

A DETAILED STUDY OF E-MARKETING STRATEGIES FOR INDIAN RURAL MARKET

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Abstract

In recent years, rural marketing has become the latest mantra of most big companies. Even MNCs are eyeing rural markets so that they can capture the large Indian market. The rural market consists of 70 percent population of India, i.e., twice as entire market of USA and the size would definitely get larger in the coming decades. Now a day, marketing people see an untapped potential in the rural segment of the country because of many economic shifts. This in turn has leaded to rise in the purchasing capacity of the rural consumers. A significant rise in number of internet users in the rural segments is also visible clearly after the introductions of schemes by major telecom players such as cutting down cost of data packs. Along with this, launching of cheap range smart phones has contributed to the same in a very significant way. Therefore, now the time is to target this untapped potential in the rural markets via digital means. The present paper mainly focuses on all such strategies that can be used by today's marketer to woo the rural customers electronically. For this purpose, a detailed study of earlier review has been done along with some secondary data on the same has been collected to reach at a conclusion.

Keywords: Rural marketing, E-marketing, digital marketing

Introduction

E-marketing means using digital technologies which help you to sell goods and services. E-marketing includes many latest practices like search engine advertising, Co-registration, search engine optimization, mails, websites and other technological tools. The use of E-marketing has increased in these days but there are many areas which are far from its reach. Rural area is that where population density is less than 400sq km and 25 percent of male working population is

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engaged in agriculture activities. “Rural Marketing is defined as a function that manages all activities involved in assessing, stimulating and converting the purchasing power of rural consumers into an effective demand for specific products & services and moving these products & services to the people in rural areas to create satisfaction and a better standard of living and thereby achieving organizational goals” (Iyer, 2010).

India is developing country, it is popularly known as the country of villages. 70% of Indians live in 6.5 lakh villages. According to the statistics of 2012-13 urban per capita income was INR 1, 01,313 while rural per capita income was INR 40,772. As the country is growing with a pace, therefore with the span of time, rural India is growing more rapidly. As per the Boston consulting group report, by 2020 50% of India’s internet users are from rural areas. Rural India contributes over 60% in GDP of our country so the E-commerce uses in rural India may increase in future. Internet is becoming widely available and e-marketing has also become more popular. A survey by India's premier economic research entity, National Council for Applied Economic Research (NCAER) indicates that rise in rural incomes is keeping pace with the rise in urban incomes. The rural middle class is growing at 12 per cent, close to the urban middle class which is growing at 13 per Cent. Punjab, Kerala, Haryana, Rajasthan, Gujarat, Andhra Pradesh and Maharashtra are considered highly prosperous states.

The past practices of treating rural markets as appendages of the urban market is not correct, since rural markets have their own independent existence, and if cultivated well could turn into a generator of profit for the marketers. Marketing today has completely transformed the nature and dynamics of business. If you meet any sales executive today and ask him which market he would prefer to serve, his quick answer would be, “Rural Markets” as they are still unexploited. Marketing of products has taken precedence over the process of production itself. Therefore, the present paper describes all strategies electronic marketing in Rural India. There are many problems to be tackled in rural marketing, despite rapid strides in the development of the rural sector.

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Literature review

In the early 90's rural market was quit the unexplored area of Indian market that was seen as too much scope & untapped market (Kumar & Verma 2017). It is perhaps the only sector which has opened under, sometimes, hostile & at all other times indifferent policy environment. Most notably, the marketers have ignored the masses in rural areas, who have substantially lower and more variable income levels (Prahalad and Hammond, 2002; Prahalad, 2006), resulting in needs and concerns which are markedly different from those of affluent consumers in urban areas. The recent trends of Indian economy indicate that rural markets in India are growing faster than urban (Vaish, 2006; Vaishali, 2007; Banerjee and Sangameshwaran, 2009; Wath & Aggarwal, 2011, Gakhar & Kour, 2013). Against this background, the corporates can't afford to ignore the rural markets. The extent and nature of demand in rural markets; increase in rural incomes; and changing rural lifestyles were examined by Easwaran, 2006. The study indicates that despite the increasing urbanization, the increasing household income of rural people has opened a new ground for the marketers. The rural consumers haven't shown any intention of cutting down their expenditures on weddings, pilgrimages, construction or consumption. They have their own set of aspirations and are willing to pay right price for right product (Wath & Aggarwal, 2011).

Digital marketing has got an enormous scope to exploit the rural marketing in its nascent stage in India. With the increase in number of internet users & interested sign op nonsocial networks, we are witnessing a heavy presentation of digital media into the earlier unexplored segment of population (Kumar & Nazarova 2016). E-commerce is a major driver of the economy & we are happy that it has achieved a very decent size in India. With the presence of 12.2% of the world population in India, the Indian rural FMCG market is something no one can overlook (Vasavada, 2014). The birth of companies such as ebay & amazon really begin to lead the way of E-commerce. Both Ebay & amazon were among the first to establish prominent of E-commerce brand (Desai 2012). In to the nest 3 to 5 years India will have 30 to 70 million internet users which will equal, if not surpass, many of the developed countries. As urban market is becoming saturated for most of the products, entry towards rural market is the only sustainable strategy for them. In that context, rural market provides huge potentiality to almost all manufacturers (Babu

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BR and Swetha, 2018). Clearly there are potential benefits of the digitalization in rural area which increases the efficiency of the work but it also has downfalls like it would be the cause of shortage of human capital. As there is increase in technology the goods and services are available at a click away from people and that has reduced the human interaction. Internet and mobile have become integral part of our life, whether in case of telecommunication, entertainment or marketing (Malecki, 2003).

