectfully and Humble:

Rural folk look up to the urbanites and hence the behavior of marketers, while conducting business in villages, should be respectful and humble.

Patience:

Rural buyers take a long time to make up their mind to buy. Therefore, marketers need to learn to exercise more patience in dealing with the less educated rural traders and consumers.

Courteous and concerned: rural India is a network of relationships. Marketers have to show courtesy and concern in dealing with rural consumer. The focus should be on ‘relationship’ building and not mere product selling. Mobile traders selling a variety of products by visiting the same home for years have been practicing relationship marketing for centuries in India.

Social skills:

Rural marketers have to go beyond relationship marketing. Rather they should include humor and recreation in their plan of action. Using interactive approach, they may organize games and events, which would attract the attention of villagers of all professions uniformly. This would require local-level goodwill creation and social negotiation skills.

2. Philosophy

Conventional marketing focuses on satisfaction of customer needs and
wants taking into account society and environment's well being. It is based on the marketing concept chastised by social concept. A natural extension to it is Green marketing. It calls for the production and distribution of only those products, which have no deteriorating impact on environment.

Whereas the urban markets need customer relationship management with emphasis on eco-friendly products, the rural markets require a slightly different approach. The rural areas are economically less developed and less exposed to marketing efforts of the corporate enterprises. A prudent approach will be adoption of relationship marketing. While development marketing economically uplifts the rural people relationship marketing strengthens the company consumer bondage for mutual benefit.

Hindustan Lever (HLL) has launched in 1999 its relationships marketing exercise, said to be the first of its kind in rural India by a major FMCG corporation. Development marketing undertaken by Hindusthan latex with the help of the Government and International Development Aid. There are instances of companies like Pepsi Co., partnering with villagers in agriculture and allied activities increasing the productivity and income.

3. Marketing Research

New insights into market research are warranted to probe and profile rural consumers. Conventional forecasting of demand for durables relies heavily on income factor. Industry observers are increasingly realizing that at times durable purchase has nothing to do with income, but has more to
do with the size of the family. And that’s where rural India with its joint family structures, differs from urban India. Most of the research techniques in use relevant to rural consumers. Complexities such as recalibrating the scales and usage of the right language dialect in research instruments must be taken care of for proper rural market research. Associations with color and symbols work well. The individual interview technique may suffer from some limitations as rural people believe in participatory approaches.

4. Consumer Behaviour

The purchase decision is evolved overtime and is purely based on rational thinking. There is great stress on value for money. Rural buyers are quality-conscious as their urban counterparts but the emphasis is on the functionality of the products rather than on the frills attached with it. The consensus amongst the professionals was that rural consumption is characterized by collective decision making and it is highly influenced and opinion driven.

While an urban consumer may return for his preferred brand, if it is not available when he goes to buy it, a rural consumer may not. Rural buyers go in for outright purchase rather than any other option. The option for outright purchase is understandably due to the laborious paper work that one has to go through for hire-purchase or other systems. In general, it has been a recognized fact that rural consumers are relatively more brand loyal than their urban counterparts. And here too, the collective principle works. That is why there are Nirma villages, Wheel villages, Escorts villages and M&M villages.
Against this, there are reports that rural people are also exhibiting tendencies of disloyalty.

5. Segmentation

Marketers have to start looking for appropriate variables to segment the rural market. There is no attempt to segment the rural market. As a result, there is a total mismatch between the aspirations of the rural consumer and what marketers have been thrusting on them.

Rural markets are deceptively simple; segmentation is by no means an easy task.

- Family size, not income determines purchase of durables like TV.
- Land holding and incomes are not strongly correlated. Factors like crop pattern, the rainfall and method of farming make a difference.
- Income of a family cannot be easily ascertained. There are multiple employments, differential wage structures and irregular receipts. Expenditures as such, are seasonally varied.

6. Product Strategy

Products with functional value, not frills. It is what the rural consumer prefers to buy. Moderate quality, small unit packing succeed in penetrating the rural markets.
A critical issue for marketers has been the rampant use of deceptively similar looking fake goods selling at lower prices. The best way to counter fakes is through better penetration and awareness. The highest incidence of fakes is at haats as these have been neglected. The only practical way of dealing with them is as such, making products available at haats also.

