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10MBAMM415

Fourth Semester MBA Degree Examination, June/July 2013
Rural Marketing

Time: 3 hrs.

Max. Marks:100

Note: 1. Answer any FOUR full questions from Q.No.1 to Q.No.7.
2. Question No. 8 is compulsory.

- 1 a. Describe the meaning of rural marketing. (03 Marks)
b. What are scopes of rural marketing? (07 Marks)
c. Describe the various steps of rural marketing. (10 Marks)
- 2 a. Describe the meaning of rural marketing environment. (03 Marks)
b. Describe the land distribution pattern in rural marketing environment. (07 Marks)
c. Describe briefly about rural infrastructure facilities. (10 Marks)
- 3 a. Describe the characteristic of rural consumer. (03 Marks)
b. What is the meaning of brand loyalty in rural areas? (07 Marks)
c. Describe about the consumer buying process. (10 Marks)
- 4 a. What is the meaning of research design? (03 Marks)
b. Describe about the research approach. (07 Marks)
c. Describe briefly about the operational aspect of data collection. (10 Marks)
- 5 a. Describe the various factors that cause heterogeneity in rural market. (03 Marks)
b. Describe about marketing mix challenges. (07 Marks)
c. Describe about product mix in new product development. (10 Marks)
- 6 a. What do you mean by channels of distribution? (03 Marks)
b. Describe the evolution of rural distribution system. (07 Marks)
c. Describe about the distribution model for FMC to companies. (10 Marks)
- 7 a. What are the objectives of public private partnership? (03 Marks)
b. Describe the view of communication process. (07 Marks)
c. Describe about mass media or conventional media of communication. (10 Marks)

Important Note : 1. On completing your answers, compulsorily draw diagonal cross lines on the remaining blank pages.
2. Any revealing of identification, appeal to evaluator and /or equations written eg, 42+8 = 50, will be treated as malpractice.

8 Case Study:

HINDUSTAN UNILEVER LTD.

HUL, the MNC company into FMCG products was one of the first to realize the importance of the huge market in India and given below is their story of rural marketing.

Teaching people how to wash utensils.!

In June 2002, the employees of Hindustan Unilever Ltd. (HUL), a subsidiary of the fast Moving Consumer Goods (FMCG) major Unilever and India's leading FMCG company literally took to streets. The company was undertaking a promotional exercise in the rural areas of three states namely Madhya Pradesh, Bihar and Orissa for its utensil cleaning bar. "VIM". A part of HUL's ongoing television (TV) campaign "VIM Ghar Ghar challenge" the promotion drive involved company officials to visit rural towns and demonstrate how vessels are cleaned with VIM.

Commenting on this, Sanjay Bhel, HUL's marketing manager said, "For the purpose, we are educating the rural masses on the on-going "VIM Ghar Ghar challenge" TV commercial by conducting live demonstrations about vessel cleaning. Our aim is to tap the growth rate of the Rs.4 billion scouring bar market,; although it has been growing at a rate of 15% per annum. Since last year it has been decelebrating."

This exercise was just one of the numerous marketing drives undertaken by HUL over the decades to increase its penetration in the Indian rural markets. The company had, in fact, earned the distinction of becoming one of the few Indian companies that had tapped the country's vast rural population so extensively.

It was therefore not mere coincidence that around 50% of its turnover came from rural markets. With the penetration of their products reaching saturation levels in a many urban markets. FMCG companies had to turn towards rural areas in order to sustain revenue growth and profitability. Since the disposable income in the hands of rural people had been increasing in late 1990s and early 21st century, it made sense for companies to focus their energies on this segment.

Industry observers also felt that HUL was at an advantage compared to most of its competitors, thanks to its consistent pioneering efforts towards establishing well entrenched distribution an marketing networks to reach the vast Indian rural maries.

Questions:

- a. Discuss the various initiatives taken by HUL. (10 Marks)
- b. How can they plan to retain their market lead in rural areas? (10 Marks)

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