

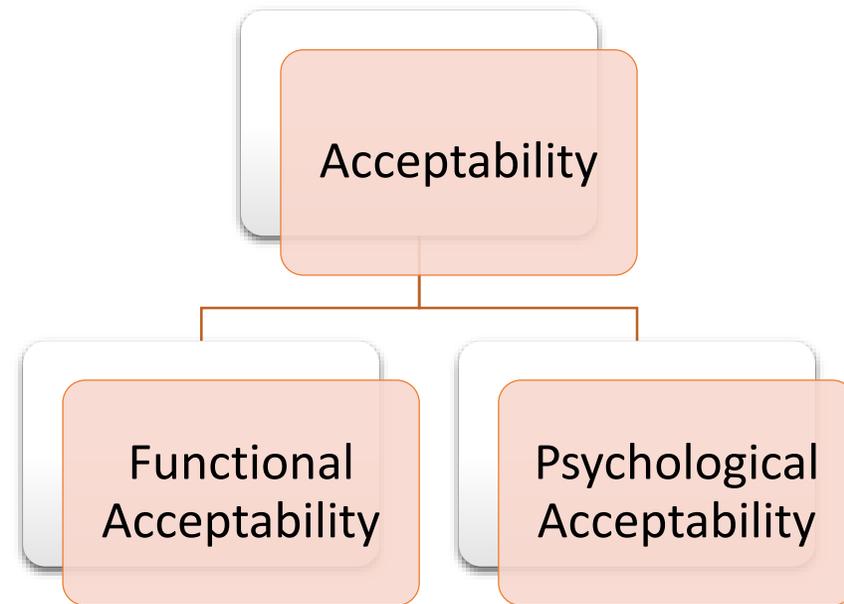
The 4A's of Rural Markets

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- Acceptability
- Affordability
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Acceptability

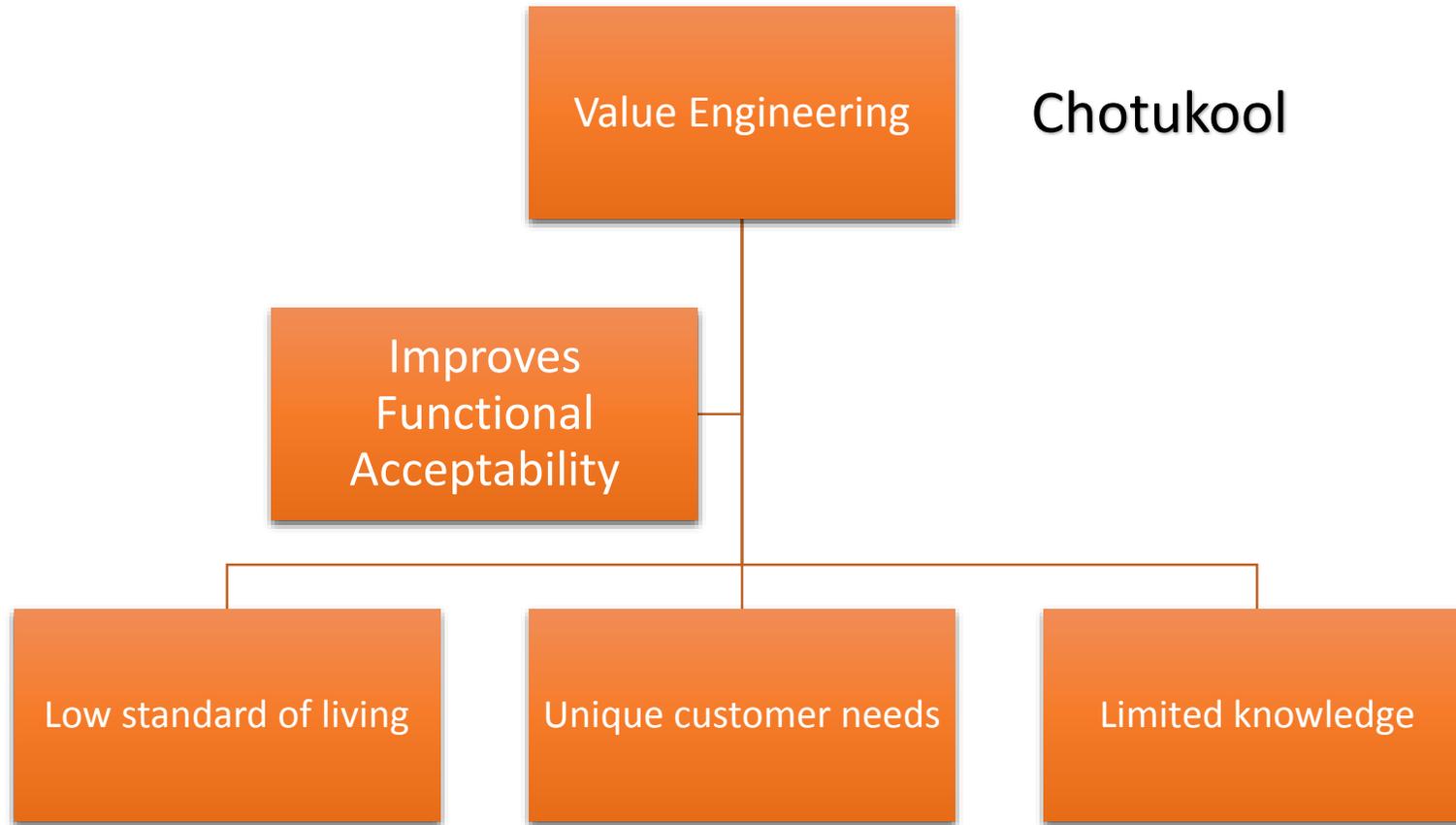
- Acceptability is defined as an ability of the firm's total offerings to meet and exceed the expectations and needs of the customer.



