

CHANGING RURAL MARKET SCENARIO

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ABSTRACT

India being agriculture dominated country where the principle economic activity of the majority of the people is agriculture and activities allied to agriculture. For quite some time the Indian agriculture used to dominate in terms of contribution to India's Gross Domestic Product. The concept of marketing is an age old concept. Right from the evolution of mankind, it has been accepted position that no one has all the resources to meet his/her requirements. This paper has attempted to find out the impact of the various infrastructural developments that have been made by the Governments (State as well as Central) over the past few decades on the rural marketing. The study has revealed that there is a positive impact on the availability as well as turnover of the branded goods of daily consumption. All the stakeholders i.e. the government, shopkeepers, and the village consumers stand to benefit and gradually their mind set is also getting changed towards the branded goods. This will certainly give a boost to the economic development of the rural area in times to come.

Keywords : Rural marketing, Marketing, Scenario, Development, Rural Sector

Introduction

India being agriculture dominated country where the principle economic activity of the majority of the people is agriculture and activities allied to agriculture. For quite some time the Indian agriculture used to dominate in terms of contribution to India's Gross Domestic Product. However, over the past few years the Industrial sector comprising of manufacturing as well as services sector has overtaken the pivotal position in the GDP.

Demographic Scenario

According to the last population census held in the year 2011 India's population was pegged at 1,210,854,977 while that of the Maharashtra state was 11,23,72,972 of which Rural Urban break up was as under. 68.4 per cent of India's population come from Rural area and due to various reasons the migration from rural to urban still continues. Over the past few years the rate of growth of population has been showing a declining trend as compared to the past few decades.

Rural- Urban break up of Maharashtra State Population as per 2011 census

State	Total population	Rural Population	Urban Population	Rural Pop. Percentage	Urban Pop. Percentage
Maharashtra	11,23,72,972	6,15,45,441	5,08,27,511	54.77	45.23

Source: [http://www.censusindia.gov.in/2011censusA-3_Vill Note A-](http://www.censusindia.gov.in/2011censusA-3_Vill_Note_A-)

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Historical perspective of the Rural Marketing :

The concept of marketing is an age old concept. Right from the evolution of mankind, it has been accepted position that no one has all the resources to meet his/her requirements. One may have certain surplus and may be lacking in another. Therefore, one who has surplus has to sale it to one who requires the same and exchanges it with whatever surplus he/she has. This was the evolution of marketing, which means marketing in exchange of goods and services for some consideration. So far as the rural marketing segment is concerned the grocers were used to market mainly locally made products which were inferior in quality as compared to the branded goods are concerned. In the absence of the adequate purchasing power the village consumers were opting for low quality products, proper packaging was also not there in the past, weights and the date of packing were also not mentioned on the packaging.

Rural Development over the past 3 decades :

Keeping in view the above demographic situation prevailing in India, both the Government of India as well as the Maharashtra State Govt. has focused their attention for the socio-economic development by investing sizable outlay in the infrastructure development. This has face lifted the rural area so far as Education, Healthcare, Communication, Roads, provision of Electricity, Irrigation potential etc. On the Education front we now see that almost in every taluka we have arts, science and commerce college thereby the rural students who were deprived of higher education are now having the higher education at their door steps. Since this facility is available in the vicinity now village girls desirous of taking higher education are not required to shift to the urban centres.

On the communication front all the villages are now well connected to the district head quarter and nearby towns by all-weather roads. This improvement in the roads has paved the way for penetration of the public transport. The all-weather roads have also influenced so far as the development potential in the rural areas. Now the villagers can take their agricultural produce to the nearby town for marketing purpose and at the same time they can bring the agricultural input from these towns as

the conveyance is available.

On the human healthcare front we now find that there is a lot of improvement so far as sanitation arrangements in the village are concerned. There is also improvement in the pure drinking water supply in the villages. This has two way effects on the lifestyle of the villagers. On the one hand the improvement in the sanitation has improved the health condition of the villagers and on the other hand we now find a general medical practitioner in the village. Some specialists also pay weekly or on demand visit at the rural clinic / private hospital. At every taluka there is a primary health centre where expert doctors and other nursing staff are available. The changed healthcare scenario has also positively influenced the outlook of the villagers towards the quality of the products that they buy from the grocery shops and medical shops in the village.

The increase in the irrigation potential either through extension of canal irrigation or by constructing ShetTali under the Govt. of Maharashtra's JalyuktShivarYojana has increased the availability of water supply. This provision of dependable water source has led to the shifting of cropping pattern adopted by the villagers. Now, they are cultivating cash crops like sugarcane, horticultural crops, and vegetables depending upon the proximity to the nearby town. The dairy activity has also been improved because of the all-weather roads now almost every village has a dairy society. Banking facilities in the rural area enables the farm mechanization and other credit requirements of rural masses are now being met locally. All these developments have a positive impact on the improvement in the income generation of the villagers. This in turn has increased the villagers' purchasing power. The economic movement has received a momentum. There is a substantial increase in the turnover of the consumer products especially the branded consumer products. Now the villages are getting electricity in every village.

Research Methodology

For this study purpose the author had set out the following broad objectives :

- 1) To study the changes that have taken place in the field of rural marketing during the past 3 decades.

- 2) To study the factors that led to the change in the rural marketing environment.
For this research study the universe identified was two talukas of Pune district namely 1) Haveli 2) Maval.

