



**JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA  
PGDM (M), ACADEMIC YEAR 2018-20**

**1. Course Code: MKTM510**

**2. Course Title: Rural Sales & Distribution**

**3. Course Overview:**

In India the rural economy contributes nearly half of the country's GDP and the size of the rural market in durables and FMCG is bigger than its urban counterpart. Even with increasing urbanization and migration 63% of India's population would still live in rural areas by 2025 and rural consumption will nearly triple creating a market worth 26 trillion Indian rupees. Indeed, rural growth has been exceeding urban growth. Thus, Rural Marketing has emerged as an important area within the marketing discipline particularly in the context of a large rural economy like India.

Rural Sales & Distribution is an evolving area with tremendous untapped potential and of late marketers have begun exploiting this opportunity in an organized manner. Traditionally, rural markets have been ignored by big multinational firms as well as local large-scale manufacturers of packaged good for a number of reasons. These include the fact that rural markets were less attractive due to the fragmented nature of competition and low density of population. In fact, rural markets are mostly served by unbranded local competition. Secondly, most consumers still self-produce products and services at home rather than buy them commercially. Further, lack of modern infrastructure, including roads, electricity, banks and media make accessibility to rural markets very difficult and expensive. However, all this is now changing rapidly due to several reasons. Rural markets are growing faster than urban markets and with better profitability. Several reasons including internet connectivity and the spread of television and mobile phones have led to higher awareness levels among rural consumers. Therefore, rural markets represent an attractive proposition for companies.

Companies have responded by customizing products for rural consumers. Some companies have innovated new communication and distribution channels. In the last decade or so, India has witnessed various initiatives taken by the corporate to penetrate into rural market like ITC E-choupal, Tata Kisan Sansar, Hariyali Kisan Bazaar to name a few. While banks have been trying to promote micro-lending to penetrate rural areas, many organizations are leveraging the power of Information Technology to provide services at the doorstep.

The rural environment is vastly different from urban settings. Rural markets have inherent challenges of accessibility, awareness and affordability. Professionals will have to acquire diverse skills and get equipped with practical knowledge if they wish to succeed in the rural market. This course would familiarize you with the opportunities and challenges of selling in rural areas. Besides being introduced to the emerging rural India, you would also gain familiarity with the rural selling environment, the changing rural economic structure, and income spending pattern. The course would help you to appreciate the nuances of rural consumer behavior and understand how companies identify attractive market segments and choose their target marketing strategy. You would also develop an understanding of the new product development strategies for rural consumers, appreciate how companies position their products for maximum competitive advantage in the rural marketplace, and develop effective communication strategies to influence decisions and behavior. The broad objectives of the course are to explore the potential of rural markets, critically analyze the rural selling opportunities so as to formulate better selling and distribution strategies.

