ABSTRACT

To achieve organizational goals in rural marketing to meet the expectations of consumer demands on various products and services in a market, the following activities should be adopted: promotion, distribution and pricing. One can find a plan of action designed to achieve a long-term or overall aim which relates to this fast-growing area of rural marketing.

The aim of this thesis was to give ideas and comprehension of the reasons of customer habits in society, mainly in rural markets. This was to get an understanding, knowledge and interpretation all marketing activities despite in which rural market was under study. The marketers will be able to use this thesis to learn how to relate to rural marketing by finding a plan of action designed to meet the goals in a given rural market.

The research of this pragmatic study was based on an interview and information from questionnaires conducted on rural manufacturing and supplying companies in Ostrobothnia area of Western Finland. The research of this thesis has been carried out by utilizing qualitative research method, which has helped the researcher to become oriented to the range and complication of customer activities and concerns in rural markets.

A proper business plan serves as a map of marketing which is used by marketers to establish the points along the route, indicating why each is important and how it has been best reached. The plan came from mission and values to justification, strategies, tactics, actions, and achieved results. This last must establish what constitutes success and has been measured both quantitatively and qualitatively. The research outcome has shown that retailers compete by selling unique goods and services which are not available on other rural markets. People choose to shop at specialty stores for a unique experience.

Key words
Challenges, Demand, Rural Marketing, Strategies.
CONCEPT DEFINITIONS

ABBREVIATIONS
AAA - Availability, Accessibility and Affordability
ANC – Agricultural areas with Natural Constraints
AWU – Annual Work Unit
CAGR - Compound Annual Growth Rate
CEO – Chief Executive Officer
C&F – Clearing and Forwarding
CFO – Chief Financial Officer
CMO – Chief Marketing Officer
CRM – Customer Relationship Management
EC - European Commission
EU - European Union
FMCG - First Moving Consumer Goods
GDP – Gross Domestic Product
HM - Hindustan Motors
ICT – Information and Communication Technology
IRDP - Integrated Rural Development Programme
JRY - Jawahar Rozgar Yojana
LTD - Limited
MBA – Master of Business Administration
MNC - Multi-National Companies
MRL – Medical Record Librarian
POP – Point of Purchase
RTV - Rural Transport Vehicle
U.S. – United States
ABSTRACT
CONCEPT DEFINITIONS
CONTENTS

1 INTRODUCTION

2 RURAL MARKETING
  2.1 Potential of Rural Marketing
  2.2 Competition and Employment Opportunities

3 RESEARCH METHOD
  3.1 Research Findings
  3.2 Research Limitations

4 FINNISH RURAL ENTERPRISE
  4.1 Key Priorities for Finland's Rural Development
  4.2 Importance of Rural areas in Finland
  4.3 Responding to Market Difficulties

5 THE IMPORTANCE OF MARKETING
  5.1 Type of Marketing Entities
  5.2 Values of Marketing Programs

6 INDIAN RURAL MARKET
  6.1 Rural Market and Marketing
  6.2 Rural Market Process

7 CHALLENGES AND STRATEGIES OF RURAL MARKET
  7.1 Rural Market and Indian Economy
  7.2 Challenges in Indian Rural Markets
  7.3 Strategies for Rural Markets
  7.4 Products Strategies for Rural Market - Indian Perspective

8 THE DEMAND BASE OF INDIAN RURAL MARKET
  8.1 Population
  8.2 Scope and Limitation

9 CONCLUSION

REFERENCES
APPENDICES
1 INTRODUCTION

Owing to much capacity to develop in the rural areas, firms are paying attention to the wishes and needs of the population who lives there and considering every available opportunity for customers to upgrade their upkeep by providing right products and services. Today, companies are facing their toughest competition ever. To win customers and encourage them to stay loyal or repurchase the goods and services, most companies have resorted to meeting and satisfying customer needs by not being only reactive but proactive. They are also interested in finding new ways and means to satisfy the customer. Most companies are aiming for good customer relationship which means better service to customer thereby preventing the customer from being promiscuous. A lot of companies are not just attracting customers but are working at building long term relationships with customers both rural and urban, local and foreign customers, suppliers, employees, distributors and the public.

These companies are striving to satisfy the maximized expectations of each stakeholder group. Based on the nature of the marketing, it involves voluntary exchange relationship where both sides must be some willing parties. The willing parties must be able to communicate which could be through alternative different instruments. Therefore, in today’s highly competitive environment, businesses need better understanding of their potential customers. The understanding of potential customers meets different channels of which one is Customer Relationship Management. CRM helps most companies make sense of customer needs, manage these relationships more intelligently and help predict the future. Customer satisfaction is a business philosophy which tends to the creation of value for customers, anticipating and managing their expectations, and demonstrating ability and responsibility to satisfy their needs.

The comparison of Finnish and Indian rural markets was chosen as the topic for this thesis to enlighten the similarities and differences on how rural marketing is conducted in these two countries. The aim and the objective for the thesis is to find out the understanding of consumer behavior within the two rural markets under study. I decided to choose both rural India and rural Finnish markets as most of the rural marketing in these two rural markets has been done with the engagement of the wholesalers which has given significant niche in the retailing and supplying high quality yet reasonably priced goods and services hence direct competition has been limited. Most of the wholesalers have been using computer-based inventory control software which has helped to keep track and be able to monitor the distribution of goods and services in these markets.
The objectives are to analyse how the market and rural market consumers react at specific times to the different aspects of marketing, for example, due to market segmentation based on age group, sex orientations, cultural diversity, market and country locations, environmental effects, consumer income and demographic analysis in comparison within the rural markets in between Finland and Indian rural markets. Qualities of goods and services and customer satisfaction are critical factors for the success of any business (Grönroos 1984, 36-41). Enterprises exist because they have a customer to serve. The key to achieve sustainable advantage lies in delivering high quality goods and services that result in satisfied customers (Parasuraman 1998, 55-68). This thesis studies the contents of various definitions of rural marketing using qualitative techniques to discern the probable conceptual expansion of rural marketing. Only definitions of the term ‘rural marketing’ (not just a mention of ‘rural marketing’) are considered for the present study. The study has used qualitative method approach in its research findings.

The empirical research plan for this thesis involves the comparison of rural markets between Finnish rural market and Indian rural market with the research question emphasizing on the methodology used for this thesis. The evaluation criteria will be in the framework of Finnish Development Assistance Strategy with institutional emphasis on impact assessment, and the need to provide coherent measure of accountability. In building relationships with the customer, attempt should be made at profiling the best customers. We must find out who they are and what they buy. Then we should map what we call "the customer corridor" the entire life cycle of a valuable customer at different stages of their relationship with the company. This will help to identify the customers' unmet needs. There should be more research needed to fulfill these customer needs in rural marketing to build a strong business relationship.

The process of predicting, identifying and the know-how of how to manage all the resources in an organization to satisfy consumer needs may be described as rural marketing. For an organization to exist these consumer needs as products and services should be met. To seek and acquire good, better and effective ways to fulfil the needs and wants, the knowledge of understanding consumer habits in an organization should be achieved by selecting sales and marketing strategies which are appropriate in an organization. The goal and the results will duel on the comparison between Indian and Finnish rural market activities, while the research will be based on the interviews conducted on manufacturing and supplying companies in rural Ostrobothnia area of Western Finland, namely Hartman in Kokkola and Fishk in Kokkola, Finland.

