

Developmental Marketing in the Definitional Framework of Rural Marketing: Inferences from Case Studies

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1. Introduction:

Marketing has been defined as a social and managerial process by which the individuals and groups obtain what they need and want through creating, offering and exchanging products of value with offers (Kotler et. al 2007). Marketing is not limited to consumer goods. Marketing is widely used to “sell” and propagate ideas and social programmes. The concept of marketing holds that the key to achieving organisational goals consists of being effective in integrating marketing activities towards determining and satisfying the needs and wants of target market (Kotler et. al 2007; Ramaswami and Namakumari 2003).

The concept of “rural” and “marketing” though used very frequently in various forms have eluded a precise and non-controversial definition. When both the concepts are joined, the resulting concept “rural marketing” means different things to different people (Jha 1988). Rural marketing has implications for development practitioners too. From this perspective, developmental marketing needs to be integrated in the definitional framework of rural marketing.

2. Defining Rural:

Collin’s Cobuild dictionary defines the word “rural” as place far away from towns or cities. According to the Oxford Advanced Learners’ Dictionary, rural means countryside, opposite of urban. From the sociology point of view rural is defined as a group of people who are traditionalist in outlook rooted in the land and resist change. The Census of India defined rural as that what is not urban. The Census department defines the urban areas as follows:

- a. All places with a municipality corporation, Cantonment Board or notified Town Area Committee.
- b. All other places, which satisfy the following criteria:
 - i. A minimum population of 5000 persons.
 - ii. At least 75% of the male working population engaged in non-agricultural activities.

iii. A population of at least 400 persons per square kilometre (or 1000 per square mile).

Any place, which does not fulfil the above criteria, becomes rural (NCAER, 1980, Dogra 2008).

The rural areas normally have low population density, and are unintegrated in terms of communication and physical distribution facilities. The urban areas are normally characterised by high density of population with a developed infrastructure. However, the areas differ in the size, shape, functions as well as in their temporal characters. It is ironic that the Census of India defines “rural” in the context of all that is not urban considering that there were only villages before the development of cities and towns. In fact, a major part of the countryside still remains steeped in lifestyles that is rural, largely dependent on agriculture and allied activities with almost three fourth of the country living in 6,00,000 villages (Kashyap P. and Raut S., 2010).

Defining Rural Marketing:

There is no anonymous concept of defining rural market. From time to time, the definition of rural marketing has been undergoing changes to broaden its scope.

During the pre-phase of Green Revolution, the subject of rural marketing included marketing of inputs required for farming and rural industries and marketing of rural agricultural produce, animal husbandry and products of rural industries origin.

The advent of market-oriented farming on commercial lines with the help of improved and advanced technology and mechanisation had resulted in appreciable increase in rural incomes. This had implications for marketing of consumer goods and change in lifestyles of rural people. The rural people with their increased disposable incomes were exposed to fast moving convenience goods (FMCG). They aspired to improve their lifestyles, not only the agri-inputs and FMCGs. Many developmental activities introduced by the central and state governments like family welfare programmes, literacy improvement programmes. etc. had an impact on rural lives. At this stage, several researchers and marketing professionals had taken a broader view of rural marketing. The urban approach to marketing seems inadequate to understand and address the needs of rural India. There is a definite need for a separate set of marketing strategies to tap rural markets and a need to redefine strategy based on a whole new set of parameters (Gopalswamy 1997).

The term “rural marketing” which was used as an umbrella term to refer to all commercial transactions of rural people, acquired a separate meaning of great significance in the 1990s. The evolution of rural marketing can be presented as shown in Exhibit 1.

Exhibit 1:

Phase	Time Period	Description
Phase I	Before the 1960s	<ul style="list-style-type: none"> • Synonymous with “agricultural marketing”. • Marketing of rural products in rural and urban areas. • Marketing of agricultural inputs in rural markets. • Unorganised markets.
Phase II	1960s to 1990s	<ul style="list-style-type: none"> • Marketing of agri-inputs became prominent for advent of Green Revolution. • KVIC, handicrafts emporiums also receive prominence.
Phase III	1990s to present	<ul style="list-style-type: none"> • Emergence and proliferation of service sector. • Economic reforms and increased plan outlay for socio- economic development. • Developmental programmes and emergence of non-corporate marketing.