<b>Module/Topic</b>	<b>Contents/Concepts</b>
Module I: Introduction	<ul style="list-style-type: none"> <li>• Overview to Rural Logistic &amp; Distribution</li> <li>• The Rural Environment – economic, social, cultural, demographic</li> <li>• Sectors in Rural India from economic point of view               <ul style="list-style-type: none"> <li>a) Farm</li> <li>b) Non-farm sector</li> </ul> </li> <li>• Manufacturing, Trading, Shops &amp; Establishments, buying, selling</li> </ul>
Module II: Rural Behavior	<ul style="list-style-type: none"> <li>• Rural consumer behavior               <ul style="list-style-type: none"> <li>○ Influences on rural consumer buying behavior</li> <li>○ Rural consumer decision making</li> <li>○ Rural Consumer Insights</li> </ul> </li> <li>• Rural Consumer Purchase Hierarchy               <ul style="list-style-type: none"> <li>○ Hierarchy of needs</li> <li>○ Needs Vs Wants</li> <li>○ Affordability Vs Economy</li> <li>○ Convenience Vs Utility</li> </ul> </li> <li>• Shopper/Retail Behavior               <ul style="list-style-type: none"> <li>○ Layout of the shop</li> <li>○ Left to right, top to bottom</li> <li>○ Promotion Vs Display</li> <li>○ Need buying Vs Induced buying</li> <li>○ Gender Equations</li> </ul> </li> </ul>
Module III: Value Chain & Channels of Distribution	<ul style="list-style-type: none"> <li>• Manufacturing Plants</li> <li>• Depots</li> <li>• Distributor of Stockiest</li> <li>• Dealer &amp; Outlet</li> <li>• Exceptions               <ul style="list-style-type: none"> <li>○ Wholesale</li> <li>○ Cash &amp; Carry</li> <li>○ Large Format Retail</li> <li>○ Self Service outlets</li> <li>○ Online                   <ul style="list-style-type: none"> <li>▪ Aggregator Formats</li> <li>▪ Unique/specialized formats</li> <li>▪ Bridge builders</li> </ul> </li> </ul> </li> <li>• Cost, margins &amp; ROI</li> <li>• Business Models</li> <li>• Case Studies</li> </ul>
Module IV: Selling Strategies for Goods & Services	<p><b><i>Physical Goods &amp; Services</i></b></p> <ul style="list-style-type: none"> <li>• Product offering, design &amp; uptake</li> <li>• Segmenting, Targeting, Positioning (STP) - Rural Markets</li> <li>• Product life Cycle</li> <li>• New Product Launch in rural markets - unique aspects</li> <li>• Development sector approach               <ul style="list-style-type: none"> <li>○ Role of Co-operatives in distribution of Agri-inputs and other essential commodities</li> <li>○ The Changing face of rural development</li> </ul> </li> <li>• Pricing strategies</li> <li>• Developing effective rural communication strategies</li> <li>• Designing the marketing mix for rural markets – special considerations</li> <li>• New models of customer servicing (especially by</li> </ul>

	<p>consumer durable, farm machinery &amp; implements and automobile companies)</p> <ul style="list-style-type: none"> <li>• Current Status of penetration of Financial Services in rural India &amp; Challenges faced by marketers</li> <li>• Telecommunication Services</li> <li>• Rural Healthcare Services</li> <li>• Supportive Case Studies</li> </ul>
<p><b>4. Learning Outcomes:</b></p> <p>Upon successful completion of this course the students will be able to:</p> <ol style="list-style-type: none"> <li>1. <b>Understand the overall rural selling environment</b></li> <li>2. <b>Identify factors affecting rural consumer buying behavior</b></li> <li>3. <b>To enable students to master the skills of development of specific marketing strategies in terms of acceptability, availability, affordability and awareness for the rural environment.</b></li> <li>4. <b>Examine the various factors influencing the design of the rural distribution channel</b></li> <li>5. <b>Appraise developments and opportunities for marketing of services in rural markets</b></li> <li>6. <b>Evaluate emerging trends, issues and best practices in rural selling and distribution</b></li> </ol> <p>It is expected that upon completion of the course the student:</p> <ol style="list-style-type: none"> <li>1. Should be able to take most of the responsibilities of marketing in the rural segment.</li> <li>2. Should understand communicating, influencing consumption and buying behavior in the rural segment.</li> <li>3. Should be able to design and execute from end-to-end basic Strategic Marketing Plan for the growing rural segment</li> </ol>	

## 5.List of Topics/ Modules

### 7. Evaluation Criteria

Component	Description	Weight
End Term Exams	This will be a combination of cases; application based situational questions and conceptual questions.	40 %
Case Based Assignment	Students would be given case-based assignments which have to be analyzed and submitted to the instructor. The case analysis should include: context, problem identification, identification of alternatives, evaluation of alternatives and recommendations	20%
Quizzes	There will be two quizzes based on multiple choice, open ended and fill in the blank(s) type of questions which will be conducted unannounced. The quizzes would be based on concepts, cases and readings.	10 %
Class Participation /Discussion Forum	Students will be awarded marks for active and constructive participation in class	10 %
Project	<p>This would be conducted group-wise. Each group would select one company that has successfully made inroads into the rural market. Please note that the company selected has to be shared in the class on the third session so as to ensure that there is no duplication. Thereafter, each group would develop and write a report on that company's marketing efforts in Rural India. The data for the same may be collected from both primary and secondary sources. The report would include details about the company's current marketing strategies as well as the group's recommendations for the company. The report may cover the following aspects:</p> <ul style="list-style-type: none"> <li>• An overview of the industry</li> </ul>	20%