Different kinds of tables, a picture and graphs will be used to help analyze the results, with the hope that the outcome will be satisfactory and impressive, and suggestions on any chances to improve in satisfying
customers through meeting their needs, wants, demands and services in the rural markets. The methodology of the study will use qualitative approach in the research findings. The qualitative secondary source of data will include interviews carried out on the two firms namely Hartman and Fishk in Kokkola, Finland. The qualitative research will analyze the interview questions to the respondents in the Hartman and Fishk firms to focus and gather the information on how they conduct their logistics sales and marketing to meet and satisfy the demands of rural customers in the Finnish rural markets.


2 THE RURAL MARKETING

Rural marketing is the implementation and transforming the requirements of the consumers to use available resources in the market to serve the needs of consumers in the rural locations thereby improving the living conditions of the rural consumers. The main explanation is to demonstrate the ability of the local market inhabitant’s ability to increase their ability in buying and purchasing power increment. It is cheaper to trade in rural market than in town market due to the increasing in size of the rural market is greater than the town market. (A Comprehensive management research for students and professionals 2011-2018.)

2.1 Potential of Rural Marketing

Although there are better market availabilities, there exist many difficulties in Indian rural markets due to reasons such as multiple tribes, lack of electricity and other basic regular needs. In rural Indian markets, most of inferior population lack of education due to less mass information available, thereby less communication in the rural market. More important is the lack of logistical means and storage problems in rural Indian markets. Direct transaction from the vendor to consumer in the rural market which may include several intermediaries such as wholesalers, distributers, agents and retailers can be referred to as availability. The quality of being understood or appreciated in rural market is referred to as accessibility and the capacity of a consumer to be able to afford a product or services in rural marketing is referred to as affordability. The above explanation can be referred to as Affordability, Accessibility and Availability (AAA). This rural marketing strategy applies to both Indian and Finnish rural markets. (Comprehensive management research for students and professionals 2011-2018.)

The most common device used in rural marketing for marketing communication is personal trading. All the communication in both Indian and Finnish rural markets, for example many dialects for Indian rural markets and Finnish plus Swedish for Finnish rural markets. In both Indian and Finnish the communication is built and evolve in the local dialects. Consumers play a very important part in establishing the market for the product. As mentioned above, rural marketing is a practice of assessing, persuading and transform the needs, wants, of the customers to use available resources out for sale which would help in sufficing the requirements of people in the rural areas and thus increase the satisfaction levels as well as living conditions. To understand this, an organization or marketer must practice a two-sided procedure
like urban to rural where First Moving Consumer Goods (FMCG), goods like agricultural fertilizers, automobiles are offered by the urban market to the rural market and rural to urban where the agricultural supplies like fruits, vegetables, flowers, milk, etc. are offered from the Rural market to urban market. (Learn rural marketing 2012.)

Picture 1 below explains why marketers for the big companies are attracted to rural markets.

![Potential of Rural Marketing](image)

PICTURE 1. Potential of Rural Marketing (2012). (Learn rural marketing 2012.)

Go rural is a plan of action being used by the organizations to increase the penetration into rural and regional market. Indian rural market, in this comparison study explains that large population or many people live in rural areas hence the need to extend resources in the form of products and services to the rural population and consumers. The high income brings in buying resources to the rural population and enables the local farmers to acquire new technologies using new apparatus to multiply their productions to satisfy the needs and wants of rural markets consumers by providing high quality goods and better services. (Rural market tutorial 2012.)
2.2 Competition and Employment Opportunities

Due to the tendency of customers to keep buying the same brand of a product instead of trying other brands creates high contest for the producers of goods and services in the urban market hence the producers of goods and services moves to new markets in the rural markets. The quality of being able to be reached or entered through various infrastructure potential increases the supply of goods and services in the rural markets. When the urban market is having many kinds of goods and services, the manufacturers will opt for a new different and suitable market for their goods and services hence relocate to the rural markets. (Rural market tutorial 2012.)

To have and develop a good way of life, the monetary companies are locating most of their funds to rural economies to let the rural consumers borrow the funds with little interest rate to boost their spending capability to upgrade their way of life. The Integrated Rural Development Program (IRDP) and Jawahar Rozgar Yojana (JRY), are some of the programs initiated by the Indian State authorities to give instructions and teaching to Indian rural population in order to prepare the young growing rural Indian population ready to utilize their potentiality not only in the farming, but also on other fields such as technology training to improve their lives and have a better way of living. (Rural market tutorial 2012.)

The importance of marketing is attributed to finance. Financial success often depends on marketing ability. Finance, operations, accounting, and other business functions will not matter if there is not enough demand for goods and services, so the company can make profit. There must be a top line for there to be a bottom line. Many companies have now created a Chief Marketing Officer (CMO) position to put marketing on a more equal footing with other C-level executives such as the Chief Executive Officer (CEO) and Chief Financial Officer (CFO). Skillful marketing is a pursuit that never ends and can take many forms. For instance, Koch, founder of Boston Beer Company, started out carrying bottles of Samuel Adams from bar to bar to persuade bartenders to carry it and for 10 years, he sold his beer through direct selling and grassroots public relations. (Kotler & Keller 2007, 4-5.)
3 RESEARCH METHOD

This chapter presents the research method that is going to be used to conduct this study hence, it will focus on the following: research findings and research limitations. The research of this thesis is going to be carried out by utilizing qualitative research method, in which a plan is going to be assembled and questions for the interviews is going to be printed out and the answers to those questions are going to be noted down during the interviews. The final analysis by the researcher is going to be included in the conclusion of this thesis. This is going to help the researcher to become oriented to the range and complication of customer activities and concerns in rural markets. The research of this pragmatic study is going based on interviews conducted on rural manufacturing and supplying companies in Ostrobothnia area of Western Finland namely Tradio Oy Fishk and Hartman Rauta Oy.

3.1 Research Findings

In this rural marketing study, a comparison between Finland and Indian rural markets, the research has used more theoretical framework. The structure of this research-oriented thesis consists of the following: introduction, theoretical framework, results and conclusion. The theoretical framework connecting theory with practice shows that this thesis is clearly based on the theoretical framework and practical study which is closely connected to the theoretical information and source literature.

3.2 Research Limitation

There existed some limitations encountered in the conduct of this research study. The main limitation existed with the two companies where interview questions was issued, and some employees were interview, as it was quite small. Therefore, the diversity in the answers could have been limited. First challenge was to get the right people for the interviews as a result the study has been confined to responses from a few selected individuals for easy administration and gathering of the research information from the interview questions. Another challenge was the language difference between the researcher and the correspondences which required a translator at times. The distance between the researching countries namely India and Finland also made it a bit hard to get all the logistic in place thereby achieving the goal
of getting all the materials required. The study relied on primary data which was collected from the correspondents.
4 FINNISH RURAL ENTERPRISE

The Finnish countryside is changing rapidly, and different types of rural areas are developing in different ways. In many sparsely populated areas, the population is decreasing and ageing rapidly, while the number of rural residents and enterprises has been growing in urban-adjacent rural areas.

TABLE 1. Rural Enterprises in Finland in 2000–2005 (Adapted from Luke National Resources Institute 2012.)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>136,400</td>
<td>130,400</td>
<td>131,500</td>
</tr>
<tr>
<td>140,300 130,000</td>
<td>44,300</td>
<td>37,600</td>
<td>37,600</td>
</tr>
<tr>
<td>Basic agriculture farms</td>
<td>58,000</td>
<td>50,150</td>
<td>45,200</td>
</tr>
<tr>
<td>Diversified farms*</td>
<td>21,800</td>
<td>23,550</td>
<td>24,300</td>
</tr>
<tr>
<td>Enterprises with no links</td>
<td>56,600</td>
<td>56,700</td>
<td>62,000</td>
</tr>
</tbody>
</table>

* incl. horticulture enterprises.

