

School of Business

Course Code: BBAM3004

Course Name: Rural Marketing

The logo of Galgotias University is a stylized 'G' composed of three curved, overlapping bands in red, yellow, and blue, set against a white background.

MODULE 1 – Session 2

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Name of the Faculty: NIRMALJEET KAUR

Program Name: BBA (MAM)

Topics covered

- The Evolving Rural Market
- Emerging Rural India: The Exploding Middle Class

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The Evolving Rural Market

- Value driven and looks for products that add to earning capabilities or to status
- Increasing literacy and exposure to mass media, increasing aspiration levels
- Better road infrastructure leading to increased mobility
- Highest change amongst children and youth, increasing their role as influencers



The Evolving Rural Market

- Changing cultural and social norms
- Rise in nuclear families creating new roles for women
- High use of self-help groups (SHGs), especially for women
- Marketers need to focus on creating awareness and excitement amongst women and youth

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Emerging Rural India: The Exploding Middle Class

- 377 million rural mobile users, more than the total number of subscribers in Brazil
- 27 million mobile internet users in Dec 2013
- Of the 22 million DTH subscribers, 60 % reside in rural areas and small towns
- 96 million Kissan Credit Cards issued

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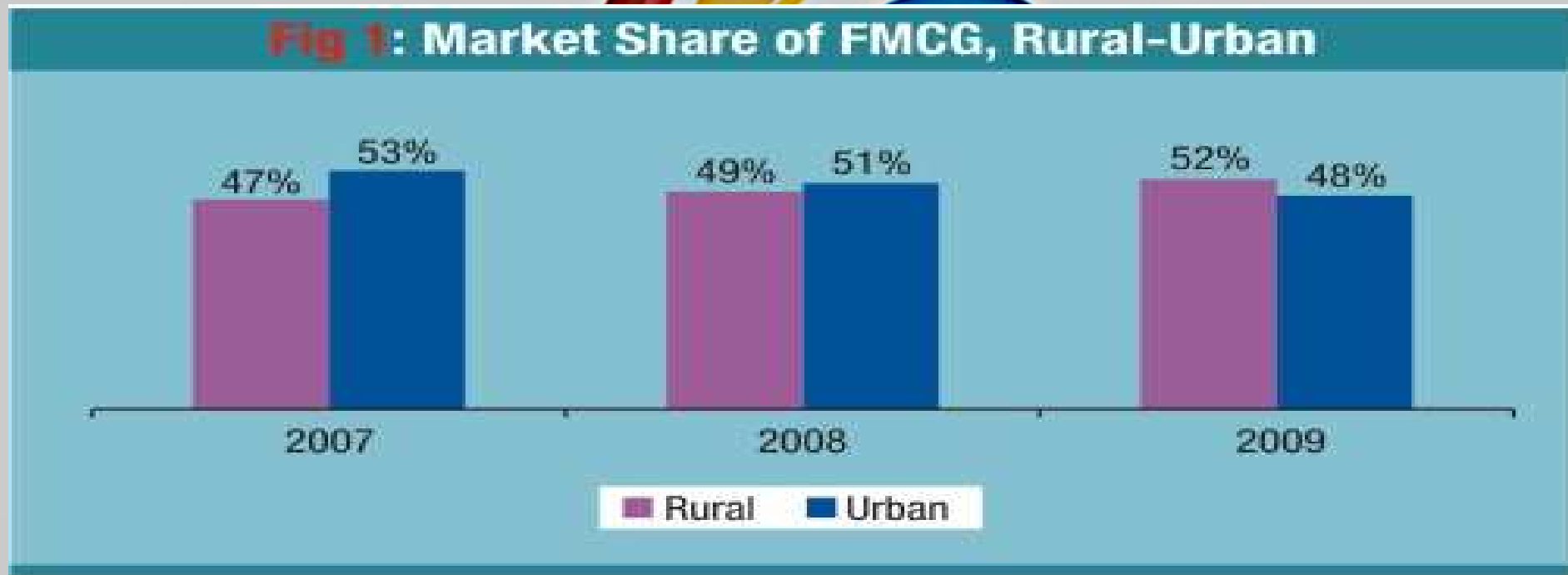
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Emerging Rural India: The Exploding Middle Class

- 11 % car sales coming from rural areas and small towns
- Rural India is growing faster than Urban India. Durables (25 % vs 10% growth in 2009); FMCG (18 % vs 12% urban growth in 2009)
- There are 42,000 rural supermarkets (haats) in India, which exceed the total number of retail chain stores in United States (35,000).

