



**IV Semester M.B.A. (Day) Examination, June/July 2010**  
**(2007-08 Scheme)**  
**M-4 : RURAL AND AGRICULTURAL MARKETING**

Time : 3 Hours

Max. Marks : 75

**SECTION – A**

1. Answer **any six** questions. **Each** carries **two** marks. (6×2=12)
- a) Define rural marketing.
  - b) Define product personality.
  - c) What is segmentation ?
  - d) List two pricing strategies.
  - e) How do you classify agricultural products ?
  - f) List any promotion strategies for rural.
  - g) What are terminal markets ?
  - h) What is E-Choupal ?

**SECTION – B**

Answer **any three** questions : (3×8=24)

2. “Rural Marketing is a two-way marketing process” – Substantiate.
3. Discuss the rural market environment.
4. What are the major problems in rural marketing ?
5. Explain the product strategies for rural market.
6. Describe the role of opinion leaders in influencing rural buyers.
7. Why do imitated products enter rural markets easily ?

**P.T.O.**



## SECTION – C

Answer **any two** of the following questions :

(2×12=24)

8. Discuss the importance of the study of rural marketing.
9. Explain the various benefits of rural marketing.
10. Explain different channels that are used for the distribution of goods in rural areas.

11. CASE STUDY

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**The New Decision Maker**

“It is the youngsters who decide what to buy. And it is not the urban markets one is referring to”.

So you think that the village elder is the most influential decision-maker in the rural household today. Surprise, surprise. It is not. “Decision-making is shifting towards the younger population,” says Pradeep Lokhande, director, Rural Relations. There are many shopkeepers who come to know of new products from these young children and then stock them up in their shops. “The wide reach that television has is one major reason for this shift,” adds Lokhande.

This shift has triggered many changes and has affected the buyers as well as the sellers. A couple of years ago, typically, shops in the rural areas offered goods and brands that the shopkeeper was aware of. The choice was limited, but the buyers’ market syndrome has hit rural households too. The young probing and thinking minds have triggered many changes on this front. No longer can the shopkeeper pass on what he has, he has to stock brands and products that are being asked for now.

So what will be the effect of this shift ? The immediate effect is being felt in the way these children and the growing population is targeted, there are many promotional activities that are carried out in the schools. “We did a promotional activity for Lifebuoy in the schools and the results were amazing”, comments Lokhande. This is just the beginning, there are many marketers who are targeting the younger lot to reach out and increase their market share in these regions. “The shift had to happen with more village children going to schools and improvement in infrastructure facilities in these regions,” says Lokhande.



The advertising front too is experiencing a shift and focusing on the younger generation. Remember the Pepsi ad with Sachin Tendulkar in a rural background some time back ? “The shift had to take place to attract the right audience,” comments Lokhande. Today, there are many versions of advertisements that are aired to suit the appropriate target in the rural areas and the vernacular advertisements are well received. It is becoming evident that the marketing mix is focusing itself towards the new rural decision makers.

The shopkeepers on their part are finding it equally difficult to cope with the ever changing demands of the young ones, this has made them more competitive in the way they approach the buyers. The increasing number of regional cable channels too are playing a major role and provide the young decision makers with a medium to know about new products and brands that are fast evolving.

The new scenario is making the markets very competitive for the consumers as it offers him a wide range to choose from. “The exposure has helped people to look at products differently,” says Lokhande. The effect seems to be working well with many advertisements now targeting the younger generation exclusively and also involving them in building up strategies for expansion.

With computer education spreading to the rural regions and the wide reach that the Internet offers, the coming days could just break all the myth that surround decision making in rural markets and the potential that these markets have. Already, Lokhande has come up with the idea to supply computers for school children in the interiors offering them the seamless scope to explore and probe new trends and market situations existing in the urban areas.

In the days to come, rural consumers are going to be younger and far more choosy when it comes to making purchases. It will thus become imperative for marketers to focus on these new young target audience.

#### Questions for Discussion

- 1) Explain the role of ‘Village elder’ as the most influential decision maker in the rural household today.
  - 2) Explain the role of ‘youngsters’ in decision making process in rural families.
  - 3) ‘Rural consumers are going to be younger and far more choosy when it comes to purchases.’ Discuss the statement in the light of the above case.
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