7. Price Strategy

Rural consumer, like the low and middle income urban counterpart parts are price sensitive. They prefer to buy low priced large packs of popular products or low priced small unit packs of premium products.

8. Distribution

The urban markets have many selling points like retail chains, malls, supermarkets, departmental stores, authorized showrooms, specialty stores, wholesalers, stockiest, semi-wholesalers and retailers. Also, pavement vendors, hawkers and the like are found is urban markets.

Transportation is a problem owing to competition, and not due to inadequate facilities. The rural markets have few selling points like retailers, cooperatives, haats and meals. Limited transport facilities act as a constraint to marketing action.

9. Promotion

There seems to be a vast gap between the way the rural market has been shaping and the efforts of marketers and media to understand and service
it. All advertising addresses consumers assuming that they will react as individuals. It is true in urban areas. But the rural audience is more often a close knit group rather than a conglomerate of individuals. This therefore, requires basic changes in the perspective of marketer. The use of colours – yellow and red for wall graphics – though very vibrant in the rural context, needs to be reexamined on the face of the virtual overuse by marketers. The need now is to get not just language-but even dialect specific in rural messaging. Words and symbols are often not understood in quite the way we would like them to be. To an urban consumer, a model shaking her head in a shampoo commercial is showing off the bounce in her hair. The rural consumer may see her as a bad girl because of her unrestrained behaviour.

The media mix that is effective in urban markets fails to produce the desired results in rural markets. TV followed by print and radio is appropriate to inform and induce urbanites. TV is effective but continuous availability of electricity is the problem in most rural homes. Radio listening is popular but not that effective compared to TV. Print media is the least effective because of low literacy levels. The emphasis should be on outdoor, vans, interactive folk media melas and haats. Outdoor media like wall paintings with high visual content are very effective, though more expensive and difficult to organize. Rural India is essentially oral culture and hence, interactive folk media such as puppetry, jataras and street theatre are very relevant. Corporate marketers need to consider these traditional media more seriously.
10. Attitudinal Factor

Apart from the above physical constraints, various other factors exercise powerful influence over consumer behaviour. These are called Attitudinal Factors. The specific environment in which rural masses reside decides the attitudinal bent of mind of rural consumers. Consequently, the rural markets flourish or collapse, mainly on account of how the rural consumers feel about a particular product. The factors in the environment and the individual affecting attitude formation are the following:

11. Cultural Factors:

Culture affects the behaviour of individuals. The consumers in the rural areas are much under the influence of traditional cultural values. The culture at present is more or less the same as it was some 50 years back. Consequently, their buying decisions are the result of the culture they hail from that is Hindu culture, which restricts meat-eating habits. As a result, the fast food culture has remained restricted to urban areas.

12. Demographic Factors:

The various demographic factors like age, sex, education, income, etc., also account for consumer response. This is true for both urban and rural consumers. In rural areas, the educational level is very low in a majority of the rural areas. The income level also is very low. The main occupation continues to be agriculture, and the level of advancement in agriculture is
also low. This results in lesser output, and consequently low income, resulting in low purchasing power.

Moreover, the rural population is heterogeneous in nature. It consists of either younger or elderly people. The people in the age group 18-40 migrate to nearby towns or cities in search of livelihood. Besides, women outnumber men in rural areas because male members move out of their places. So, women are there mainly and there is no homogeneous sex ratio.

Right to decision: One of the important factors affecting consumers' behaviour in rural markets is the right to take the purchase decisions. In most rural families, it is the head of the family who decides what to buy and when to buy. Consequently, his purchase decisions are influenced by his own personality traits, rather than the aptitude and perception of the actual consumers of these goods. Thus, while venturing into rural markets, this fact needs probing.

13. Buying Motives:

Marketers have been using buying motives to handle the consumers. 'Buying Motive' provides the psychological justification for the acceptance of a product. This tool has proved a success with urban consumers, but its application to rural markets needs to be studied. It is necessary for the marketer first to identify the psychological characteristics, which can act as the buying motives. Luxury is a buying motive, which has been widely exploited by
markets, but it may not prove that effective in the case of rural consumers, because of a different style of living.

