

MANAGEMENT PROGRAMME

Term-End Examination

December, 2016

MS-611 : RURAL MARKETING

01965

Time : 3 hours

Maximum Marks : 100

(Weightage 70%)

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- Note :**
- (i) *Attempt any three questions from Section-A.*
 - (ii) *Section-B is compulsory.*
 - (iii) *All questions carry equal marks.*
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SECTION - A

1. (a) What is rural marketing ? Why is it important for marketers to study rural markets ?
(b) If the same principles of marketing apply for any kind of market, why is there a need to study rural marketing separately as an area of study ? Discuss.
2. (a) Differentiate between urban and rural market research giving suitable examples.
(b) Explain the concept of promotional pricing in the context of rural markets.
3. (a) Identify the problems in rural distribution. Evaluate the significance of in the following in the context of rural distribution :
(i) Haats (ii) Melas

- (b) What distribution channels would you recommend to distribute the following in rural markets ?
 - (i) Pesticides/Seeds
 - (ii) A farmer's magazine

- 4. Write notes on **any three** of the following :
 - (a) Premium product strategy for rural consumers with examples
 - (b) Product Differentiation for Rural Markets
 - (c) Menace of spurious products
 - (d) Evaluation of Alternatives done by Rural consumer
 - (e) Future of Rural Markets and Rural Retail

SECTION - B

- 5. Mr. X - Marketing manager of ABC - Fabrics division having variety and good quality of readymade garments for children and adults plans to enter rural markets. They want to have marketing plan is for selling garments in rural markets with a population of minimum 5000 people and above. A pre market survey indicated new realities :
 - (i) More than 7 out of 10 rural households possess watches.
 - (ii) One in 50 households have a colour TV set.
 - (iii) 7 out of every 100 households own an electric iron.
 - (iv) 70% of sales of radios, bicycles, cigarettes are from rural markets.
 - (v) Rural consumers are more brand loyal than their urban counterparts.
 - (vi) Rural people are more particular about value for money as compared to urban people.

- (vii) Social values and norms impact the rural consumers in ways very different from their urban counterparts, especially in case of reference group influences and opinions.

Hence ABC - has decided to enter rural market with a New Brand of readymade garments tailored to suit the needs of rural market. The company has decided to advertise the products supported with sales promotion programmes like wall posters, radio and TV ads, organising melas, mobile vans with loudspeaker, offers of small freebies.

For distribution, the company decided to sell the products with local cloth shops and local tailors who will be trained to alter the ready-to-stitch-and-wear garments in various sizes, patterns and designs for rural consumers. It was decided to price the products reasonably to take care of competition from the unorganised sector, for reference group influence, village 'mukhiya' or 'panchayat head' or local bank manager was identified whose opinion carries lot of weight among the rural public. Their opinions can act as word-of-mouth advertising for the company.

Questions :

- (a) Do you agree with the decision of the company to enter rural markets ? Give reasons in support.
- (b) Evaluate the marketing plan of the company and suggest any further improvements in the said plan.
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