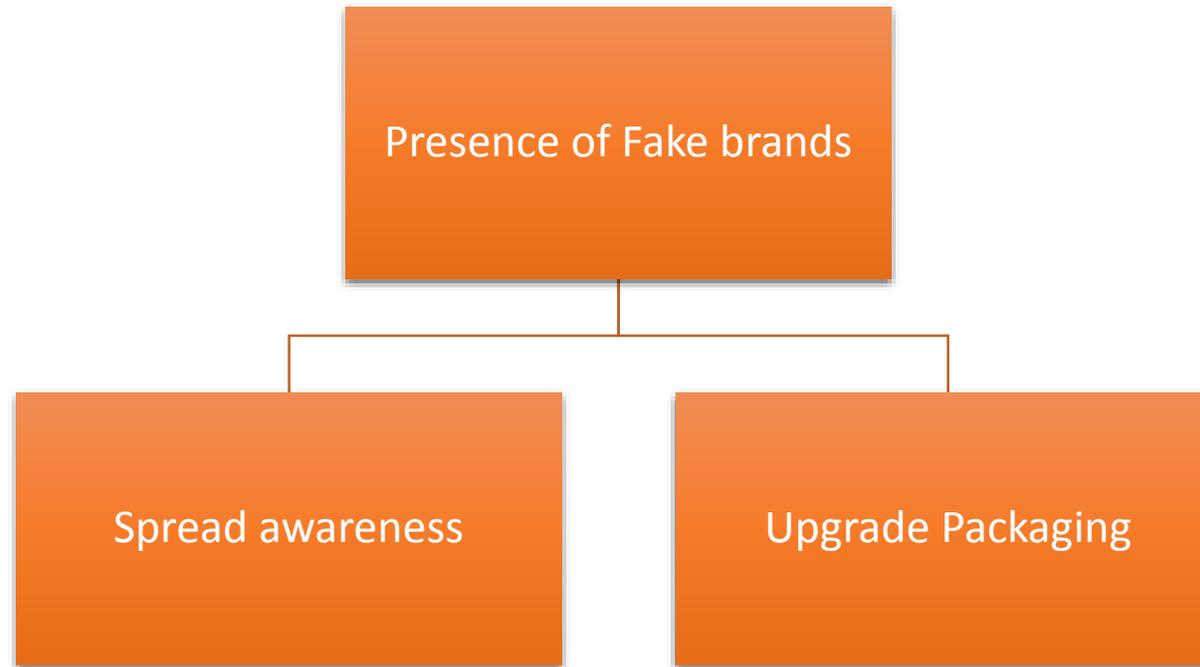
Challenges to Acceptability



Strategies to overcome challenges of Acceptability



Strategies to overcome challenges of Acceptability

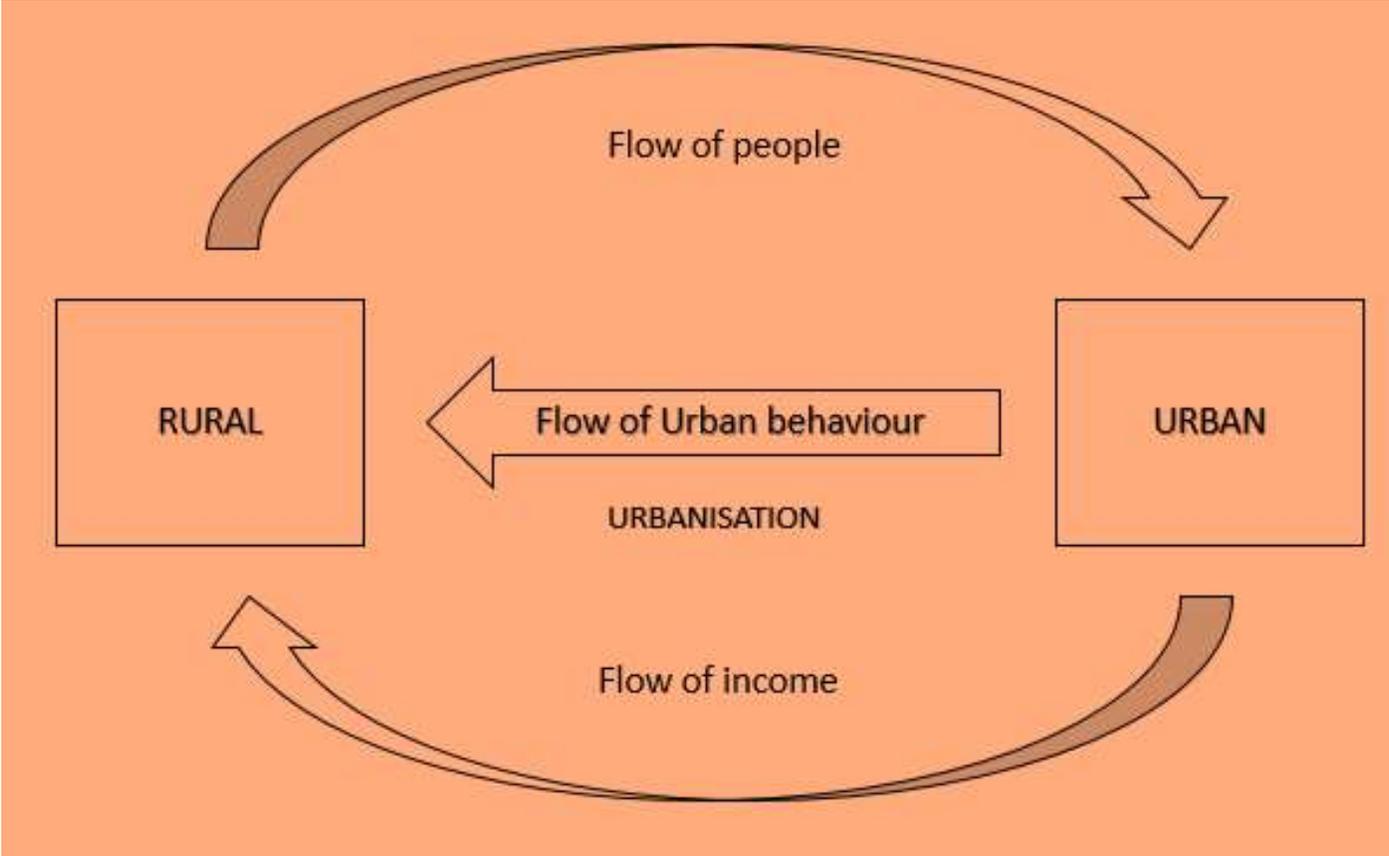




Strategies to overcome challenges of Acceptability

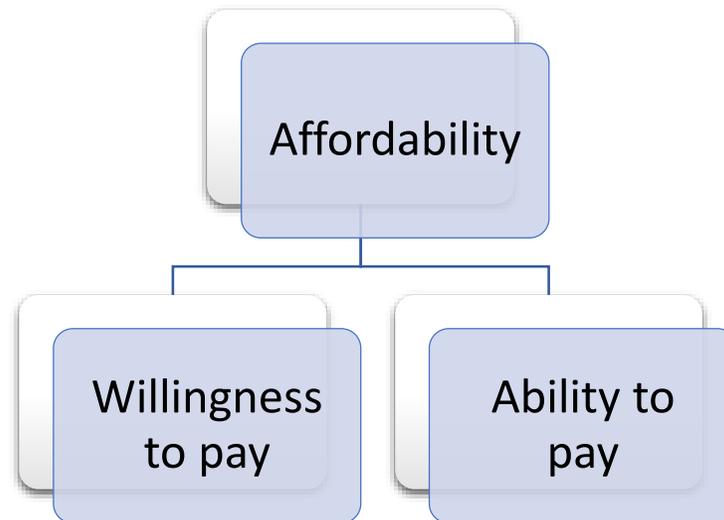


Trends in Acceptability

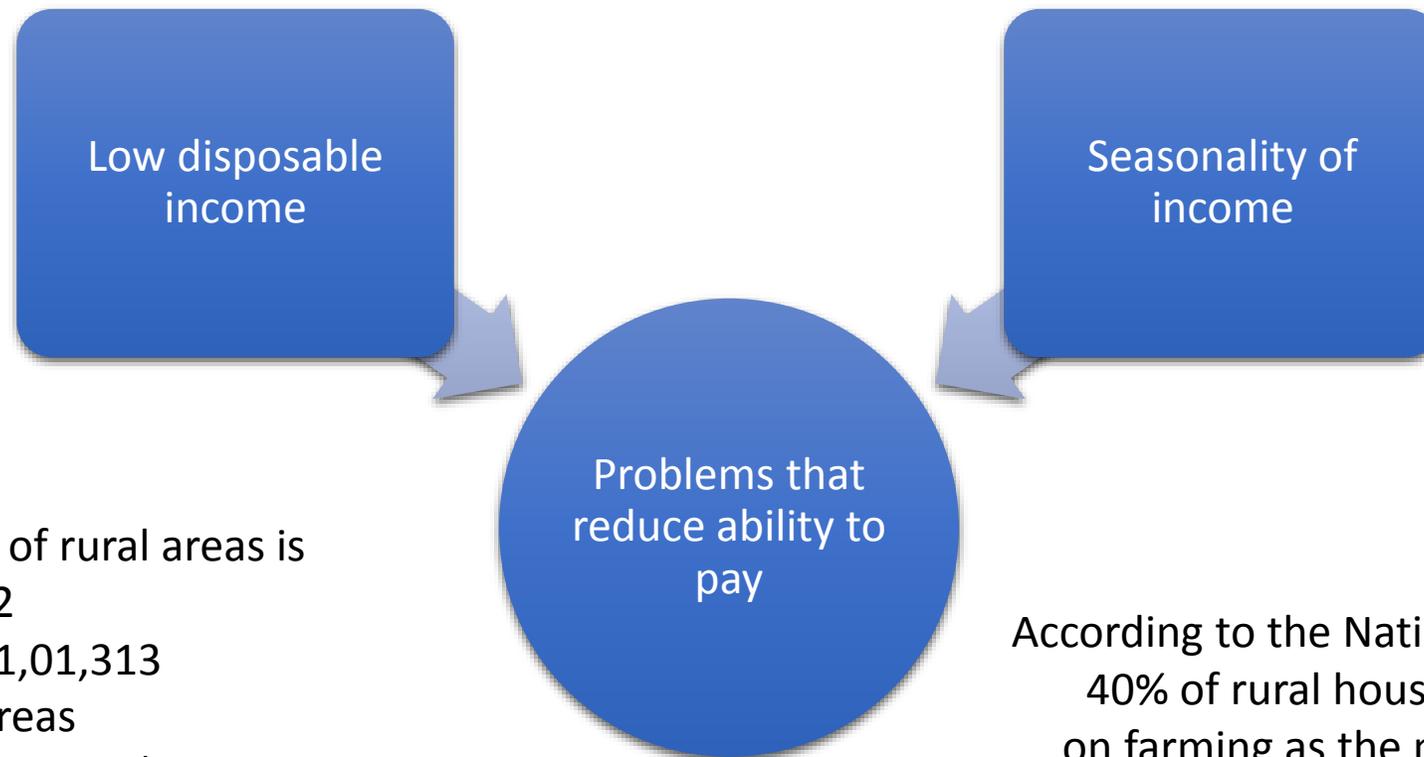


Affordability