14. Lack of Research Data

Decisions on message and media-mix in the urban areas are aided by study of available data. The final decision is based on a review of a number of elements like past and forecast sales, market environment, availability and cost effectiveness of media, reach, frequency, exposure value, etc. This type of data is provided by various firms, but there is complete absence of syndicated research services on media access, reach and media habits, when it comes to rural media. Although NCEAR conducts regular studies and then publishes the findings, they are few and far between. Hence, decisions regarding message and media-mix are largely dependent on feedback from sales-force, retailers, distributors, etc.

15. Selective Attention/Retention

Rural reach is incidental and through spillover. It is often said that people select messages that are of interest to them and filter out those that are not. Most ads aired on the urban circuit reach villages, but the products are not found for miles in the interior rural environment. This serves to divert rural receptor attention and adds to the noise levels in the communication. This is compounded by low product availability, where the receptor’s purchase of a particular brand may well be a fortnight after the and exposure, on a visit to a nearby feeder market, assuming he still recalls the ad.
16. Linguistic and Socio-cultural Differences

Mass media and message in one language can't work, as linguistic and socio-cultural norms are different. It is difficult for the marketer to use a single language message in a country where 18 languages are scheduled, and hundreds are spoken in rural areas. Similarly, cultural and social norms differ from place to place, creating problems for the marketer in designing the message.

17. Strong Kinship Ties

One can find high intensity of inter-personal interaction due to strong kinship ties in rural areas. People live in joint families; in this scenario, usually male members act as information diversers, influencer and buyer of products. Most of the females depend on their male counterparts for information regarding various products and services. So, it becomes difficult for the communicator to reach the females directly.

Different Leisure Time Activities:

In villages, daily routine revolves around agricultural activities. These activities don't have fixed timings. Sometimes, one has to work during the nights and at odd hours. So, it becomes difficult to find the time slot for the ads, as the leisure times are situation-based.

18. Inadequate bank and credit facilities

A large majority of the villages, especially those with 2,000 population
or less do not enjoy banking facilities. Whatever Rural Retail Banks are operating under the various nationalized commercial banks might be quantitatively satisfactory, but service-wise, their performance is not up to expectations. In the process, the rural retailers experience several problems not only in financing their business operations, but also in making payments to the suppliers. For want of credit facilities, retailers are unable to carry enough stocks with them.

In rural markets, distribution is also handicapped due to lack of adequate banking and credit facilities. The rural outlets require banking support to enable remittances, to get replenishment of stocks, to facilitate credit transactions in general, and to obtain credit support from the bank. Retailers are unable to carry optimum stocks in the absence of adequate credit facilities. Because of this problem, they are not able to offer credit to the consumers. All these problems lead to low marketing activities in rural areas. It is estimated that there is one bank for every 50 villages, showing the poor banking facilities in rural areas.

19. Rural Sales Management

Rural marketing involves a greater amount of personal selling effort compared to urban marketing. The rural salesman must also be able to guide the rural customers in the choice of products. It has been observed that rural salesmen do not properly motivate in rural consumers. The rural salesman has to be a patient listener as his customers are extremely traditional. He may
have to spend a lot of time on customer visits to gain a favourable response from him. Channel management is also a difficult task in rural marketing. The distribution channels in villages are lengthy involving more intermediaries and consequently higher consumer prices. In many cases, dealers with required qualities are not available.

20. Intermediaries

In rural areas, there is no direct link between the sellers and they buyers, and they are dependent on intermediaries who charge their commission and exploit the suppliers and the sellers. Neither the sellers, nor the buyers, the ultimate consumers are benefited under this system.

21. Well-trained personnel

Rural marketing requires sufficient number of well educated and well-trained personnel, well versed in the local language and having knowledge of the various products in the rural areas. Training centers should be promoted in rural areas with joint participation of private dealers and producers of the products. It is a sort of investment, as it will boost the marketing of the products in the domestic as well as the international markets.

Well-trained personnel are not available for rural marketing, and this also adversely affects the volume and quantum of sales as well as production of various products in rural area. Facilities for imparting training to personnel engaged in rural marketing have not been given proper attention by the sellers and suppliers.
22. Low occurrence of retail outlets

This is another important constraint in effective marketing by urban producers in rural areas. It is estimated that 42 families were served per retail outlet in rural areas, while in urban areas 14 households were served per outlet. The position is now improving due to the wave of consumerism.

