



Term Evaluation (Even) Semester Examination March 2025

Roll no.....

Name of the Course: MBA
Semester: FOURTH(IV)
Name of the Paper: RURAL MARKETING
Paper Code: MB401 (M)

Time: 1.5 hour

Maximum Marks: 50

Note:

- (i) This question paper contains two Sections - A and B
- (ii) Both Sections are compulsory
- (iii) Answer any two sub questions from a, b & c in each main question of Section A. Each sub question carries 5 marks.
- (iv) Section B, consisting of a case study, is compulsory. It is of 20 Marks.

Section A

Q1.

(2X5 = 10 Marks)

- a. How do the characteristics of rural consumers in India influence their buying behavior and decision-making process? CO-3
- b. Discuss the key challenges faced in rural marketing, focusing on infrastructure limitations and how businesses can overcome these barriers. CO-2
- c. Compare and contrast rural and urban marketing in India. What are the critical differences in strategies required for each? CO-3

Q2.

(2X5 = 10 Marks)

- a. Explain the concept of "innovation adoption" in rural markets. How does this process differ from urban markets, and what factors influence rural consumers' willingness to adopt new products? CO-2
- b. What role does brand loyalty play in rural marketing, and how do rural consumers develop and sustain loyalty to brands? CO-1
- c. Analyze the rural market environment in India. How do cultural, social, and economic factors contribute to the complexity of marketing in rural areas? CO-4

Q3.

(2X5 = 10 Marks)

- a. What are the essential components of a rural marketing plan, and how should marketers tailor their approach to suit the needs of rural consumers? CO-1
- b. How can rural marketers leverage technology to address challenges in distribution, communication, and product availability in remote areas? CO-3
- c. Discuss the nature and scope of rural marketing in India. How can businesses evaluate the attractiveness of rural markets, and what metrics should be used to assess potential growth in these regions? CO-2

Section B

Q5. Case Study

(20 Marks)

Rural Marketing – Strategies for Expanding Market Reach in India's Villages

India's rural market is enormous, representing over 60% of the country's population. As urbanisation accelerates and infrastructure in rural areas improves, there has been a significant



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increase in purchasing power and consumer awareness among rural populations. This shift has created a growing market for companies looking to expand beyond urban centres. However, despite these positive trends, marketers face several challenges in effectively reaching these diverse and geographically dispersed communities. Rural consumers often have distinct needs, preferences, and purchasing behaviours compared to their urban counterparts, which requires tailored marketing strategies to address these unique characteristics. Additionally, rural markets present logistical challenges, such as limited access to retail outlets and inefficient distribution systems. Fresh Farm Pvt. Ltd., a leading FMCG company, is one such player seeking to capitalise on the growing demand for organic food products in rural India. The company has developed a line of organic products, including pulses, grains, and spices, aiming to tap into the increasing health-consciousness among consumers. However, Fresh Farm has faced difficulties in establishing brand awareness and convincing rural consumers to purchase their products. Despite the rising acceptance of organic products in urban areas, rural consumers remain hesitant. This reluctance stems from several factors, including concerns over the higher cost of organic products, ingrained traditional consumption patterns, and a lack of awareness regarding the benefits of organic farming. To overcome these hurdles, Fresh Farm Pvt. Ltd. is considering a range of strategic initiatives. First, they plan to establish a localized distribution network by partnering with rural entrepreneurs who can act as intermediaries, distributing the products at the village level. This approach is designed to address the logistical challenge of long distances and limited access to retail outlets. Second, Fresh Farm intends to run awareness and education campaigns aimed at informing rural consumers about the health benefits of organic food. By leveraging local influencers, community leaders, and organising events, the company aims to overcome the knowledge gap and change consumer perceptions. Third, Fresh Farm plans to introduce affordability and accessibility initiatives, such as smaller pack sizes offered at lower prices, making their organic products more accessible to a larger portion of the rural population while still maintaining profitability. Lastly, the company intends to explore digital integration, using mobile apps and social media platforms to reach rural consumers. With the rapid increase in mobile phone penetration in rural India, digital platforms offer a cost-effective way to engage with the rural market and promote products. Fresh Farm Pvt. Ltd. is carefully evaluating how best to implement these strategies to build a sustainable, scalable model for growth. The company is focused not only on increasing sales but also on ensuring that rural communities benefit from this growth by providing them with better access to quality, affordable organic products. The challenge lies in executing these strategies in a way that resonates with rural consumers' values, meets their needs, and overcomes existing barriers to adoption.

Questions:

1. *What are the key factors Fresh Farm Pvt. Ltd. should consider when designing their rural marketing strategy to ensure successful market penetration in India's rural areas? Discuss how the company can address barriers related to consumer attitudes, infrastructure, and distribution challenges. CO - 2*
2. *How can Fresh Farm Pvt. Ltd. effectively integrate digital marketing tools such as mobile apps and social media in their rural marketing strategy, given the rising mobile penetration in rural areas? What additional challenges might the company face in rural digital adoption, and how can they overcome them? CO - 3*