- Affordability refers to 'willingness' and the 'ability' to pay for a purchase of a particular product or service.
- The willingness to pay reflects 'economic desirability' and the ability to pay reflects 'economic viability' from customer's perspective.

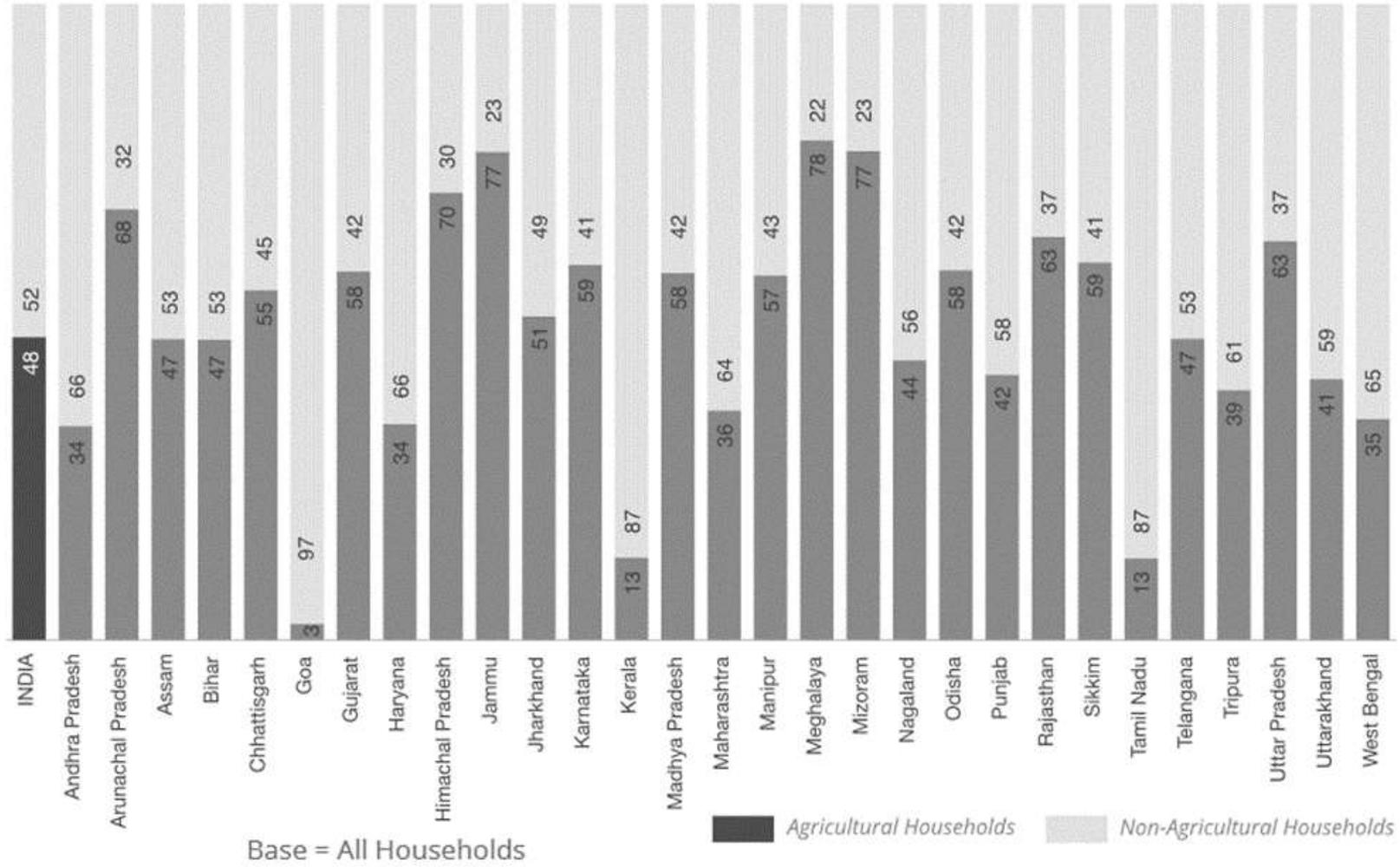


Challenges to Affordability



The per capita income of rural areas is ₹40,772 compared to ₹1,01,313 of urban areas in 2011-12. (PTI, 2016)