23. Market segmentation in rural Markets

Market segmentation is the process of disaggregating the total market into a number of sub-markets. The heterogeneous market is broken up into a number of relatively homogeneous units. Market segmentation is as important in rural marketing as it is in urban marketing. Most firms assume that rural markets are homogeneous. It is unwise on the part of these firms to assume that the rural market can be served with the same product, price, promotion combination.

24. Proper segmentation difficult

Demand for products varies for people living in different areas with different climatic conditions, occupations, their level of literacy, their outlook towards, life, and their exposure to modern sophisticated goods and services. The income differences between the wealthy few and the common masses also create differences in the demand, customs, beliefs, etc. All these make proper segmentation difficult.
25. Branding

The brand is the surest means of conveying quality to rural consumers. Day by day, though national brands are getting popular, local brands are also playing a significant role in rural areas. This may be due to illiteracy, ignorance and low purchasing power of rural consumers. It has been observed the there is greater dissatisfaction among the rural consumers with regard to selling of low quality duplicate brands, particularly soaps, creams, clothes, etc., whose prices are often half of those of national brands, but sold at prices on par or slightly less than the prices of national brands. Local brands are becoming popular in rural markets in spite of their lower quality.

26. Scattered Market:

Indian rural market is a geographically scattered market. Where as urban market is concentrated in 3200 cities and towns, the rural population is scattered across 5,70,000 villages. And out of them only 6,300 villages or less than 1.1% have a population of more than 5,000 each. More than 3 lakh villages or more than 55% of the total number of villages; in the category of 500 people or less and more than 1.5 lakh villages or 25% are in the category of 200 people or less. The inference is clear that unlike urban consumers, which are concentrated, rural consumers are scattered.

27. Poor Facility of Transportation and Distribution:

Though road transport facilities are improving, they are yet not adequate. Only 40 percent of the total number of villages were connected
by all-weather roads, while 60 percent of the villages were connected by only fair weather roads, or had no roads. About 1.69 lakhs villages were connected by all weather roads and 92800 had fair weather roads. In rural India majority of villages are not connected with nearby main road or highway. Their transportation is dependent on kachi sadak or pagdanadi. In the months of rain situation of these roads become very terrible and villages become disconnect totally from their nearby town or city. Another problem with rural roads is their less width, which do not allow heavy or big vehicles for delivery. Due to all these, retailers are put to many difficulties in procuring goods. In this situation delivery of goods and services at time and coverage of market makes difficult, time consuming and costly affair along with a challenging task for the companies.

28. Low Level of Literacy: -

Inability to read and write is the largest limiting factor in the press as a medium for village markets. Less than 10 percent rural households in the states of Uttar Pradesh, Madhya Pradesh, Bihar and rajasthan are exposed to the press. There is marginal increase to 18 percent in Orissa, WestBengal, Karnataka nad Andhra Prasesh. Kerla is a single exception, with press exposure at 64 percent od rural households. These figures indicate that it is unrealistic to use print media to convey messages for marketing in rural area. Average Indian literacy level is 61% in year 2001 whereas in villages it is less than 58% and it is very poor in case of females only 45%. This factor is very
important for the business community because they have to modify their communication modes or media mix.

29. Low per Capita Income and Poor Standard of Living:-

In India per capita income is approximately Rs.10,216 whereas in villages it is approximately Rs.6559. Due to low level of literacy and low per capita income the standard of living of average Indian villager is poor in comparison to urban people. Their needs are limited and there knowledge about products and their utility is very poor.

30. Rare Facility of Warehousing:-

Rural outlets in many parts of India finds it difficult to get suitable godowns. No public warehousing agencies exists in rural India. There are no scientific or adequate warehousing facilities. The Central Warehousing Corporation (CWC) and the State Warehousing Corporations (SWCs) do not extend their network of warehouses to the rural parts. They go only up to the nodal points or major market centers. This results in the deterioration of considerable amount of agric produce, especially fast perishable goods.

31. Diverse Religions, Languages, Culture, Social Customs and Traditions:-

As India is a second largest populated country it has different geographical areas with diversity of climate, population of India faith in different religions, languages and follow diverse culture and traditions. Indian
heritage is very rich and Indian society is one of the oldest of the world. There is very popular proverb regarding the languages of India is as - "Kos kos par pani badle dus kos par bani." In rural India behavior of consumers very influenced with their religion, caste, culture and customs.

