

(L)

Sy Bms (mktg.)

Rural Mktg.

OP3ABU

March-2016

Time: 2.5hrs

Marks:75

**Q.1 Attempt any 2 out of 3**

- a) Define Rural Marketing state its scope. 7 1/2
- b) Discuss various problems of Rural Marketing. 7 1/2
- c) State and explain various constraints in rural marketing. 7 1/2

**Q.2 Attempt any 2 out of 3**

- a) State and explain various characteristics of rural consumers. 7 1/2
- b) Explain hierarchy of marketing for rural consumers. 7 1/2
- c) Explain in brief factors affecting rural consumers with examples. 7 1/2

**Q.3 Attempt any 2 out of 3**

- a) State and explain various product strategies and rural product categories. 7 1/2
- b) Define Packaging. Explain Packaging in detail 7 1/2
- c) State and Explain segmentations and bases of segmentation. 7 1/2

**Q.4 Attempt any 2 out of 3**

- a) State and Explain the satellite distribution system in detail. 7 1/2
- b) Explain the steps in developing effects Rural Communication Program 7 1/2
- c) If you were a Marketing Manager what steps will you undertake to develop to focus is Rural Markets? Elaborate you answer with a live example 7 1/2

**Q.5 Case study.**

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**COCA-COLA'S STRATEGY FOR RURAL MARKETS**

Coca-Cola India adopted an innovative two-pronged approach in 2002 to gain a foothold in rural markets. It devised an innovative pricing strategy to attract price-sensitive rural consumers, which was backed by the rural-centric "thanda matlab Coca-Cola" marketing campaign featuring the Bollywood star, Aamir Khan.

Adopting an aggressive pricing strategy, the company reduced the price of a 200 - ml bottle by half to INR 5 - a psychological price point which worked in favor of the brand. A higher price than this means a .....2

consumer has to shell out a 10 - rupee note which they tend to spend .....2 entirely, already having spent INR 7 - 8 on the bottle of Coca-Cola. This is why most rural consumers refrained from buying a cold drink in the past. Coinage pricing (at INR 5) addresses this psychological barrier. established that Coca-Cola was actively wooing the rural consumer. The use of the Hindi word thanda - meaning cold - in the marketing slogan clearly combination of clever pricing and astute marketing worked to Coca-Cola's advantage in rural markets.

The accompanying video shows how Coca-Cola used its pricing strategy effectively to gain impressive growth in rural markets. It also describes how the products were distributed in remote rural markets to meet Case Studies the consumer demand c spurred sales and the 200 - ml bottle created a new market by driving adoption of packaged beverages in rural India.

#### Questions

1. What were the critical success factors for Coca-Cola in rural markets?
2. Identify two major brands which adopted a similar pricing strategy to crack rural markets.