

**M.B.A DEGREE EXAMINATIONS: JUNE 2010**

Fifth Trimester

**P07BA533: RURAL MARKETING**

**Time: Three Hours**

**Maximum Marks: 100**

**Answer ALL Questions:-**

**PART A (1 x 20 = 20 Marks)**

**1. Case Study**

India's leading denim manufacturer, Arvind Mills, achieved the expansion of its consumer base, with a new brand or tailored for specifically the rural market. It required not only a new product but also a new distribution approach.

(i) Consumer Preferences: Market research revealed:

- (a) Many in rural areas found even in the cheapest branded jeans beyond their means.
- (b) There is skepticism towards readymade products among rural Indians.

(ii) Product: The result: ready-to-stitch jeans for the first time produces at Rs. 195, as against the unorganized sector's range of Rs. 150-350, the kit included a denim trouser length with specific tailoring instructions and the branded zipper rivets and buttons and the distinguish jeans from mere denim trousers in the consumer's mind.

(iii) Distribution: Distribution was the critical issue. Not only the product be made available but also the expertise to tailor it is to be created. Success depended on local tailor's finesse. The product was made available in villages with a population as small as 5000. Local cloth shops were used as retailer outlets. Seminars were organized to train tailors in denim fits and inform them about the changes required in regular sewing machines for stitching jeans. The additional machine accessories were initially provided free of cost and later at a subsidized rate.

**Outcome**

The strategy worked. In the first two months demand crossed a million pieces as against a production capacity of 2, 50, 000 kits. So that the company had to stop advertising. And within 1.8 months, five million kits were sold.

Consumer feedback showed that nearly 75 per cent were first time jean wearers. R& T shirts as well as readymade, jeans were launched for the slightly more evolved consumer who demanded jeans specifies like the right wash. Cotton and formal trousers are now on the anvil.

**Questions:**

- a) Trace the reason for the success of Ruf & Tuf in rural India.
- b) Which other companies do you think can emulate the strategies of Arvind mills?

**PART B (10 x 2 = 20 Marks)**

2. Write any four characteristics of product or services.
3. Give the taxonomy of rural market.
4. List out any four socio-cultural factors of buying behavior.
5. Differentiate planned buying and impulse buying.
6. Define segmentation.
7. On which parameters services can be differentiated?
8. What is cost-plus or mark-up pricing?
9. What is the level-D channel of distribution?
10. Define Marketing Research.
11. Give any two colors and its association used in marketing research queries by the researcher.

**PART C (4 x 15 = 60 Marks)**

12. a) The role of rural marketing as such is more developmental than transactional. Discuss

**(OR)**

- b) Discuss the challenges of marketer under rural setting.

13. a) Enumerate the buying decision process.

**(OR)**

- b) Elaborate the two types of buying behavior pattern.

14. a) Explain the three aspects of targeting.

**(OR)**

- b) Detail the tasks involved in positioning.

15. a) Classify and discuss various pricing methods in rural marketing.

**(OR)**

- b) Explain the role Marketing Research in rural marketing.

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