The Definitional Domain of Rural Marketing:

A broader definition of rural marketing is concerned with the flow of goods and services from urban to rural areas and vice versa and also within rural areas. Rural marketing is thus a two-way marketing process. As shown in Exhibit 2, the context encompasses not only marketing of products which flow to rural areas, be it for production or consumption purposes, but also products which flow to urban areas from rural areas.

Exhibit 2:

From To	Rural	Urban
Urban	<ul style="list-style-type: none"> • Consumables and durable agricultural inputs • Consumables • Consumer durables 	Not concerned

Rural	<ul style="list-style-type: none"> • Rural artisans' services and products 	<ul style="list-style-type: none"> • Aricultural and allied production • Rural artisans and rural industry products
<p>Source: Rural marketing- Environment, Problems and Strategies, T.P. Gopaldaswamy, P- 3</p>		

The urban to rural transactions cover the goods and services of all agricultural inputs like fertilizers, pesticides, seeds, tractors, consumables like bath and washing soaps, detergents, toothpaste, toothbrush, etc. and consumer durables like bicycles, electrical goods, etc. The rural to rural transactions limit production and consumption within the rural area itself. The rural to urban transactions deal with a wide gamut of products, which flow from the rural to urban sector. Many of these products are basic raw materials for industry like cotton for textiles, oilseeds for edible oil, sugarcane for sugar and so on. The finished products produced by rural industry, craftsman and artisans also find a market in urban areas.

Since, all villages are not one homogeneous mass, area wise variations in the temporal characteristics are quite discernible. By satisfying the existing needs of the rural people and creating new desires for better and improved products and services, the rural marketing can certainly improve the quality of life of the masses. The developmental practitioners must recognise the tremendous potential of rural marketing. Rural marketing implies the process of developing pricing, promoting, distributing rural specific goods and services. The developmental interventions require awareness and adoption of ideas and programmes. Gram panchayats today have a statutory base with a range of regulatory and development functions, as declared in the Constitution of India. They are part of the state administration in a three tier Panchayati Raj structure; district, block and village level. For development in agriculture, rural development, social justice, livelihoods, etc. an integrated approach is essential.

This implies that rural marketing is out and out developmental marketing.

3. Developmental Marketing:

The idea of applying the concept of marketing to non-profit and social sector organizations had its "birth" in a series of articles by Kotler

et al. These articles argued that marketing is a pervasive societal activity that goes considerably beyond the selling of toothpaste, soap and other consumer goods. The election campaigns and political contests remind us that candidates are marketed as well like any other marketing entities. Recruitment in colleges and universities remind us that higher education is marketed; and fundraising for some socially desirable activities reminds us that “causes” are marketed. However, till the decade of 1970s, we do not see that conspicuous and well concerted efforts are made to examine whether the principles of “good” marketing in traditional product areas are transferrable to the marketing of services, persons and ideas. The 1970s and 1980s witnessed the growing popularity of this philosophy (Kotler and Levy, 1969; Andreasen and Kotler, 1991).

In the context of a developing economy how a service product is defined and offered has a great significance. Accepting deposits and extending credit is no longer the only core produce the banks have to offer. The product has to be augmented and the augmented product embraces several dimensions. Banks have initiated credit plus services such as setting up of rural training centres for small enterprises, farmers’ clubs, knowledge centres and credit counselling centres for educating the semi urban and rural population with respect to minimizing yield risk and price in agriculture. To address the last mile challenges in rural areas, marketers are adopting innovative solutions like cloud computing. Cloud computing refers to internet based computing where the delivery of services is through servers; storage and other resources are served from the web rather than on-premise assets. Dependence on hard elements is reduced significantly. Branchless banking uses cloud computing to take banking services to the un-banked. The huge un-banked population presents a great opportunity for marketers to tap the rural market. Rural customers need credit not only for productive purposes but also for their consumption needs. To meet the credit needs of rural people, loans to MFI (Micro Finance Institutions) for relending purposes have evolved as effective instruments. SHG Bank linkage model has been a successful micro finance approach (Kashyap P. and Raut S., 2010).

All these experiments indicate a huge scope for rural, social and developmental marketing in the context of an emerging economy. Lack of education and information; inadequate physical resources like land, water, agricultural inputs, etc.; political instability; disease and malnutrition; natural disasters—all these interact to keep people

impoverished. Multiple interventions may be needed to solve several interacting problems. Policy decisions can reshape critical environmental conditions. Increasingly government controlled prices for farm products can dramatically increase the resources available for rural areas. Improving relations between credit institutions and small farmers for example, may be critical to increasing rural enterprise productivity. (Kashyap P. and Raut S., 2010).