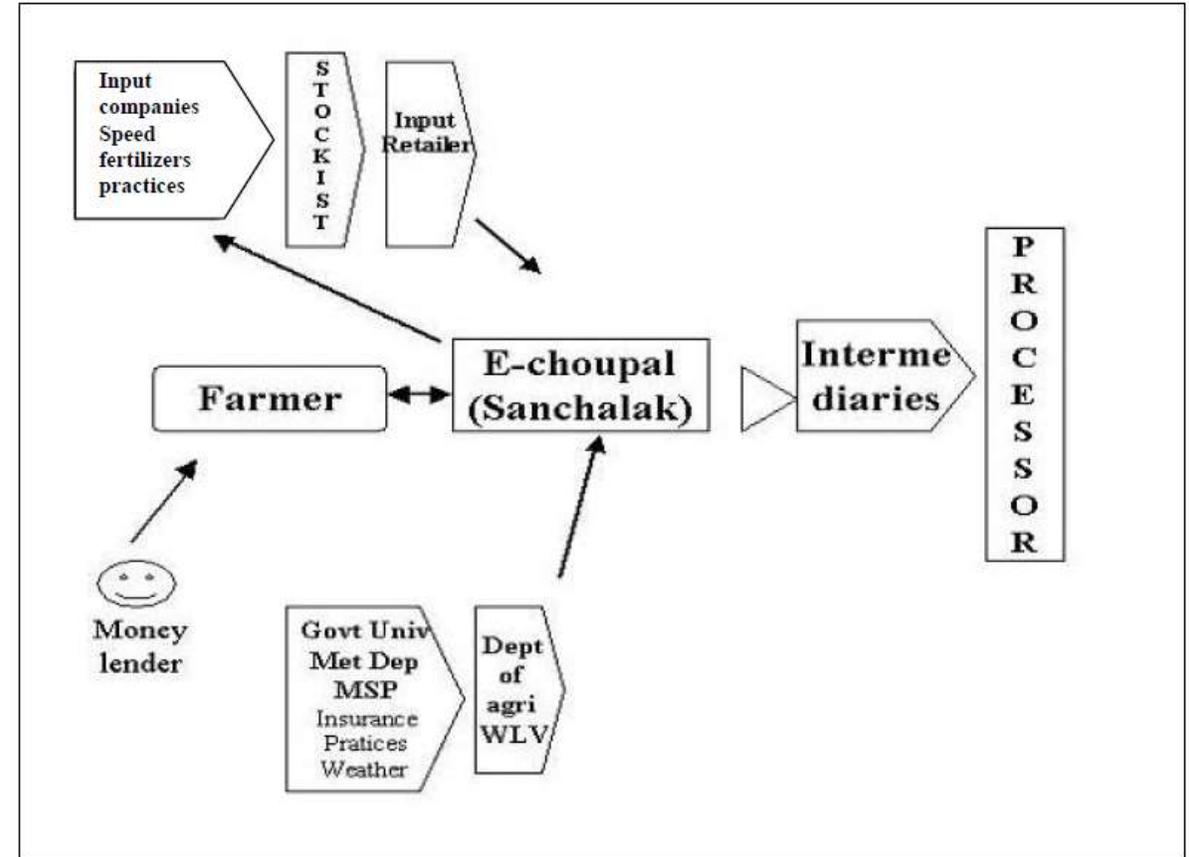
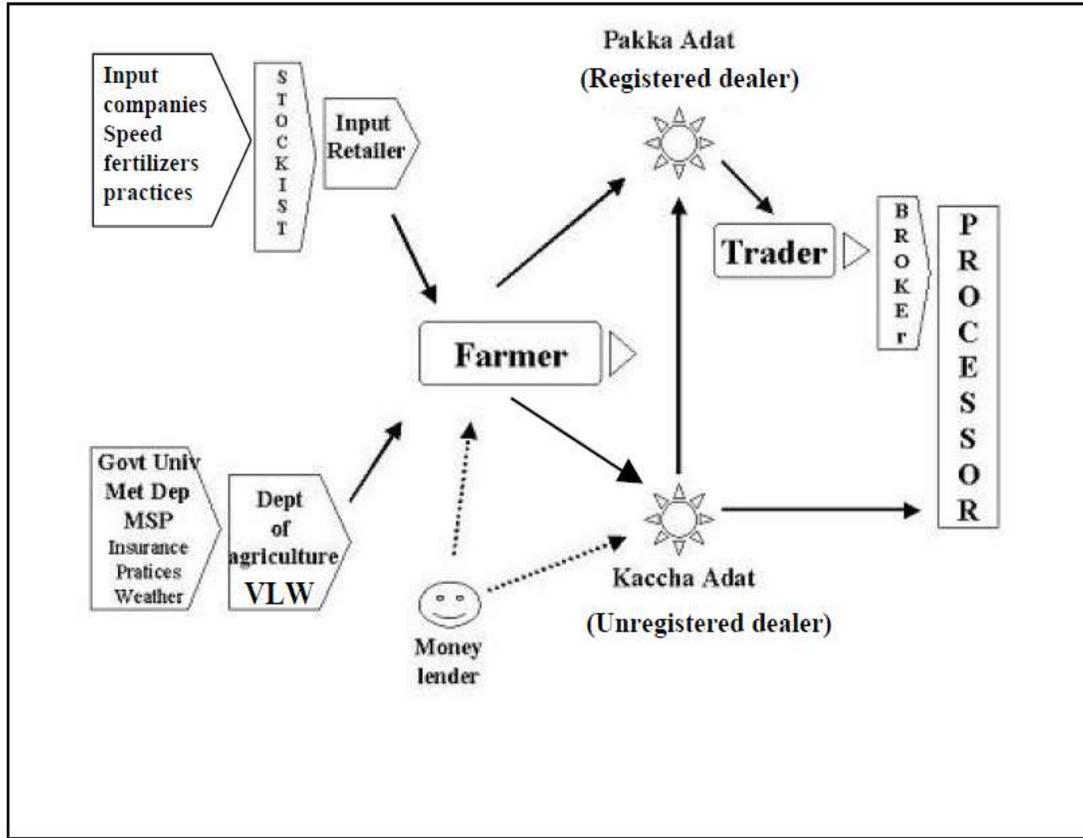
According to the National Sample Survey Office 40% of rural households are dependent on farming as the main source of income.



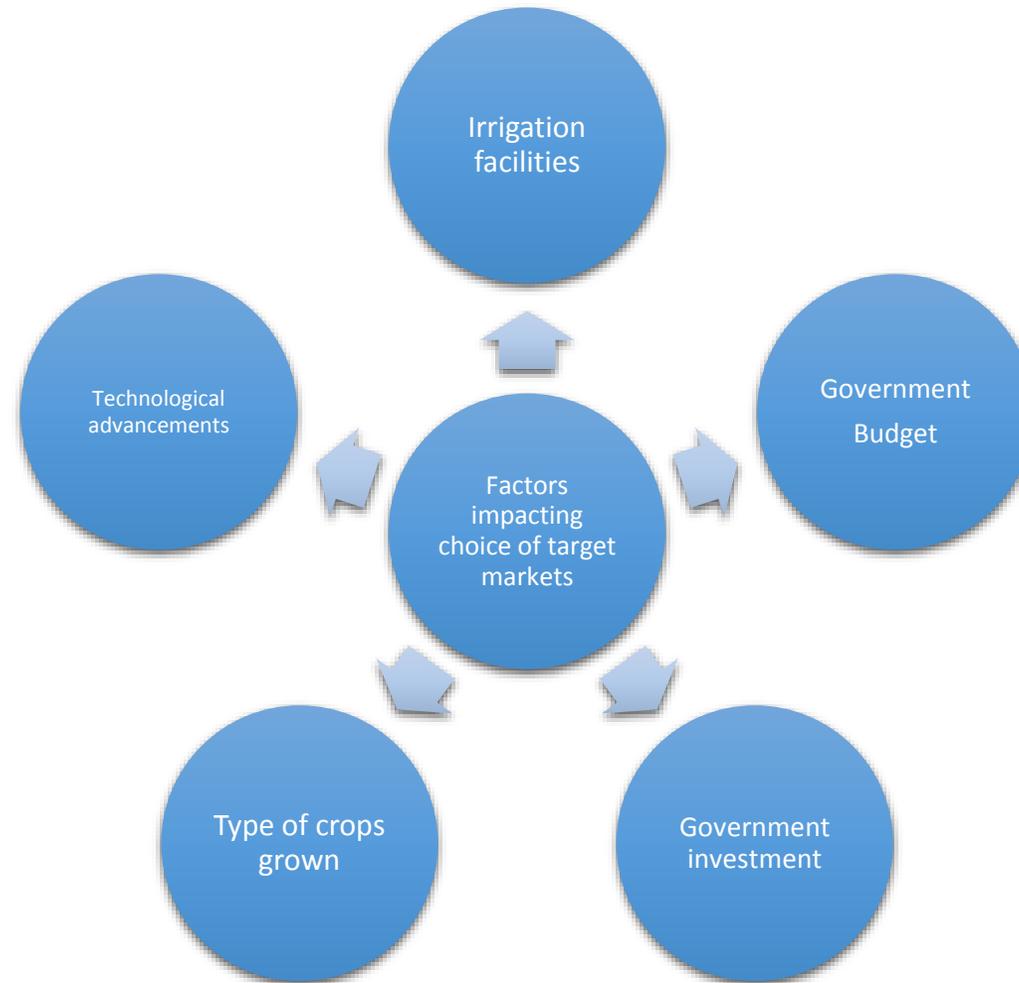
Strategies to overcome challenges of Affordability

- Design an offering that is affordable by rural people keeping their disposable income in mind – ‘Sachet Revolution’.
- Increase the disposable income of rural customers – ‘Inclusive Marketing’.