	<ul style="list-style-type: none"> <li>• Company background</li> <li>• Entry into rural markets</li> <li>• Products offered for rural consumers</li> <li>• Information regarding company's research on rural consumers</li> <li>• Segmentation and positioning strategy</li> <li>• Rural marketing mix</li> <li>• Innovations (if any) for rural markets</li> <li>• Information about competitors</li> <li>• An analysis of the reasons behind its success in rural markets</li> <li>• Future plans as well as your recommendations for improving the company's offering.</li> </ul> <p>There would be detailed discussions in the class regarding every aspect of the project. At the end of the course each group needs to present their project work.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Sl. No.</th> <th>Description of activity</th> <th>Important dates</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Submit the name of the company selected by you</td> <td>3<sup>rd</sup> session</td> </tr> <tr> <td>2.</td> <td>Report</td> <td>20<sup>th</sup> session</td> </tr> <tr> <td>3.</td> <td>Presentation</td> <td>22<sup>nd</sup> and 23<sup>rd</sup> sessions</td> </tr> </tbody> </table> <p><b>Presentation:</b> In the presentation, each group would present the project work done by them. Presentations would be evaluated on the basis of content, structure, verbal communication and creativity in presenting the subject matter.</p> <p><b>Report:</b> The report would present details on the work done based on the primary and secondary data collected by the group. The report shall be of maximum ten pages, neatly typed. Relevant appendices may be attached.</p>	Sl. No.	Description of activity	Important dates	1.	Submit the name of the company selected by you	3 <sup>rd</sup> session	2.	Report	20 <sup>th</sup> session	3.	Presentation	22 <sup>nd</sup> and 23 <sup>rd</sup> sessions	
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3.	Presentation	22 <sup>nd</sup> and 23 <sup>rd</sup> sessions												

<b>8. Recommended/ Reference Text Books and Resources</b>	
References	<ol style="list-style-type: none"> <li>1. Krishnamacharyulu, C.S.G. and Lalitha, R. (2009). <i>Rural Marketing - Text and Cases</i>; New Delhi: Pearson Education</li> <li>2. Kashyap, Pradeep (2016). <i>Rural Marketing, 3<sup>rd</sup> Edition</i>; New Delhi: Pearson Education. <b>(referred here after as PK)</b></li> <li>3. <i>The Fortune at the bottom of the pyramid, revised and updated 5th anniversary edition</i>, Wharton School Publishing</li> <li>4. <i>Social Marketing in India</i> by Sameer Deshpande &amp; Nancy R. Lee, first edition, SAGE Publications</li> <li>5. Dogra, B. &amp; Ghuman, K. (2010). <i>Rural Marketing – Concepts and Practices</i>; New Delhi: Tata McGraw Hill Education Pvt. Ltd. <b>(referred hereafter as DG)</b></li> <li>6. Gopaldaswamy, T.P. (2011). <i>Rural Marketing – Environment, Problems and Strategies</i>; New Delhi: Vikas Publishing House Pvt. Ltd.</li> </ol>
Internet Resources	<ol style="list-style-type: none"> <li>1. <a href="http://www.rmai.in">www.rmai.in</a> (This is the official website of the Rural Marketing Association of India, which is a</li> </ol>

	<p>premier industry body devoted to furthering the cause of rural marketing)</p> <p>2. <a href="http://www.martrural.com/mart-knowledge-center.html">http://www.martrural.com/mart-knowledge-center.html</a> (This is the website of MART's 'Knowledge Centre'. It works primarily towards capturing the knowledge and disseminating it through various platforms like publications, reports and events)</p> <p>3. <a href="http://www.drishtee.com">www.drishtee.com</a> (This is the website of <i>Drishtee</i>, which is a social enterprise focused exclusively on rural India)</p>
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### 9. Session Plan:

Session	Topic	Readings (Chapter No. & Pp.)/ Cases	Learning Outcomes
<b>Module 1: Introduction</b>			
1.	<p>Introduction</p> <ul style="list-style-type: none"> <li>• Course outline discussion</li> <li>• Course Expectations</li> <li>• Overview of rural marketing               <ul style="list-style-type: none"> <li>- Defining rural markets</li> <li>- 4As of rural marketing</li> </ul> </li> </ul> <p>Overview to Rural Logistic &amp; Distribution</p> <p>The Rural Environment Economic, Social, Cultural, Demographic factors</p>	<p>Discussion PK/ Ch. 1, Pp. 3-10</p> <p>Reading: <i>Invisible India</i></p> <p>Discussion PK/ Ch. 2, Pp. 14-15 and Pp. 25-26 Reading : <i>Accenture report: 'Masters of Rural Markets: Profitably Selling to India's Rural Consumers'</i> PK/ Ch. 2, Pp. 15-23 Reading: <i>Ahmed, A., 2013, 'Rural Marketing Strategies for Selling Products and Services: Issues and Challenges', JBM&amp;SSR, 2(1)</i></p>	<p>To define rural India and rural markets and understand the basic framework (LO 1)</p> <p>To assess the rural marketing environment (LO 1)</p>
2.	<ul style="list-style-type: none"> <li>• Sectors in Rural India from economic point of view               <ul style="list-style-type: none"> <li>c) Farm</li> <li>d) Non-farm sector</li> </ul> </li> <li>• Manufacturing, Trading, Shops &amp; Establishments, buying, selling</li> </ul>	<p>Discussion Reading: <i>APMC Act Amendment – freedom from middlemen for farmers</i></p> <p>Reading: <i>Cooperatives, Agriculture and Rural Development: Role, Issues and Policy Implications</i> Discussion PK/ Ch. 2, Pp. 27-38 Case: <i>Sarvodaya Samiti</i></p> <p>Instructors Handout</p>	<p>To assess the various entities and legislations relevant for the rural marketing environment (LO 1)</p> <p>To understand farm/ non farm sectors, the role of co-operative societies and NGO engagement in rural markets (LO 1)</p>
<b>Module 2: Rural Behaviour</b>			
3.	<p>Rural consumer behavior</p> <ul style="list-style-type: none"> <li>- Influences on rural consumer buying behavior</li> <li>- Rural consumer decision making</li> <li>- Rural Consumer Insights</li> </ul>	<p>Discussion PK/ Ch. 3, Pp. 43-54 Reading: <i>Sharma et al., 2003, 'Rural Marketing Challenges in the New Millenium-A Case Study', Delhi Business Review, 4(1)</i></p> <p>Instructors Handout</p>	<p>To understand customer buying behavior model in rural India (LO2)</p>
4.	<p>Rural Consumer Purchase Hierarchy</p> <ul style="list-style-type: none"> <li>- Hierarchy of needs</li> <li>- Needs Vs Wants</li> <li>- Affordability Vs Economy</li> </ul>	<p>Discussion PK/ Ch. 3, Pp. 54-56</p> <p>Discussion PK/ Ch. 4, Pp. 66-82</p>	<p>To identify the factors influencing consumer behavior in Rural India (LO2)</p>