4. Services Marketing with a Developmental Agenda:

The services sector has witnessed a major boom and recently it has been one of the major contributors to both employment and national income in many countries. It contributes 57 percent of the GDP and employs 34 percent of the workforce in India. This growth is also reflected in the rural economy, which is on a transition from farm to non-farm. In rural markets, services primarily comprise retail trading, transportation and communication, financial services, healthcare, housing, construction, education and community/social services. Among services, sectors like telecommunication, finance, healthcare and entertainment have witnessed an impressive growth in rural markets and marketers have used innovative ways to take these services to rural markets. For example, launched in Maharashtra in 2008, Nokia Life Tools aims to provide users with direct access to information that can change how they do business. It delivers agricultural information along with other educational resources and entertainment to users over SMS. The agricultural part of the service is provided in conjunction with Reuters Market Light. Information provided in the localized context includes weather conditions, advice about crop cycles and general tips and techniques as well as market prices for crops, seeds, fertilizers and pesticides.

5. Social Marketing with a Developmental Agenda:

Social marketing seeks to influence social behaviours not to benefit the marketers but to benefit the target audience and the general society. Social marketing programmes, by definition, are generic marketing programmes carried out to change behaviours that are in the individual's or society's interests. It can be carried out by anyone: individuals, informal groups, or formal organizations.

In 1950s, India started family planning campaigns. In the 1970s, Sweden ran social marketing campaigns to turn the country into a

nation of non-smokers and non-drinkers. The Australian government ran several campaigns like “Wear Your Seat Belt”, “Say no to Drugs”, “Stop Smoking”, “and Exercise for Health”, etc. In the 1980s, the World Health Organization started to use the term and promote interest in social marketing. Some of the social marketing successes in India include popularization of oral rehydration therapy. India significantly decreased deaths from diarrhoea in small children under the age of five. Success on this front can largely be attributed to the social campaigns. The Pulse Polio immunization initiatives are also quite noteworthy. Social marketing by non-profit or government organizations furthers a cause, such as “say no to drugs” or “exercise more and eat better” or emphasise on breast feeding rather than processed milk for baby.

A number of different types of organizations conduct social marketing exercises. The organizations include government departments, autonomous institutions supported by foundations, political parties, religious groups, business houses, NGOs etc. (Sarma 2017).

NGOs have been present in rural areas for a long time and more than 3.3 million NGOs are operating in various sectors in India today. A large number of NGOs are focusing on rural development and income generation activities. NGOs offer an alternative platform to reach rural markets. Some marketers are joining hands with them, as it is a win-win situation for both stakeholders. While NGOs facilitate reach to the rural masses through infrastructure and grassroots level networking, the company provides employment opportunities to the rural residents. Launched in December 2005, the Tata Tea initiative Gaon Chalo meaning—“Lets go to the villages” saw Tata Tea joining hands with 12 NGOs to spread its reach across rural Uttar Pradesh. (www.tataglobalbeverages.com)

In the area of developmental marketing in rural areas we may observe emerging interface between corporate and non-corporate sector.

6. Case Studies:

In this context, we may discuss the inferences from select case studies.

Case Study 1: NYKS National Service Volunteers

The Nehru Yuva Kendra Sangathan (NYKS), an autonomous organisation under the Department of Youth Affairs and Sports, Ministry of Human Resources, Government of India, is a large grass root organisation of its kind in the Asia Pacific Region. Catering to the development needs of the non-student rural youths, the organisation involves them in youth club developmental programmes, vocational training programmes, awareness raising campaigns, work camps, sports promotion programmes, workshops and seminars, cultural programmes, venture promotion programmes and implementing programmes of international agencies like UNICEF. NYKS hires young people as National Service Volunteers (NSVs) on a fixed term for two years contract and pays a monthly stipend. Each NSV is assigned 15-20 villages where he/she is required to organise cultural, sports events, and arrange awareness camps to disseminate information on government social programmes. NSVs retire at the end of two years to make a fresh batch. NSVs are reckoned as good communicators to establish rapport with and credibility among local people. Needless to mention, without a marketing orientation, the efforts will be futile (www.nyks.org).