ITC e-choupal impact



Strategies to overcome challenges of Affordability – Selection of target markets

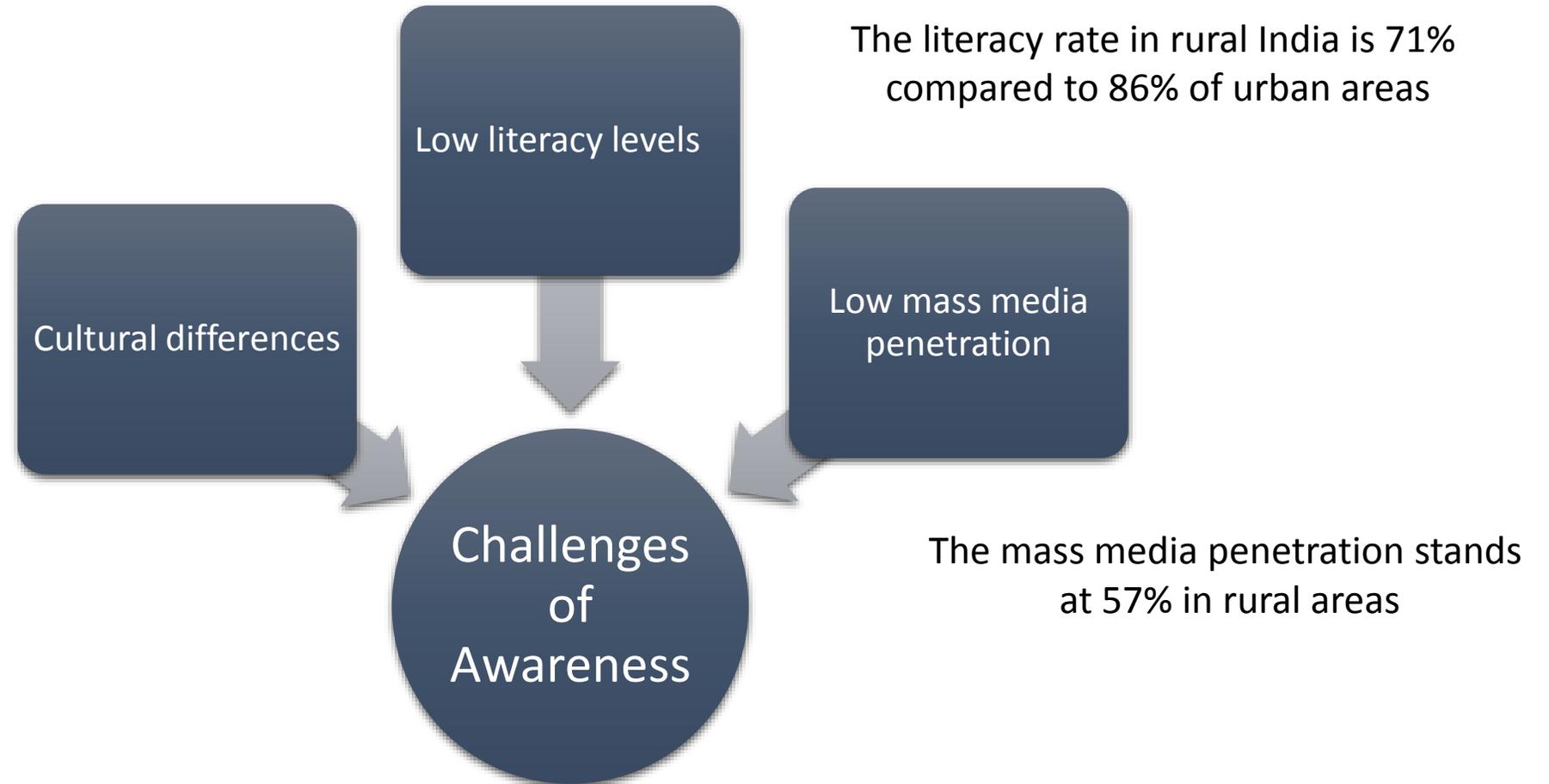


The 4A's of Rural Markets

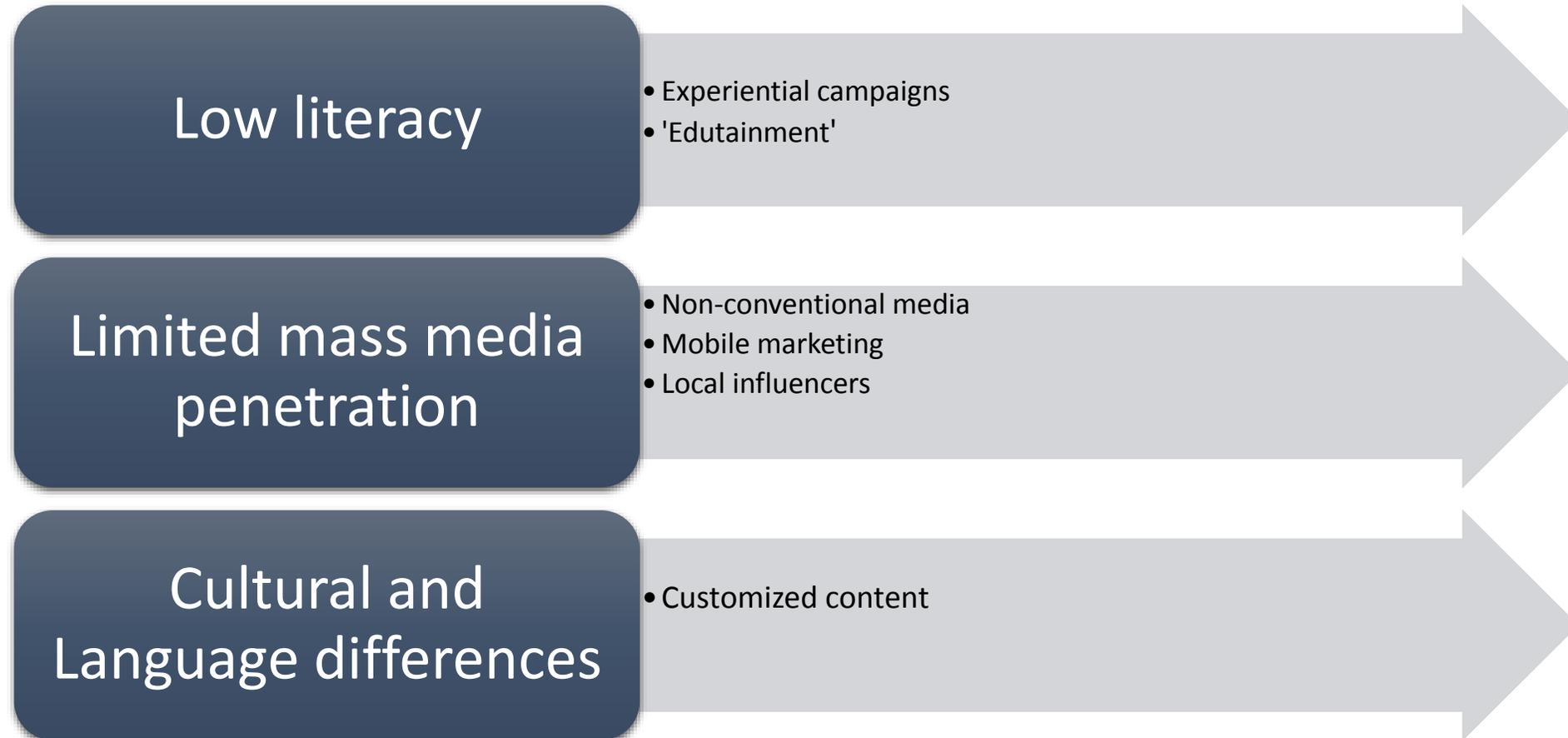
Awareness

- Awareness can be defined as knowing and understanding both the brand and product.
- An ideal awareness campaign should equip customers with knowledge about the product and brand.
- Product knowledge helps customers in understanding the benefits that it provides while knowledge about the brand helps in 'top of the mind recall' of the brand.

