

**UNIVERSITY OF AGRICULTURAL SCIENCES, BANGALORE**  
**DEPARTMENT OF AGRICULTURAL EXTENSION**  
**COLLEGE OF AGRICULTURE, GKV, BENGALURU – 65.**

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Venue : Dr. Dwarkinath Hall

ID.No : PAMB1027

Time : 09:30 AM

Class : II Ph.D. (Agril. Extn)

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**Seminar – I**

**Synopsis**  
**Rural Marketing Infrastructure**

Infrastructure is the backbone of the country. It plays a very important role in supporting a nation's economic growth. About 890 millions of rural people, India has the largest rural population in the world and continues to develop in urbanisation and industrialization, about 65.00 per cent of Indians residing in 6,49,481 villages and 54.6 per cent of the total workforce is engaged in agriculture and related activities. The Rural Marketing Association of India (RMAI) found that about 60.00 per cent of India's income has come from rural, small-town, and semi-urban economies. The rural areas account for about 50.00 per cent of India's Gross Domestic Product (GDP) and are home to nearly 70.00 per cent of the country's population. Agriculture contributes to 17.00 per cent of India's Gross Value Added (GVA) and its allied sectors. The new operational guidelines for the sub-scheme of Integrated Agricultural Marketing Infrastructure of 2018-20 focussed on developing marketing infrastructure to properly handle and manage various kinds of farm and forest produce, provide innovative technologies for post-harvest infrastructure, and develop alternative and competitive marketing channel for agricultural produce. In case of non-agricultural or artisanal products, the government has facilitates marketing support by encouraging participation in craft fairs and melas (Argade, 2021).

**Objectives**

1. To understand the concept of rural marketing infrastructure
2. To study the government initiatives of rural marketing infrastructure
3. To review the related research studies

**Rural Marketing**

Rural marketing is defined as the process of developing, pricing, promoting, distributing rural-specific goods and services leading to exchange between urban and rural markets, which satisfies consumer demand and also achieves organizational objectives (Iyer, 2012).

**SWOT Analysis of Rural Market (Puri, 2017)**

**Strength:** A large population of 647 million largely uncovered by the companies. The staggering 72 per cent of India's population contributes to half on India's GDP. Size of the Indian rural market is INR 124000 crores approximately.

**Weakness:** Low literacy levels and awareness exist in the majority of rural areas. Lack of infrastructure facilities like sustainable power, roads and logistics, etc. Language difficulties as per the geographical area. The mass population of the area resists change due to the traditional outlook of India.

**Opportunities:** Rural literacy levels of the country have improved from 36.00 to 59.00 per cent. The percentage of below poverty line families have declined from 46.00 to 27.00 per cent. About 87.00 per cent of the villages have been electrified, and providing a possibility for industrial marketing and other business activities on a larger scale.

Threats: The process of creating products and services in rural areas can be a tricky proposition. Low levels of infrastructure can cause threaten profitability and subsequent losses on the investment.

### **Rural Marketing Infrastructure**

An efficient marketing system requires huge investments in physical and digital infrastructure that helps rural producers to connect and engage with urban markets, logistically and electronically.

### **Government Initiatives on Rural Marketing Infrastructure**

Integrated Scheme for Agricultural Marketing (ISAM) provides infrastructure facilities for grading, standardization and quality certification of agricultural produce and promotes pledge financing and marketing credit, a negotiable warehousing receipt system. It is a credit-linked, capital investment back-end subsidy Central Sector Sub-scheme.

Agricultural Produce Market Committees (APMCs) established by the state governments in order to eliminate the farmer's exploitation by intermediaries, where they are forced to sell their produce at extremely low prices.

### **Research studies**

Hemalatha and Paramasivan (2016) reported that the fruit and vegetable processing industry in India is highly decentralized. A large number of units are in the small scale sector, having small capacities upto 250 tonnes/annum though big Indian and multinational companies have capacities in the range of 30 tonnes/ hour. About 44.25 per cent of respondents were faced the inadequate infrastructure facilities. Thus if marketing, functional, mobile infrastructural facilities are accelerated improving all the shortcomings and inculcating all the suggestions, this industry can be a robust industry.

Dewangan and Pandey (2021) reported that there is a significant difference in the rural & digital marketing, the present scenario of rural & digital marketing, and opportunities and challenges of rural & digital marketing. Various problems arising in rural marketing. Nearly 8.9 per cent of Indian people are indigenous so there is a big problem of communication difficulties.

### **Conclusion**

Developing counties like India has facing the challenges and problems of fulfilling the rural infrastructure facilities, in general physical and digital infrastructure of both agriculture and non-agriculture sectors. Rural producers have faced major constraints in accessing, understanding and engaging with urban markets which have diverse consumer groups. Government policies and programmes that encourage the development and accessibility of basic rural infrastructure include marketing facilities which could contribute to our national income and create global market for our products.

### **Reference**

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