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RESHAPING RURAL CONSUMER BEHAVIOR: THE IMPACT OF MOBILE TECHNOLOGY ON DIGITAL MARKETING STRATEGIES

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ABSTRACT

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This study offers a thorough analysis of how consumer behaviour is changing in rural areas, with a focus on the proliferation of mobile phones and how that has affected digital marketing tactics. Understanding how traditional patterns of consumer behaviour are changing due to the widespread adoption of mobile technology in rural areas and the implications for digital marketing is the main goal. The research delves into the subtleties of consumer dynamics in rural areas, which differ from those in urban areas because of various technological, cultural, and economic factors. Not only has the digital divide been closed, but the introduction and growing availability of mobile phones in these areas have also changed how rural consumers interact with brands and goods. This paper seeks to present a comprehensive understanding of the relationship affects digital marketing strategies through an analysis of recent literature and empirical data. The purpose of this study's findings is to help researchers, policymakers, and marketers better understand and capitalize on rural markets' potential in the digital era.

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INTRODUCTION

In recent years, the intersection of consumer behaviour, mobile phone proliferation, and digital marketing in rural areas has emerged as a pivotal area of study. This research paper delves into these interconnected themes, particularly focusing on how the advent of mobile technology has reshaped consumer behaviour in rural regions and the consequent impact on digital marketing strategies. Rural consumer behaviour, historically distinct from its urban counterpart due to factors like economic conditions, cultural norms, and access to technology, is undergoing a significant transformation. The introduction of mobile phones in rural areas has not only bridged the digital divide but also altered the way rural consumers interact with markets. This shift presents both challenges and opportunities for digital marketing. Marketers are now exploring innovative strategies to engage this evolving consumer base, adapting to the nuances of rural markets. This literature review aims to explore these dynamics, examining how mobile phones have become a catalyst for change in rural consumer behaviour and the ripple effects on digital marketing practices. By analysing various studies and data, the review seeks to provide a comprehensive understanding of this rapidly changing landscape.

What constitutes the rural sector?

According to the most recent census data, an area is classified as rural if it fulfils the following criteria: it has a population below 5,000, a population density of fewer than 400 individuals per square kilometres, and over 25% of its male working population is involved in agricultural activities."

The purpose of this study is

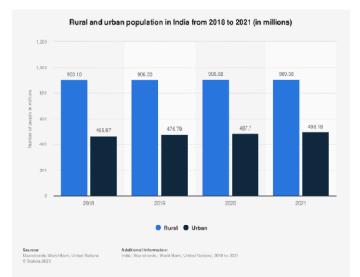
- To examine the current state of rural marketing in India.
- To identify the mindset of rural market.
- To assess the impact of mobile phone on rural consumer.
- Examine the influence of internet accessibility on the buying behavior of rural consumer.
- To study the major challenges faced by the marketer in rural market.

METHODOLOGY

The research methodology entails a thorough and methodical analysis of the body of existing literature. This research was centred around scholarly publications, credible reports, and pertinent case studies that was found in databases such as JSTOR, Google Scholar, and

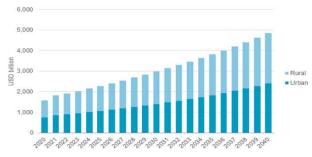
specialised marketing journals. Keywords like "rural consumer behaviour," "digital impact in rural markets," "mobile phone role in rural market "and "evolution of rural purchasing trends" were the mainstays of the search strategy. To ensure the review's applicability in the present, priority is given to recent publications published within the last ten to twelve years in selection criteria. Strong emphasis is given on finding important themes during the data extraction process, such as how digital technology has affected rural consumer behaviour and how marketing tactics have changed there. To ensure a fair and thorough review, the analysis included a critical assessment of the methods and conclusions of these sources. Acknowledging, some potential drawbacks, including publication bias and the geographic concentration of some research, the goal is to offer a comprehensive picture of the changing rural consumer landscape as it is being increasingly influenced by advances in digital and mobile technologies.

Current scenario of Rural Areas: According to the economic survey, 47% of the nation's population depends on agriculture for a living, and 65% of people live in rural areas as of 2021 data. Therefore, the government is concentrating a lot on rural development. The government has placed a strong focus on enhancing rural residents' quality of life to promote more inclusive and equitable development. "Transforming lives and livelihoods through proactive socio-economic inclusion, integration, and empowerment of rural India" has been the stated goal of government engagement in the rural economy.



As per the above figure, India has the largest rural population in the world, with 878 million people living there as of 2020—or 65% of the total population. In 2040, more than half (53.6%) of India's population, or 835 million people, will still reside in rural areas despite the country's increasing urbanization. By focusing on Indian rural consumers, consumer-focused businesses can access more than half of India's total consumer spending and seize long-term opportunities in the largest rural market in the world.