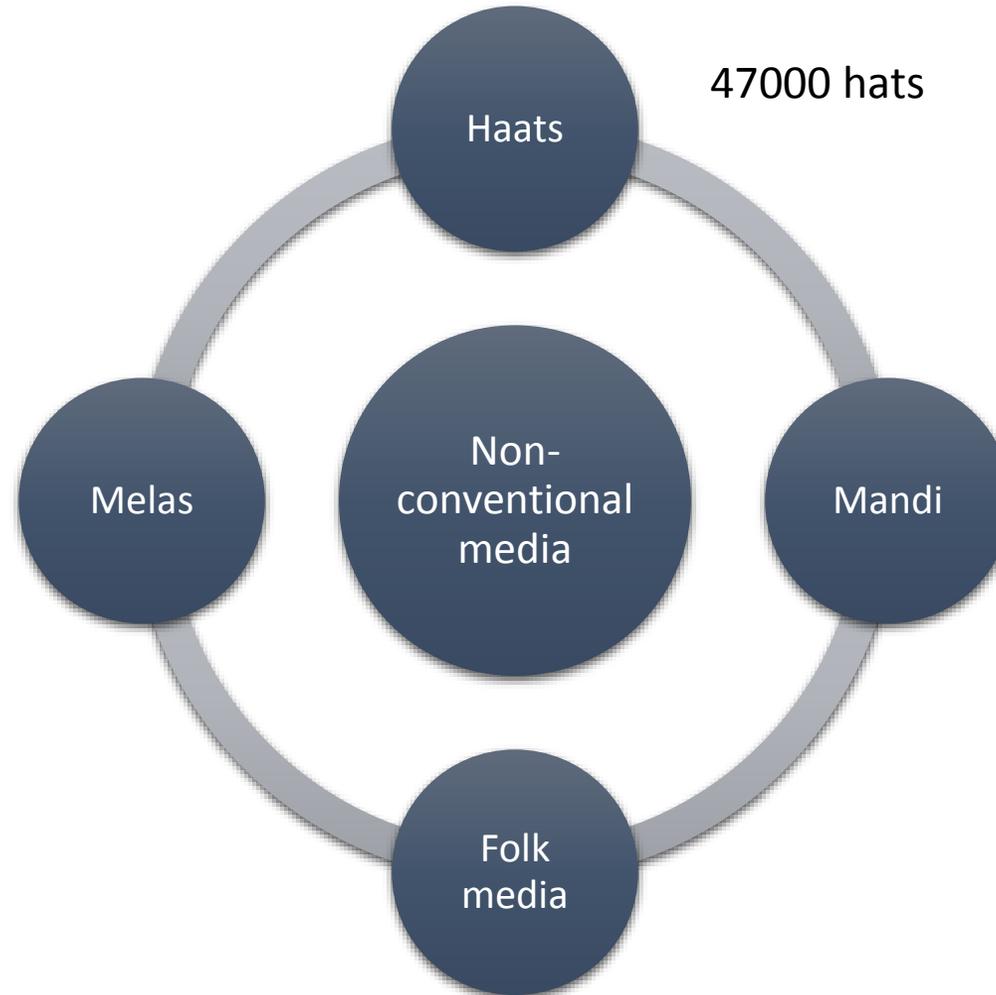
Challenges to Awareness



Strategies to overcome challenges of Awareness



Non-conventional media



HUL 3 Roses – Pushkara in Andhrapradesh

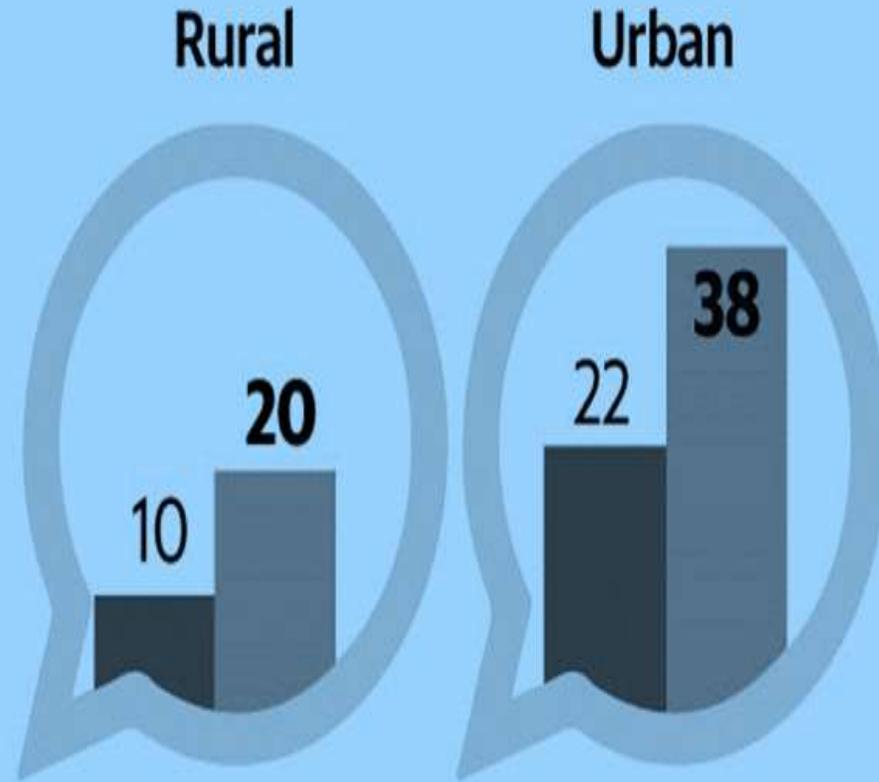
- It distributed around 3000 cups of hot beverage across 250 small tea stalls organised in mela in Andhra Pradesh.
- These cups have the brand logo and message appearing on them as and when filled with the hot beverage.
- HUL claims that this initiative saw a sales rise within 12 days of the festival.

Chart 1

Higher usage in urban India but rising coverage in rural India

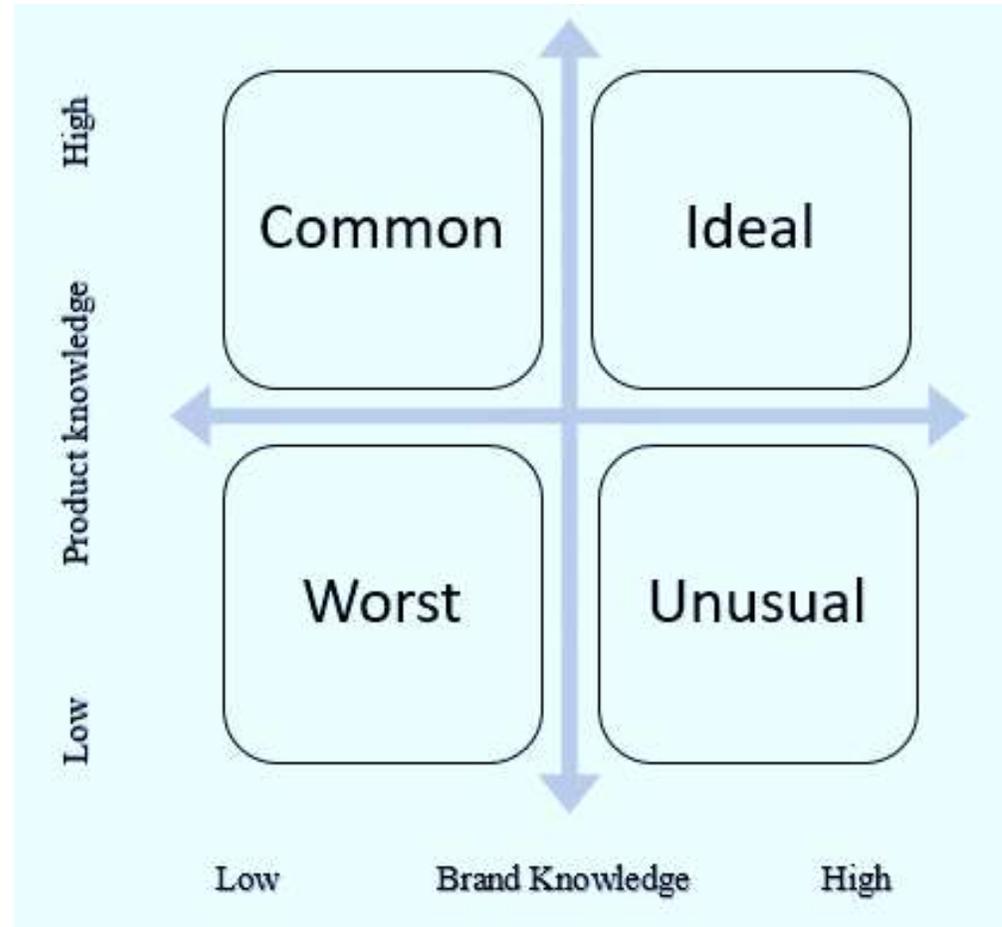
Share of active WhatsApp users (% respondents)

