

## **Branding Strategy in Rural Markets in India**

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### **Abstract:**

Indian Rural markets are potential and upcoming market for most of the products and services because of its vast size and demand base. Rural population constitutes 128 million households, 41% of Indian Middle class and 58% of total disposable income. More and more MNCs (HUL, Coca-Cola, LG Electronics, Britannia, Standard Life, Philips, Colgate Palmolive and the foreign-invested telecom companies) are foraying into rural markets in India. The success of products is depends upon right branding strategy of an organization in this market. Corporates are taking lots of care in designing branding path to capture market and mind share of rural consumers. Despite mega drive taken by the companies to create an awareness of their goods and services, vast segments in the rural sectors in our country, still remain untapped. Lifebuoy was one of the first soaps with rural areas as the key target market. Its jingle *tandrusti ki raksha karta hai lifebuoy* is still fondly remembered by a large number of rural people. Needless to say it commanded great brand loyalty. Colgate, Dalda, Tata, Bajaj, etc., have shown that it is perfectly feasible to build a brand in rural areas. Hero Honda, Mahindra and Mahindra and other auto majors are investing huge in creating brand of their products and services.

**Keywords :** Rural markets in India, Branding strategy

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### **INTRODUCTION**

#### **What constitutes a Brand?**

A brand is defined as a name, term, sign, symbol or special design or some combination of these elements that is instead to identify or differentiate the goods or services of one seller or a group of sellers.

A brand, by definition, is a short hand description of a package of value, on which consumers can rely to be consistently the same or better over a period of time. A brand distinguishes a product or service from competitive offerings.

#### **What constitutes a Rural Market?**

The rural markets constitute low and spread out population and limited purchasing power. Rural markets have acquired significance, as the overall growth of the economy has resulted into substance revolution; the rural areas are consuming a large quantity of industrial and urban manufactured products. There are various economic layer found in the rural market like small farmers, biglandlords, marginal farmers, labourers and artisans. Demographic Variation at state level is also visible. The McKinsey report (2007) on the rise on consumer markets in India predicts that in twenty years the rural market will be larger than the total consumer markets in countries such as South Korea or Canada Today, and almost four times the size of today's urban market and estimated size the of the rural market at \$577billion. Low purchasing power and limited disposable income is another challenges. This is improving day by day because of programme directed to enhance our agricultural productivity

### **BRANDING IN RURAL MARKET**

The concepts of brand is migrated from Urban to rural areas. Consumers have graduated to branded products with increased affordability as a result of increasing rural incomes in recent years. A brand name in the rural context facilitates easy brand recall and in drawing any colours, visual or numeric association. But some brands are known by their names, for example, Nirma and Baba Zarda. The choice of Sampoorna as the name for its rural television brand helped LG as it is a Sanskrit word meaning "wholesome" and hence it cuts across all regional linguistics barriers. The latest one is Broke Bond Sehatmand. The motive behind launching Sehatmand was tea as Health Supplement in the rural areas. HUL fussed Vitamin B in every granule of tea by the use of technology. Company is tried to fill up the gap of required Vitamine B with an intention to reduce numbers in undernourished or mal nourished category of people.

**Table 1 Saga of success:**

The challenges in creating a brand in Rural Areas involved followings:

- ❖ Relate brand with rural lifestyles
- ❖ Relate brand with appropriate status symbol
- ❖ Relate brand with rural environment

**Creating A BRAND identity:**

Brands have their own personality, they connect and talk to consumers. Bhumiputra and Sarpanch series of tractors from Mahendra and Mahendra helped brand to create own identity in rural areas. It provided opportunities to relate villagers (Son of Soil) to Sarpanch, who commands high respects and status in village communities. Idea has created own identity by connecting village Panch Parukh with villagers. This only happens when the brand has found an acceptance in the rural market as the one offering good value proposition. But building brands in rural areas is a different science altogether. This requires a specific committed focus and may not happen as spill over from urban market or by doing slight modification in communication and brand building efforts that were planned for urban markets.

**The following tools, approaches and strategies have been employed by different organizations, to successfully build their brand in the rural markets:**

**RURAL PRODUCT DEVELOPMENT**

The rural market is a fast growing one and has a huge population with a great level of disposable income. To encash this, products have to be specifically developed to meet the needs of rural markets. Sometimes, existing products might have to be modified to suit these markets too accordingly.

Rural product development has the strong edifice on a great deal of research like feasibility studies, rural aspiration, rural profiling and so on.