Session	Topic	Readings (Chapter No. & Pp.)/ Cases	Learning Outcomes
	- Convenience Vs Utility	Reading: <i>Rural Market Research – a different Ball Game</i>  Instructors Handout	To discover the unique challenges and techniques of conducting marketing research in rural India
5	Shopper/Retail Behavior <ul style="list-style-type: none"> <li>- Layout of the shop</li> <li>- Left to right, top to bottom</li> <li>- Promotion Vs Display</li> <li>- Need buying Vs Induced buyin</li> <li>- Gender Equations</li> </ul>	Instructors Handout	To identify the factors influencing consumer behavior in Rural India (LO2) To discover the unique challenges and techniques of conducting marketing research in rural India
<b>Module 3: Value Chain &amp; Channels of Distribution</b>			
6.	Manufacturing Plants Depots Distributor of Stockiest Dealer & Outlet	Discussion PK/ Ch. 6, Pp. 109-129  Instructors Handout	To recognize the concept, levels and classification of products in rural markets wrt FMCG sector (LO3)
7.	Exceptions <ul style="list-style-type: none"> <li>- Wholesale</li> <li>- Cash &amp; Carry</li> <li>- Large Format Retail</li> <li>- Self Service outlets</li> </ul>	Discussion + PK/ Ch. 8, Pp.154-191 Reading: <i>As rural India splurges, young companies step in to connect the last mile</i>  Instructors Handout	To describe innovations in rural distribution and rural-centric distribution models (LO3)
8.	Online <ul style="list-style-type: none"> <li>- Aggregator Format</li> <li>- Unique/specialized formats</li> <li>- Bridge builders</li> </ul>	Discussion PK/ Ch. 9, Pp. 200-218 Reading: <i>Rural radio plays HUL's new tune of invention</i>  Discussion PK/ Ch. 9, Pp. 218-230  Instructors Handout	To understand the major challenges in rural communication and examine the various media vehicles of the conventional mass media  Unique e-commerce platforms for Rural India (LO3)
9.	How technologies helping Sales & Distribution in Rural Market <ul style="list-style-type: none"> <li>- Technology landscape in rural India</li> <li>- Customer Acceptance</li> <li>- Emerging technologies in rural India</li> <li>- Case Study</li> </ul>	Instructors Handout	To Understand Marketers present practice on rural digital campaign and customer acquisition models  (LO3)
10.	Cost, margins & ROI Business Models	Instructors Handout	Understand the impact versus return (LO3)
11.	Tata Wiron – Barb Wire Case Study	Instructors Handout	
<b>Module 4: Selling Strategies for Goods &amp; Services</b>			
12.	Product offering, design & uptake	Discussion	To understand the unique

Session	Topic	Readings (Chapter No. & Pp.)/ Cases	Learning Outcomes
	Segmenting, Targeting, Positioning (STP) - Rural Markets Product life Cycle New Product Launch in rural markets - unique aspects	DG/ Ch. 17, Pp.210-226  Instructors Handout	challenges of financial services in rural India (LO4)
13.	Colgate Case Study	Instructors Handout	
14.	Development sector approach <ul style="list-style-type: none"> <li>- Role of Co-operatives in distribution of Agri-inputs and other essential commodities</li> <li>- The Changing face of rural development</li> </ul>	Discussion PK/ Ch. 10, pp 238-242  Instructors Handout	To discuss the growth of handicrafts & Agri inputs services in rural markets (LO4)
15.	Pricing strategies  Developing effective rural communication strategies Designing the marketing mix for rural markets – special considerations  New models of customer servicing (especially by consumer durable, farm machinery & implements and automobile companies)	Discussion PK / Ch. 10, Pp. 255-262  Instructors Handout	To discuss the growth of healthcare and retail services in rural markets (LO4)
16.	Current Status of penetration of Financial Services in rural India  Challenges faced by marketers in providing Financial Services	Instructors Handout	To Understand overall financial services / product penetration in BOP market and its challenges
17.	Rural Based Financial Service Case Study	Instructors Handout	Supportive Case Study for student to workout
18.	Telecommunication Services in Rural India	Instructors Handout	To Understand overall telecommunication services in Rural Market and its challenges
19.	Rural Healthcare Services	Instructors Handout	Understand the Rural healthcare infrastructure and its application / usage for health care products sales & distribution
20.	Path Aqua Tab Case Study	Instructors Handout	Supportive Case Study for student to workout
21.	Case Based Assignment – HUL Project Shakti	Instructors Handout	Supportive Case Study for student to workout
22.	Quizzes		
23.	<b>Student Presentations</b>		
24.	<b>Student Presentations</b>		

#### 9. Contact Details

Name of the Instructor:	Prasenjit Sengupta
Office Location:	Sector – 2, Noida, UP

Telephone:	9874627375
Email:	prasenjit.05@gmail.com
Teaching Venue:	Jaipuria Institute of Management, Noida
Website:	
Office Hours:	
Online Links (Link to Blackboard):	