Case Study 2: Corporate SHG Linkage and Project Shakti

Self Help Group (SHG) is a group of 10-15 persons organised by government body or NGOs who come together to form a mutual thrift group, to inculcate savings discipline and boost feelings of self work. Members of SHG get matching loans from rural banks to set up income generating enterprises. The rapid growth of the SHG movement in India has promoted an opportunity to establish a path breaking distribution model through the linkage of the groups for marketers with over 10 lakhs SHGs across India. This holds a great potential to develop low cost distribution model to reach rural homes in the remotest part of the country. Hindustan Unilever's Project Shakti sought to stimulate demand and consumption through the direct to consumer approach. Project Shakti has spread over 260 districts across 12 states. A strategic combination of micro credit and training in enterprise management leads to the transportation of women members of SHGs into direct to home distribution of product. Interested women from SHG were appointed as Shakti Entrepreneurs. They borrow money from their groups and provide services to 6-10 villages covering a population of 600 – 1000.

Project Shakti is often described as a win- win initiative with multiple players, as it has proven to be useful for all stakeholders. For the rural consumer, this has meant the procurement of authentic and quality product at appropriate pricing. Underprivileged rural women get an opportunity to earn income with their newly acquired entrepreneurial skills.

Hindustan Unilever Ltd. (HUL) started Project Shakti in order to increase its rural reach. The marketing penetration of HUL brands of soaps and detergents is very high. In rural areas also, they are strongly present. All the villages in India do not have shops. Even if shops are there, the rationale of having alternative distribution modes can always be explored. The company decided to explore on the emerging SHG movement in Andhra Pradesh in 2000. The idea was to create low risk, profitable micro enterprise opportunities for women. (www.hul.co.in).

Case Study 3: Vikaspedia

Vikaspedia is a “multilingual one stop knowledge portal” that targets specific country needs for achieving an inclusive social development. It catalyzes the use of ICT for collaborative and knowledge sharing among development stakeholders–government, NGOs and private sectors. Vikaspedia, emphasising on key areas of social development provides responsive and credible information products and services in local languages catering to the needs of underserved communities. It also provides a framework for collaborative content creation and information dissemination. Vikaspedia is available in all 22 selected languages of India besides English. Information services related to key livelihood sectors like Agriculture, Education, Health, Social Welfare, Energy, e-governance, etc. are currently available in the portal. The portal is also made mobile-compliant, thereby enhancing the access and dissemination of information through mobiles. This developmental intervention needs developmental marketing in terms of creating awareness, interest and usage. (www.vikashpedia.in)

Case Study 4: ITC e-choupal

The project, launched in 2000 by the agri- business division of ITC aims at providing knowledge and information to farmers- entrepreneurs in rural areas of India. By using modern technology and information technology, the project aims at providing the forward and backward linkages to farmers–entrepreneurs in terms of soil testing, agri-

consultancy, weighing crops, doorstep collection with prompt payment. The initiative contemplates transforming the traditional supply chain by reducing systemic corruption and giving farmers better prices for their crops. This has high significance as regards farmers' empowerment. Because access to better technology and process provide the farmers, a sense of dignity and confidence in improving their socio economic conditions and being connected as well (www.itcabd.com).

This project is conceived as an innovative market-led business model embedded with social goals as it triggers a virtuous cycle of higher productivity and higher income through a multitude of developmental interventions (Address by Chairman in 106th AGM of ITC, July 28, 2017 and published as advertisement in The Assam Tribune).

Case Study 5: Rasoighar

Rasoighar is a project of Hindustan Petroleum Corporation Ltd. (HPC). It presents the innovative concept of community kitchen started by HPCL to provide an experience of clean, convenience and safe cooking solution for poorer section of the rural community who are hesitant to buy LPG cooking gas connection. This experience helps the community to upgrade from traditional chullas to LPG from its dependence on traditional fuels like firewood and kerosene. (www.hindustanpetroleum.com/LPGRasoirGhar)

Case Study 6: TARA haat

TARA haat information and marketing services Ltd. (TARA haat) promoted by Development Alternatives Group in collaboration with organisations like Global Development Gateway sponsored by the World Bank and Gaes Foundation, is an organisation that focuses on rural India for taking the benefits of technology to the rural population. TARA haatguru is a decentralised university, which provides guidance and consultancy to the micro enterprises established by rural entrepreneurs. TARA gyan offers range of computer enabled education services ranging from basic IT training to English proficiency to vocational skills in areas like textile cutting, plumbing, TV repair, etc. These developmental interventions are quite important for social transformation and growth. However, its effectiveness will depend on how the developmental marketing orientation is imbibed. (www.tarahaat.com)