Small rural enterprises can be divided into three groups: farms engaged in basic agricultural production and farm forestry, diversified farms with other gainful activities besides agriculture and farm forestry, and small rural enterprises with no connection to farms. In 2013, the total number of enterprises in Finland was 354,000. The number of small rural enterprises was estimated at 130,000, of which 29% were engaged in basic agriculture, 13% were diversified farms and 58% were other small enterprises. Agriculture and farm forestry continue to make up the most significant rural industry. It is estimated that about third Finnish enterprise are in rural areas. In 2010, the Register of Enterprises and Establishments included 81,000 rural enterprises other than those engaged in agriculture and farm forestry, with a total labor force corresponding to 135,000 Annual Work Unit (AWU) and a total turnover of €18 billion. (Luke National Resources Institute 2012.)

Of the small rural enterprises, an estimated 74,500 operate with no connection to farming. In 2010, 46% of the small rural enterprises operated in the service sectors, 16% in trade and a third in processing. Around 5% were engaged in primary production other than agriculture and forestry. Since 2000, the number of enterprises, staff and turnover have increased in both the service sectors and processing. The
energy production and bioenergy has been growing. The role of the resources available in rural areas to produce bioenergy and other renewable energy is growing. Renewable energy sources comprise solar and wind power, hydropower, bioenergy and geothermal, wave and tidal energy. Bioenergy accounts for around 80% of all renewable energy sources. Bioenergy, i.e. biofuel, is derived from biomass growing in forests, mires and fields as well as from organic, liquid and gaseous bio-waste suitable for energy production from communities, agriculture and industry. (Luke National Resources Institute 2012.)

In Finland, bioenergy accounts for about a quarter of all energy consumption. Most of the bioenergy produced and used on farms consists of chips or fuelwood from forests. In 2013, contractual work related to bioenergy, which comprises the production of biodiesel, ethanol and biogas, was the most important activity for 49 farms in terms of turnover. Most of food processing enterprises are in rural areas. The field is strongly polarized into a few large companies and numerous small enterprises. Most of the enterprises (71%) employed fewer than five people. The most common sectors are the manufacture of bakery products and further processing of meat. In 2013, around 400 farms were engaged in the further processing of foodstuffs. The most common types of food processing on farms are the further processing of vegetables and berries, the manufacture number of diversified farms. Starting other gainful activities is often connected to changes in the operating environment of farms: new demand has been created for products and services. (Finnish Agriculture and Rural Industries 2012.)

Also, new challenges to agriculture may have encouraged farming families to seek new sources of livelihood. About the types of areas, most of the diversified farms are in urban-adjacent rural areas and remote rural areas. The other activities on farms are usually strongly linked to farming and its resources, i.e. the farm resources are in joint use for activities in several sectors. In 2010, agricultural/horticultural machinery, buildings, land areas or products and labor force were used for other gainful activities on 87% of the diversified farms. In numerical terms, cereal and other crop farms were most frequently engaged in other business activities. Relative to the size of the production sector, diversified farms were the most common among sheep, goat and horse farms (42% of the farms), mixed farms (40%) and poultry farms (33%). (Luke National Resources Institute 2012.)

Meanwhile, only one in five pig and dairy farms had other business activities. Diversified farms operate in various sectors. In 2013, the majority (74%) were engaged in services. Around 13% were engaged in manufacturing, 5% in primary production other than agriculture and 6% in trade.
Many farms operate in several sectors, such as in both contractual work and tourism. The proportional share of activities practiced by diversified farms has changed over the last decade. The share of enterprises in the service sector has increased, while the share of manufacturing has declined. The number of farms in other types of primary production has decreased, which also reflects the general trends in these sectors. For example, the number of reindeer herders, fur farmers and fishermen has decreased considerably over the past two decades. (Luke National Resources Institute 2012.)

### 4.1 Key Priorities for Finland's Rural Development

For 2014-2020, a total public contribution of around €8.3 billion (€2.3 billion from the EU, €5.8 billion from the national budget) has been allocated for measures that will benefit mainland Finland's rural areas. An additional €59 million has been allocated for the Swedish-speaking Åland Islands (€20.7 million from the EU budget and €38.4 million in national funding). The 2014-2020 rural development programmed for mainland Finland focuses on three main priorities. Restoring, preserving and enhancing ecosystems related to agriculture and forestry. Second priority is promoting social inclusion and economic development and reducing poverty in rural areas. Promoting the food chain organization, including the processing and marketing of agricultural products, animal welfare and risk management in agriculture. (Luke National Resources Institute 2012.)

Given the difficult climatic conditions, the biggest share of Finland's funding is targeted at agricultural areas with natural constraints, ANC, to help ensure the continuity of farming activities there at the same time as supporting the landscapes that are so important for biodiversity. The 2014-2020 rural development programmed for Åland has a focus on restoring, preserving and enhancing ecosystems related to agriculture and forestry. The competitiveness of the agriculture sector and sustainable forestry, promoting the food chain organization, including the processing and marketing of agricultural products, animal welfare and risk management in agriculture. The main farming challenges in Åland not surprisingly are linked to the conditions on the archipelago, the cold climate and the thin, infertile soils, which impact farmers' profitability. Farming, however, brings many environmental benefits to the islands, such as increased biodiversity, open agricultural landscapes and a diverse cultural landscape. (Investing in Finland's agriculture 2014-2020.)
4.2 Importance of Rural areas in Finland

Finnish agriculture is characterized by large sized farms. Finnish farms have an average of 42 hectares, compared to 16.1 hectares in EU. Relatively young farmers about 8.5% of farmers are aged below 35 (EU28: 6%), and 10.2% are aged 64 or above (EU: 31.1%). A relatively high contribution to the economy. Agriculture, forestry and fishing accounts for 2.5% of total Gross Value Added (GVA), (compared to 1.5% in EU). (Data sources: Eurostat, Comext). Finland exports mainly non-edible products to non-EU countries (2016 data) Farmer’s income continues to be more volatile than wages and salaries in other sectors. Importance of rural areas Cereals, 11.9% Industrial crops, 1.6% Forage plants, 4.9% Vegetables and horticultural products, 11.5% Potatoes, 1.3% Fruits, 2.0% Cattle, 9.3% Pigs, 7.4% Sheep and goats, 0.2% Poultry, 3.8% Milk, 31.9% Eggs, 1.7% Other, 12.2%. (Eurostat 2014-2016.)

Employment predominantly rural to intermediate predominantly urban varies from 0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100% so as exports to EU countries exports to non-EU countries plus imports output components between (2014-2016 average); values at constant producer prices. Imports from EU countries and imports from non-EU countries commodities and other primary products, processed products, food preparations beverages non-edible products Output components (2014-2016 average); values at constant producer prices. Agricultural income wages and salary index plus industry wages and salary index. Construction Wages and salary index plus services output components varied during this time between (2014-2016 average); values at constant producer prices. (Eurostat 2014-2016.)