Erda CV (2008) studied the comparative buying behavior of rural and urban customers on mobile phones. The study highlighted the difference in terms of consciousness about price, quality, style, function and brand. It was concluded that minor modification or extrapolation of urban marketing strategies might fail in rural marketing. Pooja and Neha (2014) in their study examined the scope of rural marketing in India. They concluded in their findings that there exists a large scope of marketing, provided that improvement in infrastructures is carried out. It also stated that the rural market is yet to be exploited. Saroj Kumar Verma (2013) examined the challenges and opportunities of rural marketing in India. One of the major challenges identified in the study were the non-homogenous and scattered nature of the market. Other challenges included seasonal marketing, low per capita income, transportation, and warehousing.

Many of the previous studies have been conducted in the field of rural marketing, but no such study is there to know the innovative digital marketing strategies to attract the customers of rural areas, especially in the present scenario of global slowdown.

Objectives and Research methodology

The main objective of this paper has been to know the need of digital marketing in rural areas of India. For the same, the new and latest e-marketing strategies to attract the rural customers have been explored and discussed in the present article. The study is descriptive in nature. Secondary data collection technique was implemented. The data used in this study has been collected from different websites and published papers.

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E-marketing Strategies best suited for Rural Customers

There are various e-marketing practices which today's marketer is using for persuading the customers. But rural markets are full of challenges. Therefore, special focus and innovations are required for attracting these customers. On the basis of previous studies and analysis of some newspaper articles, the researcher has concluded the following e-marketing strategies which can be used to woo rural customers:

- a. **By using E-mail market:** Through E-marketing the information regarding E-services their uses & benefits can be targeted to the rural consumers. It may help to connect them with E-marketing. Digital literacy rates in rural India are increasing with the span of time due to government initiatives such as *PMGDISHA* which introduced to improve the digital literacy rate in rural citizens. Under the scheme, candidates will be trained on the use of computers, smart phones and tablets for sending and receiving emails.
- b. **Mobile advertising:** The population of rural India is double then the urban. Now a day's rural areas are developing at a growing rate so there is the number of opportunities for marketers to enter in rural areas. In rural areas mobiles are the main source of communication it can be used as a practice of E-marketing. Advertisement, apps, text messages & so on. The mobile phones are most acceptable method in rural market so most of the companies used it. Brand focus on promoting the products through mobile apps at a large rate. ICICI bank's Mera iMobile, is India's first mobile banking app which is mainly designed for rural customers, it provides 135 banking services in over 11 Indian languages, it also provide value-added information such as *mandi* prices to its customers at becomes very acceptable by rural people.
- c. **Social media:** By 2020, about 315 million Indians living in rural areas will be connected to the Internet, where about 120 million are connected in present. By 2020, this share of rural India will jump to 48%, creating a huge opportunity for brands and marketers in

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rural areas. Paytm is using the social media in a best manner by promoting it through the various sites.

- d. Online payment portal information:** the rural customers need to be informed about the easiest online payment modes. These days, this has become too easy as small shopkeepers are also using these tools, e.g. paytm, phonePay, BHIM etc. Paytm is set up for the online transactions easily. The money can be ad by using connecting your Wallet with net banking, debit card or credit card. Pay or send options used to transfer money in a few minutes. Customer can make payments to another person through it by scanning a QR code. Due to its outstanding marketing on social media it becomes one of the most popular & most useable apps in present time.
- e. Video advertising:** Visual communication always becomes best as compare to others so by using some interesting videos E-marketing can become successful. As we know that rural areas are less aware as compare to the urban regarding new technologies so through the video advertising rural customers can go through that how to use the online marketing. By video advertisement the customers can be educated about the feature, use & benefits for the customers can be highlight.
- f. Make e-Marketing available in local language:** As we know that literacy level is low in rural areas of India. Rural customers can read or write only Hindi and local language. So by making e marketing websites available in local language can increase the use of e marketing in rural India.
- g. Specific apps:** In these days there are many apps used for buying or selling products. To increase the use of e marketing in rural India apps to sell or buy agricultural or other rural products can be created. By using these apps rural people become more aware about the use of internet.

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Conclusion

There is no doubt that the rural India offers tremendous opportunity for any marketer to tap. However, companies face many challenges in tackling the rural markets. A long list of these challenges has also been discussed by earlier researchers also (Verma, 2013). Some of the important factors being an understanding of the rural customers' needs, a reliable distribution channel, and an effective marketing communication strategy to put their message across to the rural consumer (Hagargi, 2011). Coming up with some innovative techniques in distribution, and marketing of products in rural India, can make these companies to earn greater profits, market share etc. The above discussed latest e-marketing strategies can be used to grab such markets with a great pace. These may benefit the marketers as well as the customers of Indian rural markets to boost up their living standards. Overall Indian economic growth will definitely be improved if these customers are targeted this way.

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