■ 2017 ■ 2018



Source: Lokniti-CSDS MOTN surveys

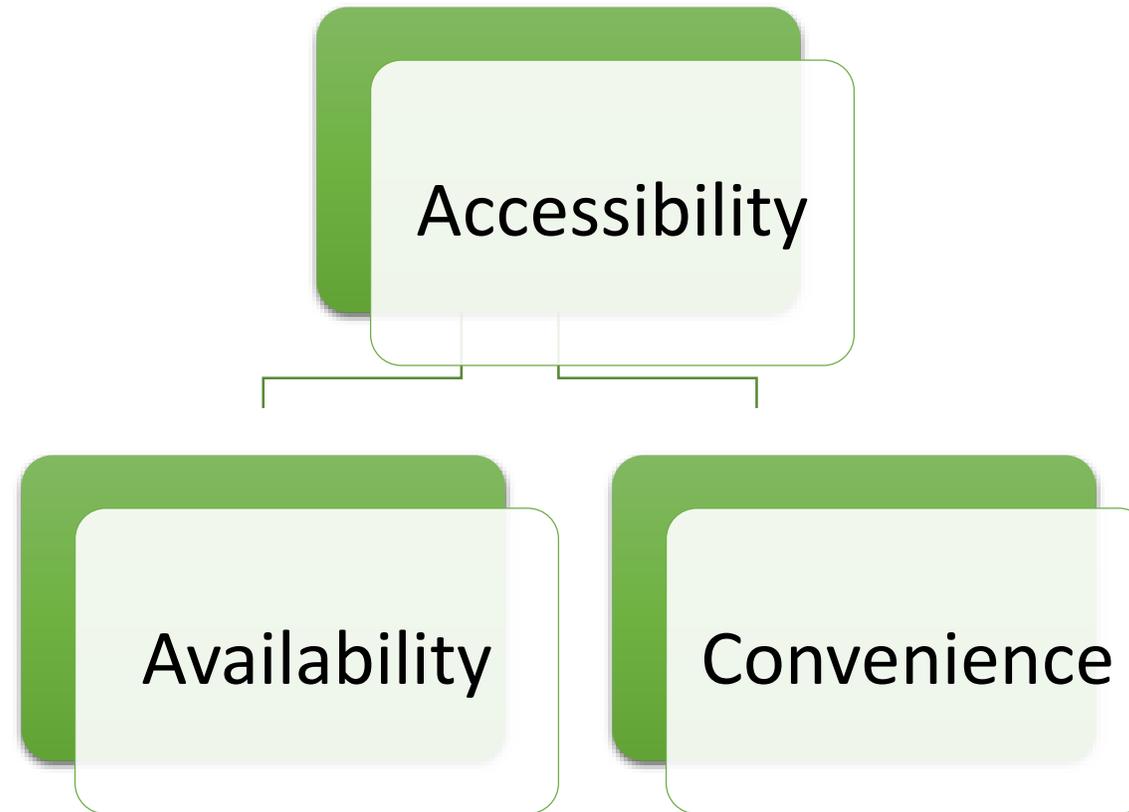
Evaluating the performance of Awareness



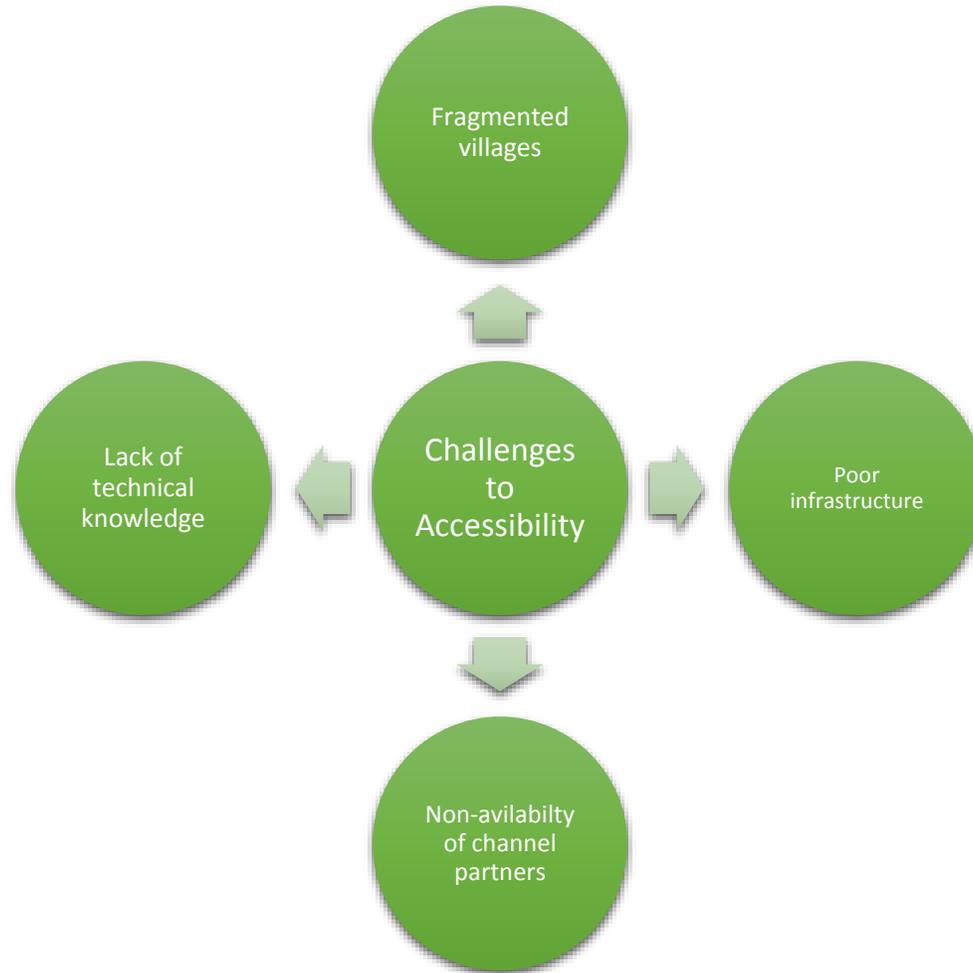
Accessibility

- Accessibility can be defined as the company's ability to ensure that its offering meets up with the customer, at the time and place of the customer's choice.
- The aim of the accessibility is to minimize the effort from the customer side in obtaining the offering

