

Into The Discomfort Zone

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He recalls that the iconic image on a Lifebuoy pack — a man holding a trophy in his hand — could not be parsed

by the rural audience. “It was seen as a *mugga*”, says Kakar, “Similarly, while urban India may look at housing as a lifestyle statement, it was an eye opener for me, when during a recent market

visit I heard a man living in a modest structure, at best described as a ‘shanty’, speak of his belief that for him his house is like the ‘Mysore Palace.’”

The communication approach is

therefore completely different. IndusInd relies on audio-visual campaigns in the vernacular language and group meetings as opposed to distributing pamphlets. Says Ganju, “Entertainment (like puppet show/ folk dance), free medical camps or promoting a beneficial government programme are one of the best ways to connect with them.” During *haats* and at religious centres, the bank tries to make the audience aware of government sponsored schemes like the *Pradhan Mantri Jan Dhan Yojana* and the *Kisan Credit Card*. Highlights of Axis Bank’s three year old campaign include using local entertainment dance and drama forms like *Jhumar* in Punjab or *Bhavai* in Gujarat; slipping in banking information on the back of *Krishi Pragatishala*, an agri expert programme and finally comic books published in multiple languages.

Auto



The financial crisis of 2008 brought a tremendous amount of uncertainty in its wake, but RS Kalsi, executive director – marketing and sales, Maruti Suzuki remembers it differently. Even as he fretted about the implications for Maruti (he was head – sales at the time), a dealer from a semi-urban area told him, “Sir, the recession is only for the people who watch business channels and read pink newspapers. In the rural economy, we have good crops, good prices and there is no recession here.” On hindsight, Kalsi believes, “This was the inflexion point for us to focus on rural markets.”

One of the first lessons driven home forcefully was that power dressing was better left to urban areas. On a visit to Asia’s largest *mandi* at Gondal, Gujarat, Kalsi found himself being given a wide berth by farmers and traders since he was wearing a suit and a tie. He realised that even at the store level, an English speaking tie and blazer wearing salesman was intimidating to his rustic customer. And so Maruti put together a special team of RDSEs or resident dealer sales executives; sons of the soil who spoke the local language. They staff Maruti’s emerging market outlets and the company claims to have recruited nearly 10,000 local youth. Kalsi admits, “They may not be slick language masters but what’s important is they strike a good chord with the local community.” The result: encouraging sales. Rural markets are up 26% as of February 2015 and account for 34% of the company’s annual sales. Kalsi says with a measure of pride, “We have been able to reach even the smallest villages — today more than 7% of MSIL sales are from villages with less than 200 households.”

In a report on rural markets, Raghuram Devarakonda, managing director, sales and customer services practice, Accenture Strategy, suggests, “The first step is to identify and profile the right consumers who may have the means to buy products and services that are being offered.” Deftly dodging the expense involved in scattershot rural marketing, MSIL identifies periods of high cash availability and approaches its audience when they are in the mood to buy. It goes after mango farmers from Malihabad, orange growers near Nagpur, turmeric growers in Erode (Tamil Nadu) and so on.

The other big concern is of course service and after sales support. Maruti deploys 1,500 mobile support vans. The after sales network is a key communication point at road shows and is often highlighted by a model customer from the village.

Even if communication originally created for urban markets is being used in rural, brands need to localise to the extent possible, suggests Vivek Nayer, chief marketing officer – automotive division, Mahindra and Mahindra. Communication for Mahindra’s SUVs is translated into eight languages and runs across 30 regional channels and publications. Even the helplines are localised.

Another key learning, which is a luxury only a vastly diversified conglomerate like Mahindra can afford is to leverage the power of many group companies while heading to the hinterlands. At the Mahindra Gramin Mahotsavs, fairs put together by the company, and at *haats*, everything from the finance business to the agri business to SUVs and tractors can be demoted or discussed under a single roof.

The company is tailoring its offering acknowledging the fact that even for the rural consumer, value is not synonymous with the lowest price. As Ravindra Shahane, VP- marketing, farm equipment puts it, “The consumer is highly trial oriented. The improvement in yield weighs heavily on his mind. ‘*Kitna deta hai?*’ has changed to ‘how well does it do the job?’”

FMCG



They buy soaps off their mobile phones. And then pose with their newly acquired swag and post the pictures on WhatsApp in the hopes of landing a goody bag. No, we are not talking about self and selfie-obsessed urban millennials but rural consumers who may or may not be millennials. It’s one of the many signs of change that Amit Sarda, managing director, Soulflower sees among his rural clientele. Not bad at all for a bunch who were not so long ago reached only by highly patronising wall paintings and live events with copious amounts of over-explanation.

Not that wall paintings or events are dead or dying (or have stopped being patronising). But FMCG marketers today are finding new ways to reach out to a consumer who has changed sig-

nificantly over the years. While the exposure of the rural consumer to media may not be as consistent or frequent as it is with her urban counterpart, pretty much every marketer we spoke to tells us she has the same aspirations and frequently, the same brands on the ‘want’ list. This is apparent in Britannia finding takers for even its premium biscuits like Jim-Jam and Bourbon provided they show up at the accessible price point of ₹5. Sunil Taldar, director – sales at Mondelez India, who admits to being a late entrant to the rural game elaborates, “There’s a huge divide between what we’re trying to sell and what the consumer expects. We try to push our low-priced SKUs in rural areas but turns out the consumer is fully aware of our brand, its portfolio; and is willing to spend money on high-end products provided they reach them.” Brands are finding ways to get across and foresee e-commerce and m-commerce with delivery via the Indian postal service being a way of getting around setting up expensive distribution networks.

Of course, given the non-homogeneity of rural markets, what applies for one part of the country or one set of consumers may not at all be relevant a few thousand kilometres down the road. And yet the business potential has marketers excited. “According to a Nielsen study, there are approximately 6.2 lakh villages in India. And out of those, 65,000 deliver the potential of 50% of business from rural markets. That’s 10% giving the value of 50%. The learning for us is that even if we focus on 10% of the villages in the country, we’re home as far as success in rural is concerned. So, we’ve chosen 312 districts, called the high potential markets, and it’s imperative for us to concentrate only on those for now,” admits George Angelo, executive director (sales), Dabur India. According to Sameer Satpathy, CMO at Marico: “Marketing in rural areas of the country helps erode a lot of biases from your experience in urban India. For instance, the concept of a Sunday doesn’t exist in most rural markets. The fields still need to be watered and your cow still needs to be milked. This teaches you a different way of planning for these markets.” It also involves a debunking of other myths such as the persistent one about there being no *kirana* stores. Maybe not the way most urban people recognise them but they certainly exist. Harit Nagpal, MD and CEO, Tata Sky, recalls, “The deeper you go, you realise that every fourth household has setup a small *kirana* shop at the back of his house where he keeps two to three pieces of everyday consumption items. Every second week, he cycles to the closest town to buy these items. Basically, if we need something, we find a way to make it available to us. That’s the beauty of this country — its entrepreneurial ability. That’s one reason India will never be good at football — You give an Indian a corner and he’ll set up a shop there.”

With inputs from Amit Babna and Shephali Bhatt

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