32. Seasonal Demand: -

Rural public get the funds by selling their yield and they get the yield on the basis of season. Hence rural demand is known as seasonal demand. They get the money in particular months and they spend accordingly.

33. Electrification:

Several villages are not electrified still. And the villages, which are connected with electric supply, they are not getting quality and quantity of electric supply. In several villages supply of electricity is once in a week in this situation communication of products and maintenance of refrigerating equipments is very difficult task.

34. Various Sources of Income :

Every business community is interested to know about the purchasing power of its present and potential consumers. From this point of view it’s vital to know how the consumers are getting the income or to know the sources of income. The main feature regarding income of rural public is that normally they have-not any regular or monthly basis of income they get money at the time of yield, hence their income may be treated as seasonal income. The main sources of income of rural people are as: -
By Sale of Agricultural Produce:

It is the main source of their income and also important source of national produce which gives approximately 25% of gross domestic produce in India. Agricultural produce mainly includes food and fodder for the animals.

By Sale of Animal Produce:

Second main source of rural people is sale of animal produce e.g. sale of milk, butter and other dairy products.

By Service:

Either salary or fee for services is another mode of rural people. In rural area some professions are the mode of income generation under this head as teacher, doctor, barber, blacksmith, village nurse, mechanic of different automobile and agri-machinery.

By Interest:

In rural India lot of private moneylenders are working and main source of their income is receiving of interest from borrowings. They provide loans to rural people by mortgaging properties and gold as security.

Labour:

Agriculture work is labour oriented, especially human labour. Persons have not technical skills and they also have not their land earn money by
offering their services as labour in fields, construction of roads bridges and buildings.

*Other Modes of Income* :-

Sale of properties like buildings, agriculture land, bullocks etc. are other modes of earnings.

Some other important factors which are below affect rural marketing of FMCGs.

*a) Product Life Cycle (PLC)* :-

A product passes through four stages in its life cycle: introduction, growth, maturity and decline. In most cases (with the exception of agri-products), the product is developed for the urban market and is later pushed into the rural market. Only in recent years have companies started customizing their products for rural markets. Some examples are LG’s television, Philips’ hand-wound Free Power Radio, Dabur’s Red Toothpaste and the Jolly battery-run television.

It has been observed that the PLC of a product in the rural market is often longer than it is in the urban market. All stages – of introduction, growth and maturity and decline – last for longer periods in rural markets due to the multiple challenges involved in the distribution, communication and adoption of the product.
Many products that rural markets without serious planning die out either soon after the introduction or during the growth stage (for example, Aim toothpaste from HLL or Ruf-n-Tuf ready-to-stitch jeans). Only companies that focus on brand building and those that continue to innovate constantly can sustain themselves in rural markets.

The strategies during the different stages of PLC remain similar in both rural and urban markets, but the length of each stage depends on consumer acceptance, innovativeness, price proposition and the nature of the product.

Most companies that have introduced products in rural markets are struggling to grow the market. This is forcing companies to re-engineer their products (Free Power Radio) or introduce low-priced packs (sachets, 200-ml Chota Pepsi, pricing white goods below the psychological barrier of Rs. 10000). They are also trying to change consumption patterns through consumer education (increasing soap usage frequency from weekly to daily) and adopting alternate channels to reach deeper (HLL’s Project Shakti, haats, mandis) to grow the market.

The pioneers in rural markets such as HLL, Eveready and ITC, having achieved high penetration with products at the maturity stage, are now extending their brands (Lifebuoy Regular to Lifebuoy Gold and Active, Eveready White to Red) or entering new segments (Dabur Hajmola initially targets children and was later promoted among adults). Companies like ITC are also creating new market systems (e-Choupal) a bypass the age-old mandi system to purchase agri commodities from farmers directly.
The decline of products in rural is slow; it is hastened sometimes because of technologies advancement (from VCR to VCD players).

b) **Product Mix** :-

Unlike urban markets, the product mix in rural markets is simple. Mostly only one product of a particular company registers its availability on rural shelves (often in only one or two SKUs). The limitations of investment in stocks, the slow movement and replenishment of stocks and the dominance of the retailer in rural markets are some important factors responsible for the smaller range of products available at retail shops in rural.