4.3 Responding to Market Difficulties

Following the prolongation of the Russian ban on the European Union (EU) agricultural imports and difficult conditions in certain markets, in October 2015 the European Commission (EC) agreed a support package worth €500 million to help those farmers most affected by the difficulties, including €420 million in national allocations to support the dairy and livestock sectors, with flexibility for member states to decide how to target this support. Sweden opted to use all its €8.2 million allocation for the milk sector. Finland opted to use all its €8.9 million allocation for the milk and pig sector. In July 2016, the European Commission agreed a further solidarity package worth €500 million, including aid worth €350 million aimed at the dairy sector. Of this, roughly €7.5 million was earmarked for Finland. (Investing in Finland’s agriculture 2014-2020.)
5 THE IMPORTANCE OF MARKETING

This chapter, The Importance of Marketing is going to explain the marketing concept and give a brief definition of marketing management. This chapter is also going to dual or explain the type of marketing entities and values of marketing programs with reference United States consumer market and economy. Today the company (Samuel Adams) leads the U.S. craft beer market, and its marketing professionals continue the drive to delight its customers by offering more variety than any other craft brewer. “At Samuel Adams, we are constantly innovating and creating new ideas that will push the envelope and revolutionize beer drinkers’ expectations for beer” the founder notes. (Kotler & Keller 2007, 2-3.)

5.1 Type of Marketing Entities

The task of producing, informing and distributing merit to consumers and controlling consumer abilities in certain direction for the good of the companies and its stakeholders is called marketing as defined by the American Marketing Association. While marketing management can be defined as the art and science of choosing target markets and getting, keeping and growing customers through creating, delivering, and communicating superior customer value. Marketing people are involved in the marketing of 10 types of entities namely goods, services, experiences, events, persons, places, properties, organizations, information, and ideas. (Kotler & Keller 2007, 2-3.)

Goods refers to physical goods which constitute the bulk of most countries production and marketing effort. For example, U.S. companies alone market billions of fresh, canned, bagged, and frozen food products and other tangible items. Thanks, in part to the internet, even individuals can effectively market goods. Term services relates to the following explanation. As economies advance, a growing proportion of their activities is focused on the production of services. The United States, U.S. economy today consists of a 70-30 services-to-goods. Services include the work of airlines, hotels, car rental firms, barbers and beauticians, maintenance and repair people, as well as professionals working within or for the companies such as accountants and programmers. Many market offerings consist of a variable mix of goods and services, as when a restaurant offers both food and service. (Kotler & Keller 2007, 2-3.)

Events are when marketers promote time-based events, such as major trade shows, artistic performances, and company anniversaries. Global sporting events such as the Olympics or World Cup are promoted
aggressively to both companies and fans. Experiences is when companies by orchestrating several ser-

vices and goods, a firm can create, stage, and market experiences. Walt Disney Worlds Magic Kingdom

represents experiential marketing. Customers visit a fairy kingdom, a pirate ship, or a haunted house. There is also a market for customized experiences, such as spending a few days at a baseball camp playing with retired baseball greats. Persons refers to celebrity marketing which is a major business. Artists, musicians, CEOs, physicians, high-profile lawyers and financiers, chefs, and other professionals draw help from celebrity marketers. (Kotler & Keller 2007, 2-3.)

Places as locations of Cities, states, regions, and whole nations compete to attract tourists, factories, company headquarters, and new residents. Las Vegas, Nevada, spends millions of dollars annually mar-

keting itself as a tourist destination and business convention city. Its “what happens in Vegas, stays in Vegas” advertising campaign has helped the city attract 37 million visitors every year. Place marketers includes economic development specialists, real estate agents, commercial banks, local business associations and advertising and public relations agencies. Properties are intangible rights of ownership of either real property (real estate) or financial property (stocks and bonds). Individuals and organizations buy and sell properties through the marketing efforts of real estate agents, investment companies and banks (Kotler & Keller 2007, 2-3.)

5.2 Values of Marketing Programs

Organizations actively work to build a strong, favorable, and unique image in the minds of their target publics. Tesco’s “Every Little Bit Helps” marketing program has vaulted it to the top of the supermarket chains in the United Kingdom. Universities, museums, performing arts organizations, and nonprofits use marketing to boost their public images and to compete for audiences and funds. Information is how information is marketed or distributed like Schools and Universities essentially produce and distribute information at a price to parents, students, and communities. Encyclopedias and nonfiction books market information, as do magazines and newspapers. The production, packaging and distribution of information is one of the society’s major industries. (Kotler & Keller 2007, 4-5.)

Even companies that sell physical products add value with information. The CEO of Siemens Medical System, for instance, says the company’s product “is not necessarily an X-ray or MRL, but information. Our business is really healthcare information, and our product is really an electronic patient record, information on lab test, pathology, and drugs as well as voice dictation.” Ideas refers to how ideas are
promoted in a society. Every market offering includes a basic idea. For instance, social marketers are busy promoting such ideas as “Friends Don’t Let Friends Drive Drunk” and “A Mind Is a Terrible Thing to Waste” (Kotler & Keller 2007, 4-5.)
6 INDIAN RURAL MARKET

According to research analysis in the 21st century, there has been a comfortable growth in the Indian economy. This growth began in the 1960s, 1970s and 1980s because of the increase income and capability to buy goods and services of the rural Indian population. The research also reveals that in India, data on customers has been affected and not so many facts are provided, or statistics are available about the rural customers. The only available facts are about the established enterprises like Hindustan Lever, Philips India, Asian Paints, Larsen and Toubro. It is also worth mentioning that companies like TATA are on a course towards the same pattern. (Business Journal 2009.)

6.1 Rural Market and Marketing

Rural customers are not perceptive and shrewd as when they are marketed to buy a product, an item or a service, they gain an interest and often adopt to it. Thus, to this effect Indian producers and traders in India rural market sell less products to the rural consumers at a higher price and sell less goods and services at less prices. There is also the fact that the rural consumers are not anxious about grade and wrappings hence marketers do not carry out an extended fact finding on how to go into the rural market. Lately, the rural zone provides a distinctive chance to enlarge their market since the urban segment is demonstrating explicit indication of saturation in comparison to the character and habits of rural market is not the same as the urban market, making it obligatory to know the rural area features and habitat and take measures appropriately. (Tutorials point 2010.)

About 70% of the people resides in India rural areas as India is a country of variety inhabitants. The rural population provides towards the economic development of the country through farming activities such as the cultivation of agricultural food stuff and raising of livestock, hence by trading on these agricultural products and livestock, the needed foreign exchange is earned. Nearly 600,000 rural habitats communities exist in India per rural market researchers. 25% of communities constitute to 65% of the total rural inhabitants. So, one can calculate 65% of 700 million inhabitants by from 150,000 communities which provides a bigger market share. If one goes by statistics, around 70% of the Indian inhabitants lives in the rural areas. This represents 12% of the world inhabitants. (Business Journal 2009.)
6.2 Rural Market Process

For market to grow and enlarge by creating advances in rural areas, several Multi-National Companies (MNCs), are in embracing into India's rural markets. These includes industries like Hindustan Lever, Coca-Cola, Pepsi, LG Electronics, Britannia, Philips, Colgate Palmolive and international communication firms. As earlier stated, rural marketing involves a set of activities that includes manufacturing, advertising, logistics and evaluation of products and services to meet the needs and wants of customers to meet the goals of manufacturers in the market. This can be primarily divided into three marketing groups in India where the business can be from urban to rural which is a task of selling the products and services by urban marketers in rural areas. (Tutorials point 2012.)