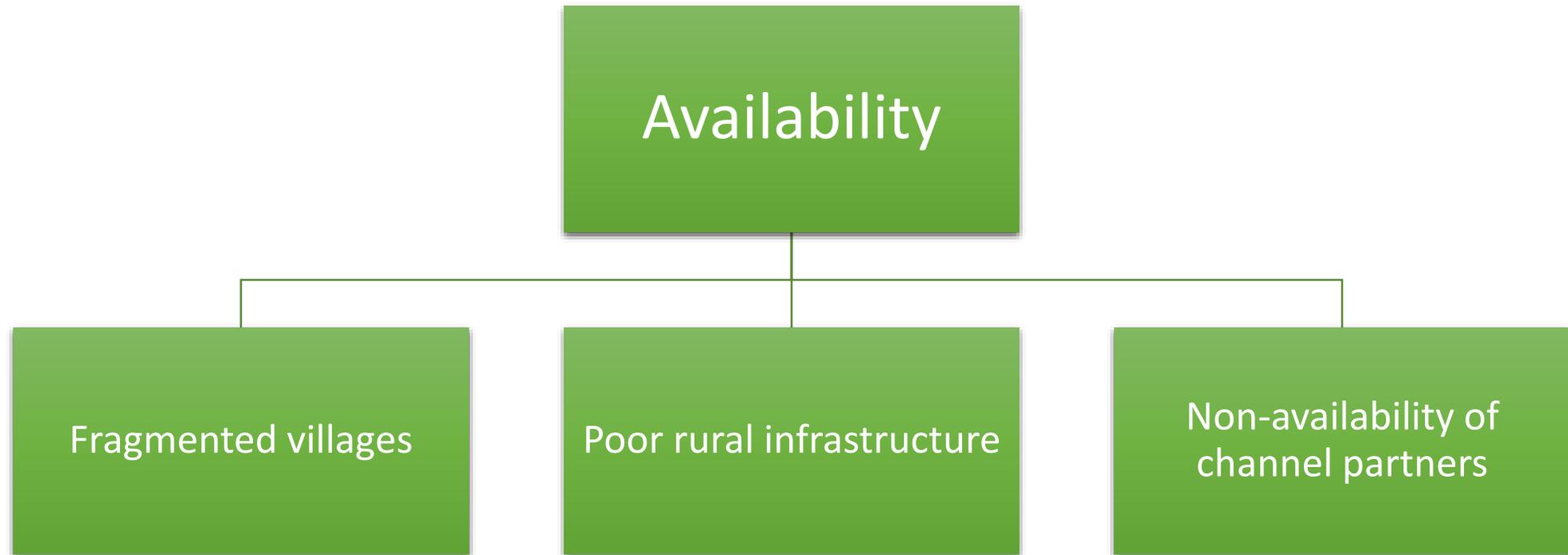
Accessibility



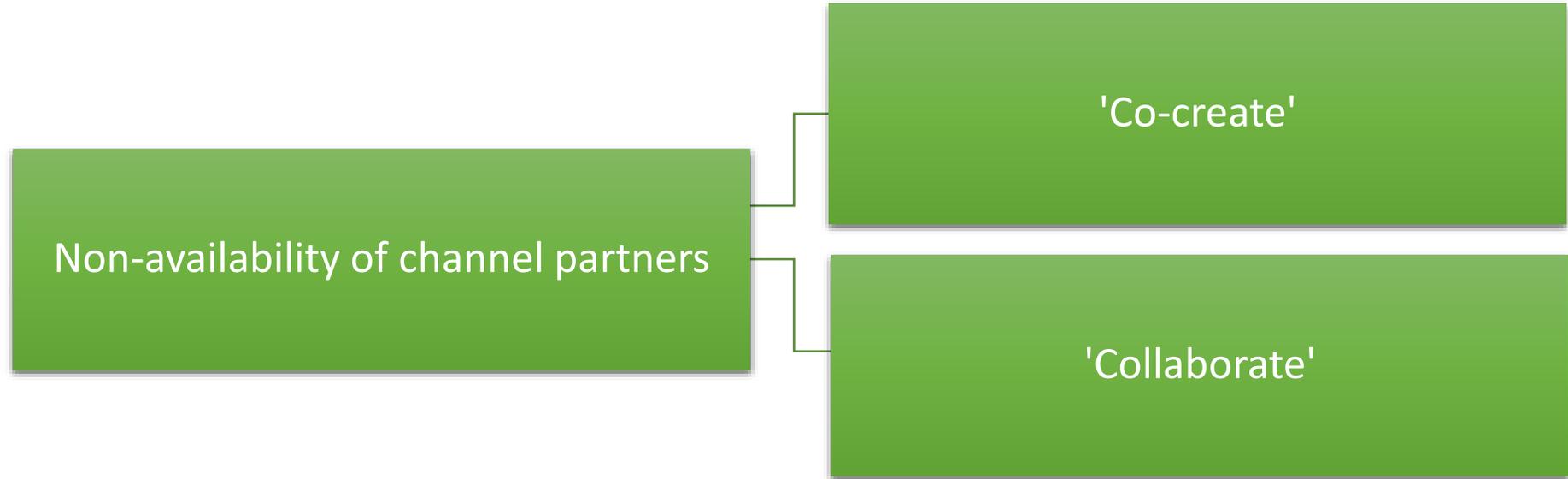
Challenges to Accessibility



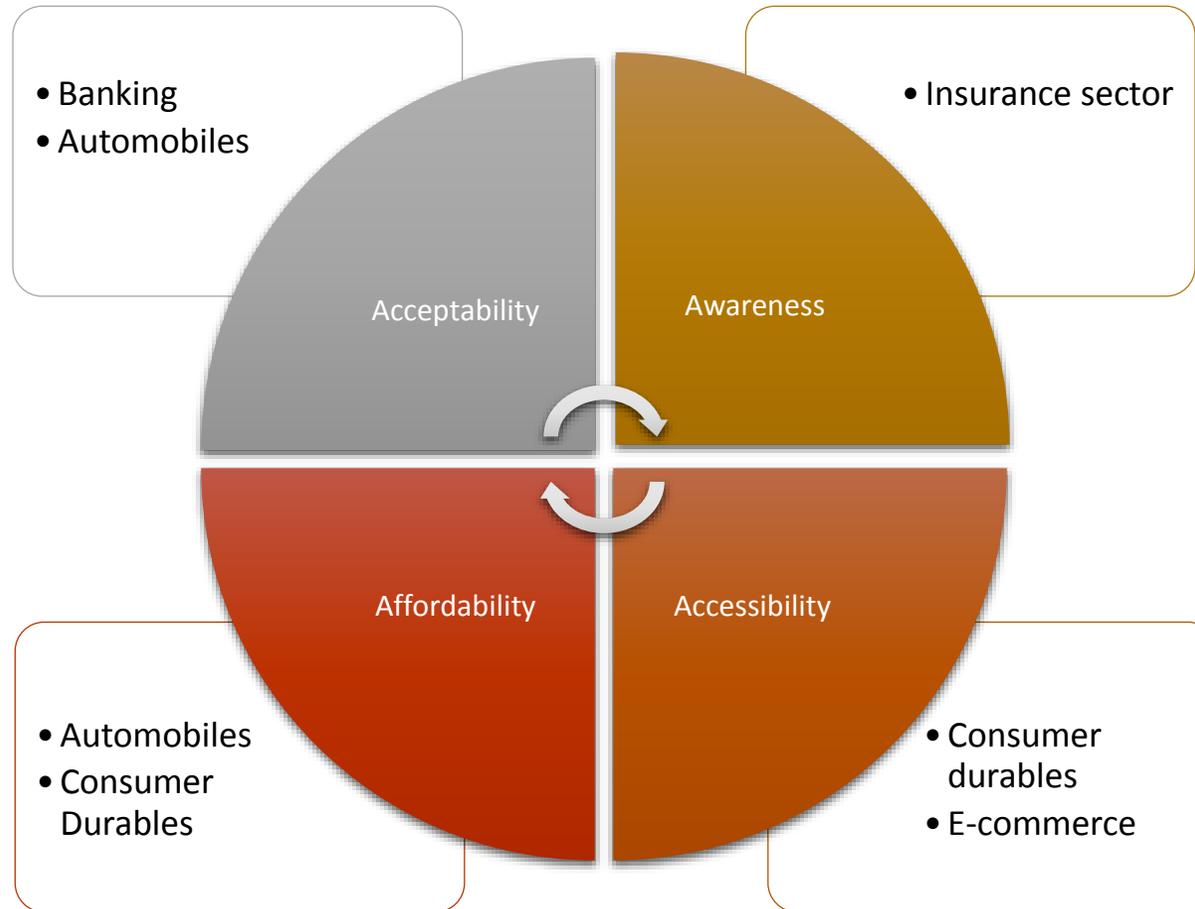
Strategies to overcome the challenges of accessibility



Strategies to overcome the challenges of accessibility



Sector wise importance



The 4A's of Rural Markets

Conclusion