Only a few companies like HLL and Dabur have more than one product available in their rural product basket. HLL has good product width, with a presence in toothpaste, bathing soap, shampoo, detergent, etc. Dabur has made its presence felt with Chywanprash, OTC remedies (Pudin Hara, Hajmola), hair oil, etc.

Consumers have little say in the choice of brands and sometimes even the pack size. Retailers push those brands where they get attractive margins.

c) **Rural Packaging** :-

Packaging has a significant role in product offerings in rural markets as it is associated with affordability, ability to recognize (visibility, readability), convenience of usage and product appeal.
Packaging at the primary level involves protecting the product; at the secondary level it adds to the aesthetic and sales appeal of the product. Packaging or rural markets needs special focus because of the following problems.

- Poor transport system (poor road conditions)
- Difficulties of safe storage (rates, moisture, heat, rainwater)
- Poor facilities (erratic power supply leading to poor cold-storage facilities for food products)

Therefore, the packaging of the product becomes a critical factor in its survival in rural markets. The product for rural should:

- Have a longer shelf life than the product for urban.
- Be able to withstand extreme weather conditions.
- Be able to withstand sudden and jerky movements on dusty roads.
- Have alternate storage arrangements (ice box for cold drinks).

Marketers need to consider the following factors in packaging:

- Packaging material
- Pack size and convenience
- Packaging aesthetics
d) Packaging Material :-

Over the years, a great deal of change has taken place in packing materials. Plastics and tetra packs are the new packaging mediums; low-nd high-density polyethylene films are used today. The advantages of plastic material are that it is waterproof, provides effective barriers to vapours, is sunlight resistant and is lightweight. The majority of FMCG products (shampoos, tea, confectionaries, detergents etc.) and agri-inputs (fertilizers, pesticides) now use plastic for packaging.

e) Pack Size and Convenience :-

Large sections of rural consumers receive daily wages and therefore have a limited amount of money to spend. This factor influences the size of the pack preferred. This led to the sachet.

The above said factors play vital role while making any sort of rural market planing and strategy which may be described at a glance as below in table 7.1 :
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<th>S.No.</th>
<th>Aspect</th>
<th>Urban</th>
<th>Rural</th>
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<td>Marketing and societal concepts, development marketing and relationship marketing</td>
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<td>(b) Competition</td>
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<td>Mostly from unorganized units</td>
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<td>(c) Consumers</td>
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<td>Price</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>- Sensitive</td>
<td>Yes</td>
<td>Very Much</td>
</tr>
<tr>
<td></td>
<td>- Level desired</td>
<td>Medium –High</td>
<td>Low-Medium</td>
</tr>
<tr>
<td>5.</td>
<td>Distribution</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Channels</td>
<td>Wholesalers,</td>
<td>Village shops</td>
</tr>
<tr>
<td></td>
<td>- Stockists</td>
<td>Shandies, Retailers, Speciality stores and</td>
<td>Haats and Jatras</td>
</tr>
<tr>
<td>S.No.</td>
<td>Aspect</td>
<td>Urban</td>
<td>Rural</td>
</tr>
<tr>
<td>-------</td>
<td>----------------</td>
<td>--------------------------------------------</td>
<td>---------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>Authorized show rooms</td>
<td></td>
<td>Average</td>
</tr>
<tr>
<td></td>
<td>Transport facilities Good</td>
<td>Good</td>
<td>Average</td>
</tr>
<tr>
<td></td>
<td>Product availability High</td>
<td>High</td>
<td>Limited</td>
</tr>
<tr>
<td>6.</td>
<td>Promotion</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Advertising</td>
<td>Print, audio-visual media, out doors, exhibitions, etc.</td>
<td>TV, Radio</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Few languages</td>
<td>Print Media to some extent</td>
</tr>
<tr>
<td></td>
<td>Personal selling</td>
<td>Door-to-door frequently</td>
<td>More languages</td>
</tr>
<tr>
<td></td>
<td>Sales promotion</td>
<td>Contests, Gifts, Price discounts</td>
<td>Occasionally</td>
</tr>
<tr>
<td></td>
<td>Publicity</td>
<td>Good opportunities</td>
<td>Less</td>
</tr>
</tbody>
</table>