FMCG goods, customer durables, mostly pesticides are another type of trading activity undertaken in rural markets. The task is from rural to urban. It is a task where a manufacturer sells his goods in town market. In many cases this trade involves brokers in between to implement and see that the business meets it expectations. The last process is rural to rural. It is a task where trading of farm and livestock, carts and machinery are traded among the trading communities within the rural markets and consumer markets in the rural trading areas. (Business Journal 2009.)
7 CHALLENGES AND STRATEGIES OF RURAL MARKET

It has been said that the evidence of cooked sweet dish served after the main course of a meal or dessert rests in consuming it, so as the evidence of manufacturing can be found in trading, consuming and promotion. The advancement of technological advancement expands the purchase power in customers. The customers would rather have quality products and quality facilities. The global of the Indian economy has given a lead to manufacturing and logistical of quality products and quality facilities. Putting all these into account, there is a knowledge if traders can focus their ventures in urban India where there is a huge manufacturing alone, or expand their pursuit to rural India, where there is a high potential consumers and customers. (Business Journal 2009.)

Due to trade and practical features, rural market is unlike urban market. The features, buying and consumption design of rural customers are entirely unalike from the urban customers. Because of the effect of globalization there is a quick change in rural habitat. Structure of supply and demand has also improved remarkably. Appropriately to comprehend this growth activity in the rural places, understanding of the present habitat is very essential. With the knowledge of the numerous changes in utilization of imperishable goods, it is vital for traders to invest more in rural customers. Rural market in India is not a different organization but it is hugely affected by the sociological and behavioral aspects of the nation. Indian rural market ushers in larger income for the nation, as the rural area consists of utmost number of customers in the nation. In Indian economy, rural markets create income nearly bigger than half of the country's annual revenue. (Tutorials point 2012.)

7.1 Rural Market and Indian Economy

In Indian economy, rural marketing can be categorized into two categories mentioned below:

1) the markets for customer imperishable goods composed of both nonperishable and perishable products

2) the rural markets for agricultural goods which is composed of fertilizers, pesticides, seeds etc.

In India, rural market is occasionally faulted with individuals who think that rural marketing is just about agricultural marketing. Rural marketing regulates the carrier of business movement from urban sectors to the rural regions as well as the marketing of different goods manufactured by the non-agricultural
The mentioned above are the characteristics of rural markets in India. (Business Journal 2009.)

Agriculture is the leading and the key source of revenue in Indian rural market. The revenue is seasonal and varies as it relies on crop production. Rural market is geographically scattered although it is large. It exposes religious, cultural and economic inequalities. Due to customers inadequate purchasing power, the market is not much developed. Poor standard of living, low per capital income and luck of development, because these markets have their orientation in agriculture. It exposes intense unusual locational bias with definite and clear forecast, conduct designs and conduct characteristics. The activity of rural market is a result of a widespread rural growth procedure and commencement of social and economic change in the rural sector as the key of the rural marketing activity. (Business Journal 2009.)

7.2 Challenges in Indian Rural Market

The numerous challenges that obstruct the progression in rural market can be affiliated to these reasons. The marketing people bare various obstacles like movement of goods from the point of origin to the point of use, no good and productive sale people and functional marketing communication equipment’s when they enter into rural markets. Here are some of the main difficulties experienced in Indian rural markets. Low standard of living as a huge part of the population in Indian rural market are poor, making the rural market to be behind thus the marketing strategies should differ from the marketing strategies used in urban marketing. Next is the low literacy levels. Low literacy levels in Indian rural population which results in difficulties in interacting with the customers and the method of interaction is less effective as compared to the other channels of interacting. (Business Journal 2009.)

Low per capita income is a main element in Indian rural market, the major source of income is agriculture, thereby consumer expenditure relies on the agricultural produce. Supply and demand are not consistent. Another challenge is transportation and ware housing. Supply chain management and transportation is enormous challenge in Indian rural markets. Goods transportation involves road, about half of the Indian rural inhabitants are linked by roads to the close’s large cities and towns. The other inhabitants of the Indian rural markets do not have organized road linkage to most cities and towns thereby brings difficulties in goods transportation and logistics. Landscape in most villages are in mountain distant places making it problem to link with them through roads. Storage facilities or warehousing is another difficult obstacle in Indian rural markets, as there are no any organized firms to cater for the storage
activities. There are less services given by major warehousing to urban and suburban areas, rarely in rural market areas. (Business Journal 2009.)

The distribution chain is disorganized whereby one a firm needs many intermediates, which is costly. Lack of proper logistics, it is becoming difficult for producers to open shops in rural market. This is the reason why intermediaries who are expensive to get are and are less often there increases problems for the producer. Many languages and diversity in culture are also a challenge to the rural market in India. Features like different behavior and language of every market add to problems to handle the customers. The marketing and sales people are trained to offer all objectives of a market as per the diversity the population. (Business Journal 2009.)

Another challenge is lack of communication system. The interacting equipment’s like computer, internet and telecommunication systems etc. are scarce in Indian rural market hence they are rarely available. As mentioned in the previous paragraphed, Lack of education and cultural attitudes are some of the influence on customers activities is still a major obstacle in India rural areas. In India rural markets, cost of products and services which controls buying activities of the consumer, is a major factor on how market responds. Copies of original goods and brands or products that look like the real product can be found at a lower cost to the rural customer. Regularly, the Indian rural customers lack education makes them to be venerable. Demand is occasional in Indian rural market because of reliance to agricultural goods which can be determined by the natural courses. (Tutorials point 2010.)

7.3 Strategies for Rural Markets

The following factors should be observed for the marketers to address the requirements of Indian rural market and marketing. The marketers may have stockiest clearing and forwarding (C&F) agents at target areas to advance the tangible distribution for its goods to the rural customers. The merit for this method is the cost sharing between the companies and the suppliers. Various methods based on availability of transport should be useful for the companies. Until today the bullock cart plays a very important role in tangible distribution in areas where the roads are in a poor condition or not accessible and no railway line. Plenty of the top MNCs use vans as a way of transporting goods and services to rural markets. For these top MNCs to make direct sales contact with the rural customers the carriage vans used transport goods and services to the retail stores in the rural market for the customers. The top MNCs carries out sales promotion this way too. (Tutorials point 2010.)
The retail stores distribution in rural market is composed of many retail stores distribution with cheaper cost shops under the general supply network. Authorities should promote individual retailers and collective shops to move forward and start trading in Indian rural areas. Proper distribution of fertilizer by fertilizer companies should be encouraged and more outlets open for proper distribution of fertilizers to the needy farmers. As per the demand of the market, consumer goods can also apply this process and adopt several retailers in Indian rural areas with stockiest for distribution purposes. Potential demand of the market. This is one of the ways to help firms reach remote areas the Indian rural markets. (Business Journal 2009.)

The sales people in sales force management should adopt to recruit their personnel with the traits they require which is different from that of the urban sales persons. Sales personnel should be familiar with the local and regional language and develop experience in dealing with Indian rural customers. The sales manager should be able to Control and enhance operation of such a large and different sales force, supervising the sale force, guiding, leading and tackle to their contrasting respective sales managers and individual difficulties to inspire the sales people for achieving good outcome. (Tutorials point 2010.)

The industries which want to reach the rural India consumers should adopt a better type of channel for example TV, Radio, cinema and POP (point of purchase) advertising for marketing in Indian rural areas. Radio is the main communication system and more reliable in the rural areas in India but recently, television has gained popularity in rural areas only to be subjected by lack of electricity supply. For companies to perform better in Indian rural markets there comes a need of different advertising methods like exhibition, presentation inform of films and illustrations inform of direct publicity that combine knowledge and perform as better rural marketing communication. (Tutorials point 2012.)

