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MBAS 558

IV Semester M.B.A. Degree Examination, September 2020

BUSINESS ADMINISTRATION

Rural Marketing

Time : 3 Hours

Max. Marks : 70

**SECTION – A
(Compulsory)**

Note : Answer to the question should **not** exceed **six** pages. **(1×15=15)**

1. What are the major factors which affect rural markets ? How the rural marketing can be made more effective in India ?

SECTION – B

Note : Answer **any five** of the following. Answer to **each** question should **not** exceed **five** pages. **(5×8=40)**

2. Define rural marketing. Why is it important in a country like India ?
3. Write the characteristics of rural consumers.
4. Briefly describe the different bases for segmenting rural consumer markets.
5. What is market strategy ? Which strategies are adopted for rural marketing ?
6. Discuss what measures the government has taken to promote rural marketing in India.
7. Discuss the rural product-categories.
8. "Don't buy everything you see even salt looks like sugar" critically examine this statement.
9. Elaborate on the pricing strategies specific to the rural market.

P.T.O.



SECTION – C
(Compulsory)

Note : Answer to the question should **not** exceed **six** pages. (1×15=15)

10. Analyse the following **case study**.

In a study conducted by ICICI it was found that :

Only 40 per cent of shops in small towns have electricity, while in feeder villages this figure was 11 per cent. Shops in towns were located on rented premises. While in interior villages in 88 per cent of the cases the shops were located on owned premises and lacked electricity. In feeder villages, four-fifth of the shops have one person working full time, while in interior villages 70 per cent have two or three persons working on a part-time basis. Over two-fifths of the retail outlets stocked eight to nine standard product categories. It was found that three-fourths of the outlets that stocked eight to nine product categories kept four items or less in each category, while one-fourth had five to six items in each category. The total number of items stocked in retail outlets was about 50 in interior villages and 115 in feeder villages. The stock turnover ratio in the study is the number of times the stock is sold in a month. This is obtained by dividing the stock level by monthly off-take. The ratio for toiletries in interior villages was close to unity, while in the feeder villages two-thirds had a ratio in the range of two to three. The ratio of one indicates that on average interior village shops had stocks for one month, while shops in feeder villages maintained stocks for two or three months. The value of the stock turnover ratio in towns had a wider spread and higher values in the range of three or even, five because of the wide variety of products stocked.

Questions :

- a) Critically evaluate the above rural retail scenario for the marketer of consumer products.
- b) What implications does the above scenario have for the long - term distribution system design of a multi-product necessity Goods Company wanting to make a foray into the rural markets ?