Ex:

- ❖ SBI Agriculture Development Branch
- ❖ KISAN CRDIT CARD from Nationalized bank
- ❖ Anna data Programme of ETV
- ❖ E choupal from ITC
- ❖ Krishi Today ,A National Hindi Magazine by CARD
- ❖ Broke Bond Sehatmand

**RELEVANCE**

The journey should begin with brand name itself. Ex: Kissan Credit Card, Hariyali Bazar. The Punch Line should be in tune with rural India .Ex. 'Thanda matlab Coca-Cola', The product has relation with ethos of social and cultural fragrance. Ex. Babool Neem Toothpaste. Every aspect of communications ie color, logo, slogan must be applied in same manner to relate with rural fragrance.

**MEDIA**

**Media selection strategy is very important in rural marketing. Companies have to consider following points while going for choosing media:**

- ❖ Reach in Rural Media
- ❖ Interest of rural consumers
- ❖ Exhibits live demonstration
- ❖ Show strength of Brand

Demonstration van with audiovisual equipments is effective than short commercial on Television. Mandis and Melas are best place to demonstrate products and disseminate knowledge on usages and benefits of products among villagers. Because of high level of interaction, haats can be an effective medium for rural advertising. Villagers are in buying mood at the haats and mandis. Around 7,600 mandis, all over India provide a good opportunity to have direct interaction with up to 200 farmers a day.

**MESSAGE**

Message should be in fine tune with rural parlance and such that the rural audience can easily make out the intended meaning. It should meet the rural sensibilities and should be amended and transformed in

accordance with the cultural variation from one region to another. It must be attached with emotions and presented with storylines of rural folks.

### **WORD OF MOUTH PUBLICITY**

The word of mouth publicity is more effective communication tools in rural markets. The common features of rural India are every day collective gossiping and bathak with different age group. In this gathering, they are exchanging and sharing informal experiences. And this is the biggest word of mouth transmission of products and services. Another ways to influence rural consumers is influencing opinion leaders. The educated youth is new brand opinion leader in villages so the corporates have to design the communication in such a way to attract and make them understand the tempo and meaning of goods and services.

### **RURAL BRANDING**

For creating a brand which is really seems too rural require local media to promote brands like Melas, Haats, film shows, street shows, Road shows. A long-term campaign will keep your brand at the top-of-the-mind and build brand loyalty. So the brands are in safe hands.

### **RURAL EVENTS**

One of the best ways to capture the attention of the rural audience is through Event-management. The conducting an event in rural areas can bring a good response because the limited scope and venue for rural entertainment..

A well-planned event can get the product the expected mileage. Road Shows, Melas, Street-Theatre, Film Shows are some of the interesting events in rural areas. These make a visually strong impact and long term brand recollect. Rural public are the target audience and hence the portfolio of event management has to be handled professionally with utmost care and broad perspective.

### **CONCLUSION**

Rural market witnesses a high demand It's the rural segment of market that contributes more profit than its urban counterpart Rural households are stepping from datun to tooth brush and tooth paste, from soil to shampoo and beauty soap for hair and body wash, from traditional mosquito repellent to coil and mats. They are shifting from local and unbranded to national brands, from low cost price product to premium products. The general impression is that only agricultural inputs like seeds, fertilizers, pesticides, and cattle feed and agricultural machinery has a potential for growth in the rural market. But it is evident each and every sector is booming in rural areas. The rural India is growing, the farmers are getting aware of happening and with advent of information technology, they are keeping eye on markets. The earning of rural people is increasing day by day by the way of advancement of agriculture and allied industries. Corporates has to take care of entire issues while designing suitable branding strategy to gain in mind and market share of rural markets as IDEA did, Big Bazar is doing and ICICI Bank will do.

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**Table 1 Saga of success:**

|                 |   |
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| Escorts         | “JANDAR SAWARI, SANDAR SAWARI”, positioned bike to suits Rural Kacha road and achieved whooping sales of 95000 vehicles annually.   |
| HUL             | “Operation Bharat “, passed out low-priced sample packets of its toothpaste, fairness cream, Clinic plus shampoo, and Ponds cream to twenty.  |
| ITC<br>EChoupal | Disseminate information about products and services which need to enhance farm productivity, to improve farm-gate price realization and cut transaction costs. Farmers are receiving current information on weather, scientific farming practices as well as market prices at the village itself through this web portal - all in Hindi. It helps farmers in getting supply of high quality farm inputs as well as purchase of commodities at their doorstep. ITC has reduced the cost by implementing this strategy. |
| BPCL            | RMV, Rural Mobile Vehicle to fill cylinder on the spot, launched small cylinder which initial deposit cost as well as refilling cost is low.  |
| HUL             | Project Shakti, a women empowerment by the way of making them product ambassador of the company. Overall, around 30% of Hindustan Lever's revenue came from the rural markets in India.   |