Companies have resorted to using audiovisual methods for publicity that promote the goods and services to the end users and the products with promotion campaign directly are also frequently used by most companies nowadays. Exhibitions, theatre performance, and product education to educate the Indian rural customer about the services, goods and products. Indian rural markets prefer the sales personnel, who can labor in Indian rural Markets for example with the senior citizens. These sales personnel are more productive to the rural customers with appropriate communication skills hence marketers should approach them to propagate their messages. (Tutorials point 2010.)
7.4 Products Strategies for Rural Market – Indian Perspective

For a company to become successful in the Indian rural market is through offering rural customers right products by carefully determining gaps in the Indian rural market and pursue the right product and goods offer for the customers. The main aim is to design products to suit rural requirements by seeking out a product strategy for rural market which is different in many ways when compared to urban market. When entering Conventional wisdom on rural marketing states that the needs of the rural consumers are like those of the urban consumers resulting that the products made for urban consumer market can suit the needs of the rural consumers. (Srivastava 2015.)

This cannot be true in all the situations as the is a market in rural and urban environments are not the same all the time. For example, gas stoves or kerosene, with the controllable flame be controlled are used in urban areas, while an open fire is used in rural areas. Pressure cookers with handles on both sides suit the urban customers, and not the rural customers for open fire use as it is flammable. Maybe, a large-bodied cooker with handles both sides may suit rural customer’s needs. The rural specific products which fits the rural customers’ needs should be considered while designing and developing products for the use in rural market areas. Shampoo sales boomed in the late eighties when sachet pack come into market, this suited the low-income customers. Product development for rural market customers is vital as can be seen when Hindustan Motors (HM) introduced a utility vehicle the RTV (rural transport vehicle), strategically aimed for rural market. (Srivastava 2015.)

There are few product strategies which have been widely adopted and have proved themselves to work in the rural landscape, even though marketers are still trying and experimenting ways to successfully tap the rural arena. Packing in a small unit is method that has been widely tested by products like shampoos, pickles, biscuits, Vicks cough drops in single tablets, tooth paste, etc. packings in small units stand a good chance of acceptance in rural markets. Rural customers can afford because the price is low and that is one of its merits. The Red Label tea small pack has proved to have more sales as compared to the large Red Label tea pack. The reason is that it is very affordable for the lower income consumers with the highest market reach making easy access to the end user satisfying the consumers. Many rural consumers have been attracted by the small unit packings. (Srivastava 2015.)

The manufacturer and the sale force can think in terms of new product designs. For example, shoes and chappals can be considered suitable ideally for rural customers due to the unfavorable working conditions in rural life style. Low and affordable price of these items should be a merit to rural customers.
Sturdiness of a product is an important factor for rural customers hence manufacturers should use this reason to enter the rural market. Experience of torch light dry battery cell manufacturers support this because the rural consumers preferred dry battery cells which are heavier than the lighter ones. For them, heavier weight meant that it has more over, and durability and rural customer prefer the appearance of the product to determine its durability. (Srivastava 2015.)

Rural consumers are more concerned with utility of the product and its appearance. Philips India Ltd, developed and introduced a low-cost medium wave receiver during the early seventies. Initially the sales were good but declined subsequently. On consumer research, it was found that the rural consumer bought radios not only for information and news but also for entertainment. The fertilizers companies normally use a logo on the fertilizer bags though fertilizers should be sold only on generic names. A logo is very easy to remember for the rural customer. Many times, rural consumers ask for Yellow Bar in case of conventional and detergent washing soap. Yellow Bar specially for those users who might have experienced better cleanliness with the yellow colored bar as compared to the blue one although the actual difference is only of the color. (Srivastava 2015.)
8 THE DEMAND BASE OF INDIAN RURAL MARKET

There is a wide demand base and size in Indian rural market. The procedure of growing, advertising and sharing to rural market goods and service can be defined as rural marketing. This procedure can also take place between rural market areas and urban market areas with an aim of fulfilling consumer needs to reach a set objective in a business. Indian government has developed programs to meet this goal in rural marketing and influencing factors. Technological environment economic and social shift in the last twenty years has been an influencing factor in rural Indian market. (Tutorials point 2010.)

Due to globalization of markets, there has been great influx of overseas sizeable MNCs in India. This is because of government intervention in the market which eventually has had greater effects in marketing operations in idea as growth and free market economy starts to take place. Globalization effects has increased competitiveness between home industrial markets and the overseas markets. Most Indian domestic organizations in the of the field ICT, vehicle companies, fabric companies and engineering companies are some of the Indian home companies and industries which have made inroads into overseas markets to increase their market share. Move from segment of human population and insistent of customers are more demanding for marketers. (Business Journal 2009).

To increase their market share and ensure their market survival, organizations of industries and manufacturers such as FMCG, telecommunication appliances, security services, monetary services, imperishable goods and vehicles manufacturers are applying innovative marketing tools for their existence. The focus for these manufacturing and industrial organizations is now shifting from the congested urban areas and cities to the rural and remote areas, to increase their revenues and market share. Factors such less people in rural market, lack of proper logistics, lack of education, primitiveness and poverty, attributes to the limitations in the rural areas. (Business Journal 2009).

Compared to the urban areas, most of the Indian rural customers has a minimum in come hence buy less goods and services compared to town customers but their demand for urban goods and services are much higher. The statistics shows that the income per GDP of Indian rural population is not more than seventeen percent and statistics also reveals that about seventy percent of Indian population lives in the rural areas. Rising numbers of educated Indian rural population and consumers has helped in growth and enlargement of the rural Indian market as consumers aspire for high quality goods. This trend has been in the rural market areas with the help of financial grants from financial institutions and the government.
intervention in areas like eradication of unemployment by creating employment and reviewing of tax payments by the consumer. The technological advancement is some of the factors that have created rising demands among rural customers. (Tutorials point 2010.)

The rural customer today has a purchasing capability and better information about the rural market, price and demand of goods and services on how business and transaction is taking place. Customers in rural areas are not anymore uninformed and can act and adapt to the changing rural markets. The rural customers are after good standard, resilience and essential services that the can supplies. The cultural activities in a social dimension of the Indian rural consumer market combined with cultural and natural habitants which is an important part of the environment hence determine consumption habits. (Tutorials point 2010.)

The following factors contributes in the decision-making stage as to what the customers consume and on which way their consumption rate will appeal. First and foremost, a combination of elements like religion, language, education and upbringing can be defined as a culture. To obtain knowledge of rural customer behavior which reflects to the market and marketing activities, a research should be carried out. This research should reflect the wants and demands of rural customers, multicultural, cultural competence, shifts and rural market opportunity needs to be researched. (Business Journal 2009.)

Another element is the social class. Rural social class varies from different classes which is composed of different social classes. This can be acknowledged by studying the relevant components which reveals these social classes. Socio-cultural environment main concept is social class. All the classes have their own class values as per lifestyle, behavior etc. The buying and trading methods in the rural markets can be based to reflect these consumer habits. Social and cultural environment: Common socio-cultural behavior has been mapped as distinct across socio-cultural regions, which are spread across socio-political regions. (Tutorials point 2010.)

Social practices are an influence, customers preference for goods and services features, goods or product size, design and texture to mention a few. The knowledge and technical know-how can be determined by these activities and observed a long with cultural dynamics and demands of rural customers. To understand, design and launch goods and services appropriately, marketers should observe this social practice. Consumers in rural markets tend to prefer cakes to candies for their youngsters or girls and boys hence most baking companies and suppliers have introduced cakes with chocolate flavor on this research and findings hypothesis. (Tutorials point 2010.)
Caste system is the next element which plays a role in decision making in what rural customers will buy and how they will consume it. The social gradation scheme practiced in Indian Society is a hierarchy system which put one community on top then other communities behind with the predominance community being on top. The sales people should be sensitive toward this hierarchy systems and appropriately goods and services in rural market are well distributed. Advertisements should be inconsideration on information and distribution activities should be carefully practiced reflecting the needs, wants and communication system suitable for sales people to observe. (tutorials point 2010.) When you manage Indians, you will likely find that there is a strong tendency to only want to deliver good news, tell you what is going well and ignore what is going badly. People may tell you what they think you want to hear, not what they really feel about an issue. (Bagla 2008, 58.)

