

School of Business

Course Code: BBAM3004

Course Name: Rural Marketing

MODULE 1 – Session 5

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.

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Name of the Faculty: NIRMALJEET KAUR

Program Name: BBA (MAM)

Topics covered

- The Rural Economic Environment
 - The Changing Face of Rural Development
 - The Transition of the Rural Economy

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Rural Economic Environment

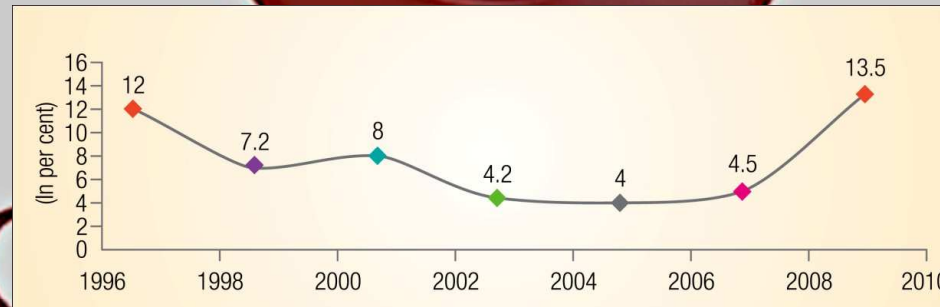


- Rural growth was the highest in 2009
- All human development indicators on the rise
- Persons below the poverty line down from 27% to 22%

Parameter	Contribution of Rural India (%)
Total Population	70
Total Income	56
Total Expenditure	64
Total Savings	33

The Changing Face of Rural Development

- Growth in nominal rural GDP has increased to over 12% per annum over the last few years.
- Political environment more friendly.
- All human development indicators in rural India are improving



Growth in Rural Consumption
Source: Credit-Suisse

The Changing Face of Rural Development

Head of Development	8 th Plan	9 th Plan	10 th Plan	11 th Plan	12 th Plan
	(1992-97)	(1997-02)	(2002-07)	(2007-12)	(2012-17)
Agriculture	225	372	589	1216	3632
Rural Development	344	890	1219	1903	4574

Source: Planning Commission, 2010

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The Transition of the Rural Economy

- Transition has occurred at three levels:
 - Food grain crops
 - On-land activities
 - Farm activities
- Transition linked to high opportunity for value addition resulting in high rural incomes.
- Farm sector now contributes only 40% of the rural income with non-farm activity contributing to 60%.

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Slide 6

AV1

Amrinder Virk, 07-10-2020

The Transition of the Rural Economy

- > Foodgrain crops
- > On-land activities
- > Farm activities



- > Non-foodgrain crops
Cash crops
- > Off-land allied activities
(Livestock, fisheries, etc.)
- > Non-farm activities
(Services, manufacturing, etc.)

Slide 7

AV1

Amrinder Virk, 07-10-2020

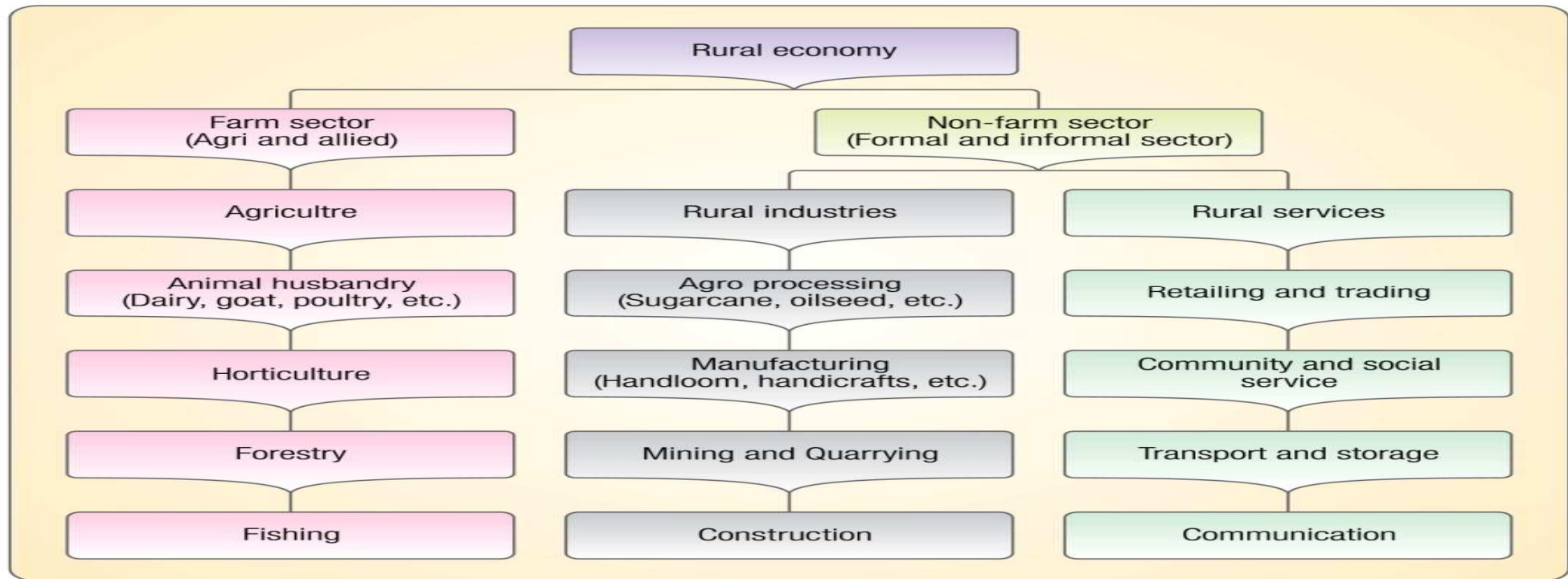
Rural Economic Environment

- From food grain-scarce economy to a food grain-surplus economy
- India largest producer of coconut, mangoes, bananas, milk and dairy products, cashew nuts, pulses, ginger, turmeric and black pepper.
- Second largest producer of rice, wheat, sugar, cotton, fruits and vegetables.

The logo of Galgotias University is a stylized 'G' composed of three overlapping, curved bands in red, yellow, and blue. Below the logo, the text 'GALGOTIAS UNIVERSITY' is written in a bold, serif font, with 'GALGOTIAS' on the top line and 'UNIVERSITY' on the bottom line.

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Rural Economic Environment



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References:

- Kashyap, P. (2016). *Rural Marketing, 3/e*. Pearson Education India.



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