Case Study 7: Greenpeace

Greenpeace, a non-government environmental organization is aimed to create awareness regarding the use of renewable sources of energy. To that extent, they designed a campaign called 'OorjaKranti'; through which they created the complete atmosphere required to sensitize key opinion leaders and stakeholders in the selected villages of Bihar. They tied up with local NGOs, collaborated with eminent personalities to promote the concept and reach out to the audience, held debates and panel discussions to build favourable opinion among the audience. They held "Yatras", engaged people to sign and take the pledge to use environment friendly products, and conducted street plays. All these activities helped in creating an engaging atmosphere to introduce the audience towards adoption and convince them about the concept of renewable energy. (www.greenpeace.org)

7. Inferences from the Case Studies:

The diverse organizations engaged in the social sector have to understand that marketing is not simply advertising or persuasion but rather a mind-set. Marketing cannot be considered as a simple another line item exercise but rather a set of tools and techniques that help the public and social sector practitioners to allocate resources more effectively and efficiently. The Government has to perform public services that are critical to the interest of the citizens. Essential public services like fire control, policing, energy, sanitary, roads, education, healthcare, pollution control, etc. need to be managed in an efficient manner. While making the developmental interventions, the government is expected to provide the public services that neither the public sector nor the non-profit sector wants to handle. The government while managing the public services needs to improve to raise public's confidence and satisfaction. As the case studies imply, it requires a developmental orientation. (Sarma, 2017)

8. The Suggested Modification in Definitional Domain of Rural Marketing:

As we have discussed, in a country like India, where efforts are being made to develop rural areas, rural marketing can be an effective instrument in bringing about socio economic changes. The case studies presented as above from extant literature substantiate the view.

Evidently, there are two sides to India’s rural markets, both equally powerful: the market provides immense opportunities, it also displays intimidating challenges. It does not lend itself to automatic transfer of the tools and techniques of marketing, which may be successful in urban marketing context. The problem arises because of the uniqueness of the rural consumers compared to their urban counterparts. The uniqueness of the structure of the rural marketing and the peculiarities of the distributional infrastructure of the rural areas are much different from urban areas. To that extent, the services marketing and social marketing aspects need to be integrated with rural marketing. The indicative corporate and non-corporate case examples of ITC e- choupal, Project Shakti, RasoiGhar among others provide evidences of rural marketing with a developmental focus as if rural marketing is developmental marketing. The case studies are indicative of the opportunities and challenges in rural marketing context. Based on these case studies, we propose to infer the additional dimension of developmental marketing in the definitional framework of rural marketing as shown in Exhibit 3. The context encompasses not only marketing of products which flow from/to urban/rural areas, be it for production or consumption purposes, but also developmental interventions which flow corporates/ non corporates and government offices from urban areas to rural areas.

Exhibit 3

From To	Rural	Urban
Urban	<ul style="list-style-type: none"> • Consumables and durable agricultural inputs • Consumables • Consumer durables • Developmental Interventions 	Not concerned
Rural	<ul style="list-style-type: none"> • Rural artisans’ services and products 	<ul style="list-style-type: none"> • Agricultural and allied production • Rural artisans and rural industry products

9. Conclusion:

For developmental marketing to be effective, people centric approach is important. Rural marketing and social marketing are basically developmental marketing. The Government has assumed a role for the development of the society. As in the cooperative, it should not be “sponsored one”; rather it should be an “induced” one.

The Government should emphasize on creating the socio economic requirements for the growth. If group action can be mobilized at the grass root level like e-choupal, Project Shakti, etc. marketing can really play a decisive role in the development of our country. The seven cases discussed in this paper have different developmental interventions. NYKS provides developmental marketing opportunities for youth affairs and sports; Project Shakti provides low risk, profitable micro enterprise opportunities for women. Similarly, Vikaspedia creates awareness and provides an easy way of communication to mass. Cases like e-choupal, Rasoigar, TARA haat and Greenpeace shows different ways of developmental marketing for upgradation of society. All these case examples indicate a new paradigm of developmental marketing, which provides adequate space for recasting the definitional framework of rural marketing.

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