8.1 Population

As per statistics about 72 per cent of India people lives in rural regions. The largest democracy in the world in India occupying 2.4 percent of the world’s geographical area and supports 16 percent of whole world population. Estimated size of India’s rural customers and the population of both rural and urban Indian population between 1981 and 2001 are shown in the table below.

TABLE 2. Population growth in the past years. (Adapted from Business Journal 2009)

<table>
<thead>
<tr>
<th></th>
<th>1981</th>
<th>1991</th>
<th>2001</th>
<th>Increase over previous decade</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1991</td>
</tr>
<tr>
<td>Rural Population</td>
<td>50.2</td>
<td>60.21</td>
<td>66</td>
<td>10.01</td>
</tr>
<tr>
<td>Town Population</td>
<td>15.62</td>
<td>24.18</td>
<td>32.6</td>
<td>8.56</td>
</tr>
<tr>
<td>Total (in millions)</td>
<td>65.82</td>
<td>84.39</td>
<td>98.6</td>
<td>18.57</td>
</tr>
</tbody>
</table>
The table above and the graph below reveals the details of population growth between 1981 and 2001 and it also reveals the details of decrease of population growth during the years and how the rural inhabitants is increasing faster than the urban inhabitants.

**GRAPH 1.** Population growth in the past years (Adapted from Business Journal 2009)

As per the table above indicates that almost 72 percent of Indian people resides in the rural locations. Growth in population is the factor for the marketers to consider the rural market as it enables the sales people to operate in a wider market location than in town market.

The local population in the Indian rural areas as per statistics shows that it is huge and bigger than both the United States of America and the former Soviet Union whole market in a comparison. The Indian rural market research must consider other elements when researching rural marketing habitant like trading ways, paying ways, profitability ways, changes where investments come from and logistics provisions etc. The Indian rural market is bigger than the United States of America and the former Soviet Union in comparison in terms of the number of the changes in population and the increase of the rural customers. (Business Journal 2009.)
The table and the graph below show the population and its growth between 1901 and 2001 and how it has grown rapidly.


<table>
<thead>
<tr>
<th>Year</th>
<th>Rural</th>
<th>Urban</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1901</td>
<td>2125.4</td>
<td>258.5</td>
<td>2383.9</td>
</tr>
<tr>
<td>1911</td>
<td>2261.5</td>
<td>259.4</td>
<td>2520.9</td>
</tr>
<tr>
<td>1921</td>
<td>2232.3</td>
<td>280.9</td>
<td>2513.2</td>
</tr>
<tr>
<td>1931</td>
<td>2455.2</td>
<td>334.6</td>
<td>2792.8</td>
</tr>
<tr>
<td>1941</td>
<td>2745.1</td>
<td>441.5</td>
<td>3186.6</td>
</tr>
<tr>
<td>1951</td>
<td>2986.5</td>
<td>624.4</td>
<td>3610.9</td>
</tr>
<tr>
<td>1961</td>
<td>3602.9</td>
<td>798.4</td>
<td>4392.3</td>
</tr>
<tr>
<td>1971</td>
<td>4390.5</td>
<td>1091.1</td>
<td>5481.6</td>
</tr>
<tr>
<td>1981</td>
<td>5238.7</td>
<td>1594.6</td>
<td>6833.3</td>
</tr>
</tbody>
</table>

The table above and the graph below indicate details of population growth between 1901 and 2001 and it also indicates the details of decrease of population growth during the years and informs of how the rural inhabitants is growing faster compared the urban inhabitants.
The rural population is growing at a higher rate than the town population which provides scope for marketing of customers durables products and services. The trading ways of rural population has also influenced the nature of profitability changes, which will in turn affect the investment ways pattern. The rural customers buying habits depends upon the nature of trading and the stability in the generation of income and profitability changes. (Tutorials point 2009.)

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Proportion of rural population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>50</td>
</tr>
<tr>
<td>Agriculture work</td>
<td>27</td>
</tr>
<tr>
<td>Trading</td>
<td>10</td>
</tr>
<tr>
<td>Non – Agriculture work</td>
<td>9</td>
</tr>
<tr>
<td>Remuneration</td>
<td>2</td>
</tr>
<tr>
<td>Un profitable employed</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>

Companies and manufacturers find it easier to make inroads into the Indian rural market due to the literacy level of the rural market population which has high level effect on the rural marketing schemes to be acquired by the sales people to enhanced collaboration and easy exchange with the Indian rural
customers. The investments from Indian rural consumers is influenced by the growth of vegetable cultivations, livestock breeding, fish breeding etc. As rural consumers depend on agriculture and allied activities for occupation. (Tutorials point 2009.)

TABLE 5. Education measure between 1971 – 2001 (Adapted from Business Journal 2009)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural</td>
<td>41</td>
<td>58</td>
<td>57.9</td>
</tr>
<tr>
<td>Town</td>
<td>66</td>
<td>81</td>
<td>81.1</td>
</tr>
<tr>
<td>Rural</td>
<td>18</td>
<td>64</td>
<td>30.6</td>
</tr>
<tr>
<td>Town</td>
<td>48</td>
<td>31</td>
<td>64.0</td>
</tr>
<tr>
<td>Rural</td>
<td>30</td>
<td>73</td>
<td>44.7</td>
</tr>
<tr>
<td>Town</td>
<td>57</td>
<td>73</td>
<td>73.0</td>
</tr>
</tbody>
</table>

It can be seen from the table and the graph above that about 45 percent of rural people are educated in Indian rural population, this shows that there has been a growth or solely an increase in the education rate. The education increase has been minimal in the past or were solely minimal.


Land distribution and use: Indian rural markets are spread over a wide location and this has been one of the major challenges for marketing people to utilize the Indian rural market potential. Because of Indian
rural market widespread nature, it is very difficult to dive the market as per the needs of the market population compared to the services to town population and consumers which are mostly located in one place. (Business Journal 2009.)