"Consumer Expenditure in India: A Comparison Between Rural and Urban Areas from 2020 to 2040."



Source: Euromonitor International from national statistics Note: Data for 2021-2040 are forecast

The above figure also highlights a report about the spending habits of consumers in India. The report focuses on the comparison between rural and urban areas in terms of consumer expenditure.

The Average Rural Household in India in 2020



Source: Euromonitor International from national statistics

As highlighted, even though 15.3% of the rural population still lived in poverty as of 2020, rural Indians are not poor consumers. The spending level of an average rural household in India in 2020 was more or less comparable to that of a decile 5 household.

Mindset of Rural Consumer: Sarmah, Prasanta (2014) examined rural consumers' protective behaviour in India with special reference to Assam. It looks at the relationships between consumer protection behaviour and factors such as education, gender, and occupation. Ganesh, & Vanjeri (2015) stated that India's rural consumers have aspirations to buy branded, premium goods, which gives rise to optimism regarding the expansion of rural consumer markets.Rural consumers now have access to information through media and telecommunications services, which is influencing their purchasing decisions. According to the Ganesh, B.S., & Vanjeri, M.M. (2015) Indian rural and urban consumers are different in terms of aspirations, exposure, income, and education. They are price conscious, have a preference for simple goods, and are swayed by celebrity and TV commercial endorsements. It is stressed how crucial it is to create unique and tailored marketing plans for rural markets. Ashish, Kumar, Mishra. (2018) covered purchasing habits and product perceptions of rural Indian consumers in this paper. It states that consumers in rural areas are cost-conscious and that women and adolescent children have an impact on their purchasing decisions.

Ashish, Kumar, Mishra. (2018) covered purchasing habits and product perceptions of rural Indian consumers in this paper. It states that consumers in rural areas are cost-conscious and that women and adolescent children have an impact on their purchasing decisions. Balakrishnan, Natrayan (2018) study emphasised how crucial it is to comprehend consumer behaviour in order to market goods to rural consumers in an efficient manner. It also recommended to study deep into the psychological, social, and economic aspects that affect rural Karur district consumers' purchasing decisions. Prabhakar, Shukla, Manju, Sharma. (2019) examined the attitude and purchasing habits of rural Indian consumers, with particular attention paid to the ways that family size, product packaging, age, culture, and advertising affect consumers' ability to make decisions. It also notes that rural consumers value affordability over luxury goods and functionality over superfluous features. The term "consumer behaviour" in India's rural areas is not mentioned in the paper specifically. Recent statistics of Euromonitor (2021) also highlighted that more than 75% of India's rural residents own smartphones in 2021. These consumers are also enjoying rising purchasing power, are more aware of brands and product categories, and are more willing to spend money on higherend, higher-quality goods and services as they strive for better, healthier, and happier lives. Suraj, Kuldeep (2022) presented that India's rural consumer behaviour is shaped by several factors, including product awareness, brand preference over price, and need-based shopping. It claims that rural consumers are conscious of FMCG goods, value brand above price, and base their purchases on their requirements.

Digital Marketing-Game Changer: Chandrasekhar, Murali, Krishna. (2016) pointed out that rural consumers in India are increasingly interested in buying branded, quality products, signalling growth in rural consumer markets. They actively seek information from various sources for informed purchasing choices. The expanded reach of media and telecommunication has informed and influenced their buying decisions. Consumption patterns in rural areas are evolving to mirror urban trends. As per Madhurendra Kumar (2019) India's digital consumption is expected to increase significantly, with 500 million mainstream smartphone owners by 2020 and an expected increase in average monthly data consumption from 3.9 GB to 18 GB by 2023, driven by cheap tariff plans and the popularity of social networking platforms. Punit, Kumar., Amit, Verma. (2017) concluded that customized digital campaigns that align with rural needs and preferences can boost product awareness and interest. Digital marketing facilitates direct and personalized interactions with rural consumers, offering a platform for feedback and engagement. This approach allows companies to broaden their reach into rural markets, capitalizing on their untapped potential.

Bansal, Chaturvedi, and others (2020) assessed how social media platforms affect consumer purchasing behaviour and agricultural commodity prices. Web communities, like social networks like Facebook, Orkut, and Twitter, have experienced exponential growth in the last several years and have a significant impact on consumer purchasing decisions for goods and services. In this paper Shewta (2021) focused on what digital marketing channels can be used and what kinds of products can be purchased by these channels to reach a less-represented consumer base. Shweta, Dewangan., Smriti, Pandey. (2021) pointed out economy in rural area is booming and that marketers need to realise the unrealized potential in the rural portion of the nation. The number of internet users in rural areas has significantly increased as a result of major telecom companies introducing schemes like lowering the cost of data packs. The proliferation of low-cost smartphones has also played a role in the increase in internet usage in rural areas. Based on the business line (2023), approximately 56% of all new internet users in India will come from rural areas by 2025, according to a TransUnion CIBIL report. Currently, 36% of digital payment users in India are from rural areas. The country has a higher percentage of people under 40 (52%) than the global average of 46%, which is driving the growing adoption rate.