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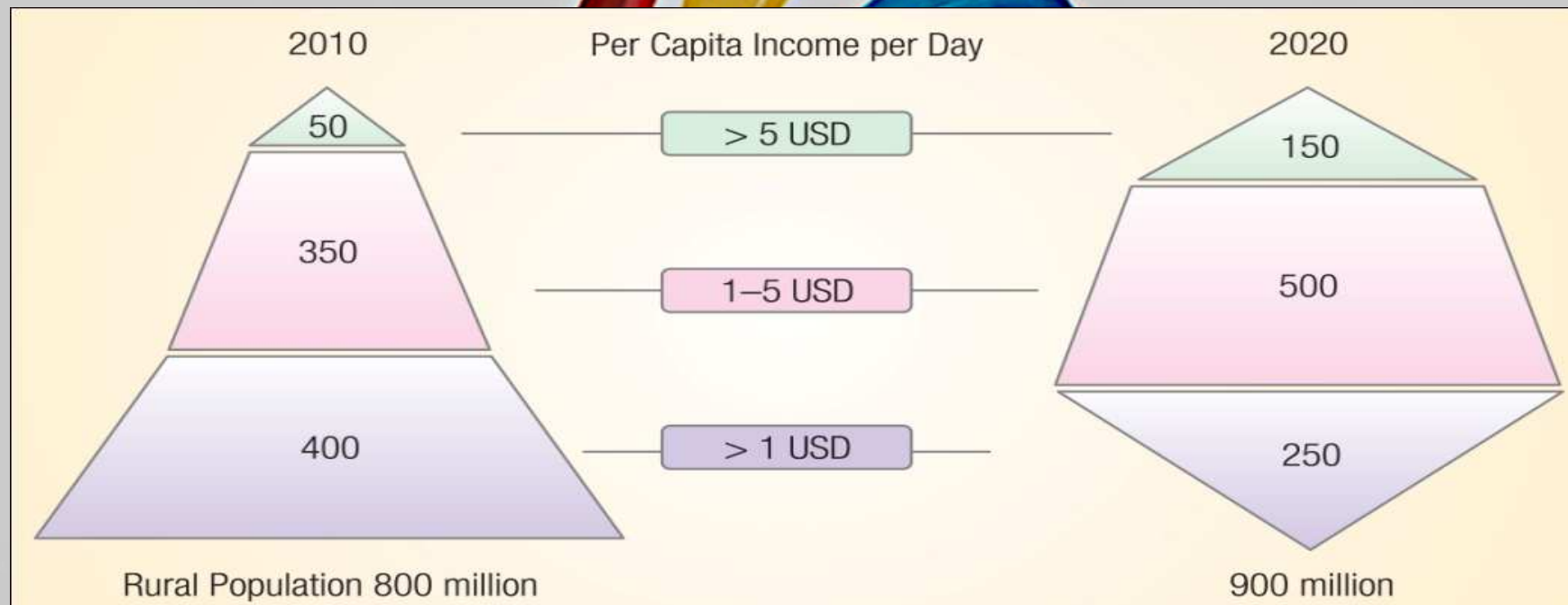
Emerging Rural India: The Exploding Middle Class



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Source: Forum (The Daily Star)

Emerging Rural India: The Exploding Middle Class



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Emerging Rural India: The Exploding Middle Class

- Lower cost of living leads to higher proportion of disposable income
- Government rural thrust boosting bottom of pyramid (BoP) incomes
- Rural infrastructure being developed in the areas of roads, electrification, education and health
- Increase in agricultural productivity and shift to cash crops increasing agricultural income

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References:

- Kashyap, P. (2016). *Rural Marketing, 3/e*. Pearson Education India.
- <https://archive.thedailystar.net/forum/2009/october/vibe.htm>



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