The following table below shows the distribution of villages in India

TABLE 6. Number of Villages and Land Distribution (Adapted from Tutorials point 2009)

<table>
<thead>
<tr>
<th>Inhabitants</th>
<th>No. Of Communities</th>
<th>% Aggregate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fewer than 200</td>
<td>114207</td>
<td>17.29</td>
</tr>
<tr>
<td>200 - 400</td>
<td>1551234</td>
<td>24.3</td>
</tr>
<tr>
<td>500 - 999</td>
<td>159400</td>
<td>25</td>
</tr>
<tr>
<td>1000 - 1999</td>
<td>125758</td>
<td>19.7</td>
</tr>
<tr>
<td>2000 - 4999</td>
<td>69135</td>
<td>108</td>
</tr>
<tr>
<td>5000 - 9999</td>
<td>11618</td>
<td>1.8</td>
</tr>
<tr>
<td>10000 and over</td>
<td>3061</td>
<td>0.5</td>
</tr>
<tr>
<td>Aggregate</td>
<td>638356</td>
<td>1000</td>
</tr>
</tbody>
</table>

Nearly 42 percent of the community’s inhabitants in India have fewer than 500 inhabitants. The statistics according to the table above shows that rural Indian inhabitants are spread out in 638365 communities as shown in the table above.
8.2 Scope and Limitation

The study of this thesis has been faced with various challenges but at a minimal perspective. First challenge was to get the right people for the interviews or to fill the questionnaires as a result the study has been confined to responses from a few selected individuals for easy administration and gathering of the research information from the questionnaires and the interviews. Another challenge was the language difference between the researcher and the correspondences which required a translator at times. The distant between the researching countries namely India and Finland also made it a bit hard to get all the logistic in place thereby achieving the goal of getting all the materials required. The Finnish rural market relied mostly upon the questionnaires to the two companies which were under research as most of the theoretical framework resources were limited to tourism and agricultural rural marketing in Finland.
9 CONCLUSION

In conclusion, both Finnish and Indian rural markets play a pivotal role as it provides great opportunities to the corporations to stretch their reach to most of the rural population. Rural markets also benefit the rural economy by providing infrastructure facilities, uplifting the standard, and the quality of life of the people who reside in the rural area. Though the rural market has become a favorite destination for every marketer, it's important to realize that it has a lot of challenges and risk; therefore, corporations should assess the obstructions as vigilantly as possible. A thorough understanding of rural markets and systematic move towards necessary to penetrate the rural market. To develop marketing strategies and action plans, corporations need to consider the complex factors that influence the rural consumers' buying behavior.

The rural market is developed by rising purchasing power, changing consumption patterns, increased access to information and communication technology, improving infrastructure, and increased government initiatives to boost the rural economy. The marketers tune their strategies in accordance to the rural consumer in time to come. Despite all complexities involved in the rural marketing, the rural scene of rural environment is changing steadily in both Finland and India rural markets. The main and major obstacle or engagement is to initiate representation for rural population and consumers for their participation in the rural marketing.

Traditional urban marketing strategies will have to be localized as per the demands of the rural markets. It must reach out to rural consumers and relate to them at an appropriate level, so that it can bring about the desired behavioral change. The development of rural markets in both Finland and India to face the emerging issues and challenges in the core areas like, transportation, communication, roads, and credit institutions, crop insurance for better utilization of land and water management. The future no doubt lies in the rural market. The rural markets are enticing, and marketing to rural consumers is exciting. However, a clear understanding of the rural consumers and their current and future expectations are the major part of strategies to tap on the rural market nowadays.

The limitations of this study are that there exist different market economies and cultural environments between Finnish and Indian rural markets which greatly impact the existence and survival of any business in any rural markets. The same did apply to the study of comparison of rural market between Finland and India. The goal of my thesis was to study and compare the difference between Finnish rural market...
and Indian rural market. The Finnish rural market is outlined from the research I carried out through interviewing the two companies namely Hartman Rauta Oy representative Jari Hinkkanen and Janika Willgren of Fishk Triotrading Oy based in western Finland. The analysis of the study can be found in Appendix as an attachment of this study. Jari Hinkkanen of Hartman interview took place in April of 2016.

The Indian rural market findings were basically carried out through the theoretical framework on this research work from the web pages and books mentioned in the references. Exploring, researching and writing about rural marketing between Finnish and Indian rural markets have enlarged my scope of considering things and prepared me into meeting this goal. The research survey undertaken on this subject with a mention of two companies (Hartman and Fishks) involved during the interviews has helped explore more into my thinking ways to meet this goal.

My research question was to compare these two rural markets and come up with the analysis on how they function. Through quantitative and qualitative research, I achieved the objectives by reaching some of the answers in the comparisons of these two rural markets. With the help of expert interviews with the correspondent of Fishk company and questionnaires to the both named companies. The interview to Fishk company was carried out in April of 2016 where I interview Janika Willgren of Triotrading oy (Fishk) and discussed about company’s rural marketing activities. The research discussion was about where the products were from, which was mainly and mostly Norway as the source. How the products were being processed in Kokkola factory area and how they were being supplied and distributed to the rural market in Ostrobothnia area of Finland. The interview plan inform of questionnaires was also used as qualitative research method to the Triotrading oy (Fishk) where research questions were answered, analyzed and compiled in this report.

The qualitative research has also helped me to become oriented to the range and complexity of customer activities and concerns in these two rural markets. Some more limitations of this study can be attributed or related to the different legislation in these countries and the above mentioned of that there exist different market economies and cultural environment between Finnish and Indian rural market which greatly impact the existence and survival of any business in any rural markets. The same did apply to the study of comparison of rural market between Finland and India.
REFERENCES


Hinkkanen. J. jari.hinkkanen@hartman.fi Hartman Rauta Oy. Interview April 2016


Hinkkanen. J. jari.hinkkanen@hartman.fi Hartman Rauta Oy. Interview April 2016


Willgren, J. janika.willgren@triotrading.fi: Triotrading Oy. Interview April 2016
INTERVIEW PLAN FISHK (RURAL MARKETING)
INTRODUCTION:
Rural Marketing is a process that includes developing, pricing, promoting, distributing products and services which satisfies the customer and also achieves organizational objectives and goals as expected from the target market.

Question 1. How does FISHK develop their products?
Answer:

Question 2. How does FISHK price their products?
Answer:

Question 3. How does FISHK carry out promotion of their marketing activities?
Answer:

Question 4. Who are or where is FISHK principal target market?
Answer:

Question 5. How does FISHK carry out market segmentation, for example according to demographic locations, age variation, sex orientation, religion beliefs etc. and why?
Answer:

Question 6. How does FISHK carry out or distribute its products? Are there any specific distribution channels undertaken?
Answer:

Question 7. Does FISHK products and services satisfy the customer’s needs?
Answer:

Question 8. How does FISHK monitor its feedback?
Answer:
Question 9. What are the challenges FISHK have in their target market or in the rural area of their operations?
Answer:

Question 10. Does FISHK as an organization achieve, meet its objectives and goals?
Answer:

Question 11. How does FISHK or any other similar organization which sells goods and services to any targeted rural market meet their goals?
Answer:

Question 12. Any suggestions on improvement to meet these goals?
Answer
INTERVIEW PLAN HARTMAN (RURAL MARKETING)
INTRODUCTION:
Rural Marketing is a process that includes developing, pricing, promoting, distributing products and services which satisfies the customer's demand and achieves organizational objectives and goals as expected from the target market.

Question 1. How does HARTMAN develop their products?
Answer:
-
-
-

Question 2. How does HARTMAN price their products?
Answer:
-
-
-

Question 3. How does HARTMAN carry out promotion of their marketing activities?
Answer:
-
-
-

Question 4. Who are or where is HARTMAN principal target market?
Answer:
-
-
-

Question 5. How does HARTMAN carry out market segmentation, for example according to demographic locations, age variation, sex orientation, religion beliefs etc. and why?
Answer:
-
-
-

Question 6. How does HARTMAN carry out or distribute its products? Are there any specific distribution channels undertaken?
Answer:
-
-
-

Question 7. Does HARTMAN products and services satisfy the customer’s needs?
Answer:
-
-
-

Question 8. How does HARTMAN monitor its feedback?
Answer:
Question 9. What are the challenges HARTMAN is having in their target market or in the rural area of their operations?
Answer:

Question 10. Does HARTMAN as an organization achieve, meet its objectives and goals?
Answer:

Question 11. How does HARTMAN or any other similar organization which sells goods and services to any targeted rural market meet their goals?
Answer:

Question 12. Any suggestions on improvement to meet these goals?
Answer