Challenges in Rural Marketing: The study by Akta (2015) emphasized the disconnection between urban and rural areas in terms of information and communication technology (ICT) development, which makes it challenging for residents to access social media sites. Due to the lack of media access in rural areas, alternative strategieslike the involvement of NGOs-are required to meet the social media needs of rural communities. Arun Kohli (2016) highlights roadblocks faced by marketers in rural markets, such as physical distribution, logistics, sales force deployment, and effective marketing communication. It also mentions low literacy levels in rural areas and the dependence on agriculture for income, which can affect demand stability It also emphasizes the importance of developing, pricing, promoting, and distributing rural-specific products and services to meet consumer demand and achieve organizational objectives. Bilas, Chobe (2016) highlights how crucial it is to comprehend rural consumers' needs in order to market to them successfully. The future of rural marketing is also examined in this paper, along with its potential to boost rural economies and enhance the quality of life for those who live in these areas. As Ashok, Kumar, Panigrahi (2017) presented that due to the significant rise in rural communities' purchasing power and the consumption of manufactured and industrial goods in rural areas, India's rural markets have grown it's importance. There exist lots of opportunities exist in the rural market,

including a sizable unexplored market, rising disposable income, rising literacy rates, and broad penetration potential. The study by Punit & Amit, Verma. (2017). provide sheds on the difficulties in putting digital marketing strategies into practice in India's rural areas. The paper provides a framework for comprehending the major challenges that must be overcome for successful digital marketing initiatives in rural India by classifying and ranking the barriers. Neeta, Dixit. (2018) considered that India's rural market has developed into a self-sufficient economy that uses bartering and other forms of exchange of goods and services to meet the needs of the populace. The variety of goods created by regional artists, including handcrafted goods, ceramics, candies, and regionally unique products, is what makes the rural market so well-known. It provides a distinctive market for handcrafted goods and locally produced goods. But it also has to contend with issues with technology accessibility, infrastructure, and expanding its reach internationally. Bhavika, Pandita, Hakhroo. (2020) highlighted how crucial it is to comprehend rural consumers' needs in order to market to them successfully. The rural consumers are becoming more informed and literate and are looking for value for their money. Along with it, there is potential to boost rural economies and enhance the quality of life for those who live in these areas. Abdul, Samad, Shankar (2020) believes that given the recent rise in rural incomes, it emphasises the significance of rural marketing in meeting customer demands and attaining organisational goals. The paper also emphasised that rural marketing plays a big role in any economy and has a lot of room to grow. As noticed by Modi (2012) that low income, lack of basic marketing infrastructure, subsistence living, erratic demand and income patterns, reliance on agriculture, high social stratification, lack of social mobility, and traditional value orientation are some of the difficulties faced by rural marketers.

Research proposal for further study: After conducting the literature review on the above different segments, it has opened up several avenues for future research. Here are some potential ideas:

- Does rural customer make wise purchasing decisions, by actively gathering information from a variety of sources.
- To comparing the purchasing habits of rural and urban customers to shed light on there purchasing variations.
- To frame a focused strategies for this market segment for further understanding of rural consumer behaviour
- To customized digital campaigns that align with rural needs and preferences to boost product awareness and interest.
- To study the significant investment opportunity for private companies in rural India.
- To investigate how mobile technology influences the consumption of specific product categories in rural areas.
- To research the effectiveness of different digital marketing channels (e.g., social media, mobile apps, SMS marketing) in influencing rural consumer behaviour.
- To study how cultural and social factors in rural areas interact with mobile technology to influence consumer behavior and marketing effectiveness.

CONCLUSION

Consumer in rural areas now have greater access to mobile data, which has made them more knowledgeable and technologically savvy. Because of this change, marketers now have the opportunity to interact with rural consumers in ways that were previously unattainable. In response, digital marketing tactics have changed to become more specialised, accessible, and personalised in order to better suit the tastes and habits of the rural population.But there are difficulties with this transition. Enterprising marketers entering these markets have to deal with challenges pertaining to digital literacy, infrastructure, and cultural quirks. A thorough awareness of these elements and the capacity to think creatively within these limitations are essential for the success of digital marketing in rural areas. The ramifications of this change are significant. It opens up a hugely potential-rich but largely unexplored market for businesses. Increased access to information, goods, and services can result in better lives and more economic opportunities for consumers in rural areas. These insights are critical for policymakers to develop policies that promote digital inclusivity and rural economic growth.

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