From every taluka 2 villages were identified of which one was with highest population while the other was of middle sized population.
The Taluka wise villages visited are as under :

Taluka	Name of the village	Taluka	Name of the village
Haveli	1. Ambee 2. Kirkitwadi 3. Khadakwasala 4. Donje 5. Khanapur 6. Malkhed 7. Sonapur	Velhe	1) Kauran (Bk) 2) Nigade 3) Osade 4) Panshet 5) Rule

The primary data has been collected from the randomly identified stakeholders i.e. village consumers and the grocery and medical shop owners. While identifying the village consumers' care was also taken to ensure that it represents a cross section of the consumers and therefore gender, education level, economic condition, occupation etc. are taken into account. In all 100 village consumers and 8 shop keepers were identified. Considering the research universe the sample size can well be said to be representative. The feedback was collected through administration of a well-developed questionnaire. The questionnaire was prepared keeping in view the objectives of this study.

Discussion with data analysis

The requirements of grocery and other goods depends on the gender of the consumer and hence data relating to the gender was obtained and it was revealed that out of total 80 consumer respondents 67 were representing male while 13 represented female gender.

The educational background of the respondents also has a bearing on the marketing of the grocery and the medical requirements of the village consumers. The data collected reveals that out of total 80 respondents, 8 were

illiterate, 42 had studied upto XII standard, while 17 were diploma / ITI holders, and 13 were graduates/post graduates. It means of the total sample 90 per cent respondents were fairly educated.

The occupation wise classification of the respondents revealed that out of 80 respondents 57 were pursuing Agriculture as their economic activity accounting for 71.25 per cent, while 13 were employed accounting for 16.25 per cent and 10 were pursuing higher studies.

Major Findings

A questionnaire with a provision of obtaining responses on certain relevant aspects including the statements given in the Likert scale was administered on the randomly identified respondents. The data so obtained was consolidated and the same was interpreted. Major findings have been enumerated herein below :

1. Over the past two decades there was infrastructural development in the rural area, particularly in the areas of all-weather roads, opening of a primary health centre, availability of the local healthcare facility, increase in the irrigation coverage, pure-drinking availability, opening of high school etc.

Thus there was socio-economic development of the rural area.

2. Now the villages are connected to the district headquarter and with the nearby cities. The availability of the state-transport buses has enabled the villagers to bring their agriculture produce to the urban/metropolitan area and also buy agricultural inputs from the city.
3. The rural youth are now able to use the S.T. connectivity for seeking jobs in the city and to come back to the rural area without disturbing their rural settlement.
4. Medical a few grocery shops are opened, a bank branch has also been opened in the vicinity and it has started financing the rural masses. Because of the presence of the bank in the vicinity the government's schemes envisaging credit input are also being implemented in the rural area.
5. A dairy society has been opened in the area which has given rise for the dairy activity development which has helped the farmers to have activity allied to agriculture to earn liquid cash requirement at regular interval.
6. All these developments have a positive impact on the earnings of the villagers and their purchasing power has been substantially increased.
7. Referring to the development of rural market it has been found that because of the all-weather roads and mobile connectivity and the bank's financing new grocery shops and medical shops have been opened in the villages.
8. In the past the villagers were prefer buying of locally manufactured and in consumer goods in the lose form and now the branded quality goods are available in the rural area. The villagers prefer to buy branded goods.
9. The marketing companies are also come out with the small packing in sachet forms which meets the consumer requirement with little money, as they have limited liquidity.
10. A variety of new items in daily consumable segment are available, offering choice to the consumers.

11. Now the presence of the vendors in the weekly bazaar being held in the nearby town has increased.
12. Now the villagers are not required to visit the nearby town for certain branded goods as the same are locally available.
13. Because of the availability of the electricity in the villages the rural consumers get brand awareness of the new products with new utility through colourful television advertisements.
14. So far as the shopkeepers are concerned they are not required to procure branded goods to the nearby city/town. The companies are taking care of timely ensuring the supply of the requisite products.
15. Whenever any new product is launched the marketing companies do provide special attention to make door to door campaigns for the consumer goods.
16. Now the marketing companies are displaying their products and are promoting those in the village fairs that are held occasionally.

Suggestions

1. In view of the favourable impact of the infrastructural developments on the commerce in the rural areas, it should continue to improve the current level of infrastructure.
2. The government should ensure further reach of the banks in the unbanked villages.
3. The government should improve the electric power supply and avoid frequent interruptions. This will be helpful in improving connectivity of the villagers with the rest of the world.
4. The shopkeepers should also increase the variety of items of daily consumption needs, i.e. breathing and washing soaps, tooth pastes, shampoos, tea, coffee, etc. in small packing.
5. The government should ensure that the roads are transport worthy and maintain those are timely repaired.

Conclusion

It has been revealed in this study that the improvement in the rural infrastructure has a positive impact on the economic activity in the rural areas and has

given boost to the purchasing power of the rural masses. Improved healthcare facilities and other infrastructure like provision for pure drinking facility, opening up of the medical shops have helped the villagers in a big way. The approach of the villagers towards education, healthcare maintenance, establishment of cooperative institutions like primary cooperative credit societies, Milk Collection societies has given a boost to the economic development in the rural areas. Further strengthening of the infrastructure will ensure the pace of development and the rural marketing will also be improved. This will further strengthen the rural economic development and ultimately it will also have impact on India's Gross Domestic Product. The rural marketing has bright prospects for further development in time to come.

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