DIGITAL MARKETING STRATEGIES FOR RURAL INDIA

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Abstract

Digital marketing is dominating the market now. Though traditional marketing has not yet turned obsolete, digital marketing is surpassing traditional marketing. Digital marketing refers to advertising through digital means such as websites, social media (such as Facebook, Instagram, Snapchat, YouTube etc.) emails and so forth. This is digital era and no one can deny the fact that there are immense possibilities in digital marketing. Social media marketing, email marketing, affiliation marketing, on-demand video streaming, the website, SEO, SEM etc. are attributes of digital marketing.

Currently, according to the report in rural India, 78 million users or around 48% use the internet daily, while 140 million, or around 83% use the internet at least once a month. Rural India contributes to over 60% of the country’s GDP and with the staggering increase in internet usage, there is expected to be a significant uptick in digital commerce. Consumers are aware of the alternatives available to them, due to the internet. Digital marketing just aims at potential customers, making them aware of the products and services in the market thus consumers get familiar with the opportunities and choices handy and take sensible decisions. With digital marketing, consumers of the rural area have gained awareness about the brands.

The paper aims at finding out what digital marketing is all about, and how companies are adopting digital marketing strategies in rural areas to promote their products and make consumers aware, and also to gain a competitive edge over others. The paper describes the current scenario of digital market in rural areas and explores the challenges and opportunities businesses have with the companies going rural with digital marketing. Why are companies adopting it? What is the future of digital marketing in rural India? It concludes that digital marketing is something that will continuously grow in both practice and demand in rural areas.
Key Words: Social media marketing, Affiliation marketing, SEO, SEM

Introduction

This is a digital era and no one can deny the fact that there are immense possibilities in digital marketing. Social media marketing, email marketing, affiliation marketing, on-demand video streaming, website, SEO, SEM etc. are the attributes of digital marketing.

Digital marketing has contributed a lot in changing the world. If we talk about shopping, technology has changed the complete essence of shopping. From offline shopping, shops have marked their presence on a virtual domain as well. Thus, digital shift is noticeable. Following are the effects of digital marketing on small towns:

Approach: With everything going digital it is now easy for consumers to get the most of the resources available online. Where physical barriers like roads and transportation hinder the path of marketing, digital marketing helps in approaching far-flung consumers. Digital advertising is a boon for marketers, especially small-scale businesses as they can tap their target audience easily.

According to the report in rural India, 78 million users or around 48% use the internet daily, while 140 million, or around 83% use the internet at least once a month.

The report mentions that internet growth in India is currently fuelled by the rural sector, with the urban user base starting to show signs of levelling out.

Awareness: Consumers are aware of the alternatives available to them, due to the internet. Digital marketing just aims at potential customers, making them aware of the product and services in the market; thus consumers get familiar with the opportunities and choices handy, and take sensible decisions. With digital marketing, consumers of the rural area have gained awareness about the brands.

The central government expects to nearly double the number of existing Internet users in India by 2020 due to fast adoption of digital technology, according to the minister of communication.
**Growth:** Digital marketing has succored the small-scale businesses in expanding their profitability by going online. Earlier the businesses in small towns had the immense headache of marketing their business through traditional marketing including billboards, and the magazine that was way too exorbitant; but digital marketing being cost efficient has contributed a lot to growth as now the reach becomes easy.

**Contribution to the economy:** With the possibility to set the business on virtual platform and availability of digital marketing, it is now possible for even small residents to start their own ventures without any geographical barrier, which was impossible during the time of traditional marketing. Digital marketing acts as a boon for rural marketers. Furthermore it contributes to strengthening our economy. Increasing application of digital technologies can help India’s GDP to grow by $101 billion by 2020, global consultancy major Accenture said.

**Entrepreneur:** You even can start a new website and earn money through advertisements you show on your website; not just this, freelancing comes intact with digital marketing. Digital marketing has escalated innumerable entrepreneurs in rural areas as cost of investment is not much.

Internet reaches every house where even roads don’t reach, people watch videos on their mobiles or laptops. It is the reason why brands will emphasize on digital marketing. So, when a start-up defines its marketing plan it should tell its robust digital strategy. We can’t say that traditional marketing should be waived off because, after digital marketing, traditional marketing comes into play. Thus, it is evident that both the marketing tactics go hand in hand.

**Literature Review**

**Edward J. Malecki (2003)** worked on the potential and pitfalls of digital development in rural areas. Clearly there are potential benefits of the digitalization in rural area which increases the efficiency of the work, but it also has downfalls, For instance, it would be the cause of shortage of human capital. As there is increase in technology, goods and services are a click away from people, and that has reduced the human interaction. Internet and mobile have become integral
parts of our life, whether in case of telecommunication, entertainment or marketing. There is increase in the digital economy also.

Laura Galloway et al. (2005) have concluded that there is much evidence that information and communication technologies (ICTs) are drivers of economic growth. As a result, government is keen to promote ICT take-up, particularly where there is economic development need. The rural economy in most countries is regarded as that which requires intervention in order to foster sustainability and development, and there have been many empirical studies of both the value and the use of ICTs in rural areas. These are, however, highly disparate, often being industry, country-and, indeed, type-of-technology-specific. The main aim is to draw together the highly eclectic literature on the use of ICTs in small to medium-sized enterprises (SMEs) in rural areas in order to provide an overview of generic issues, relevant to policy.

Erda CV (2008) studied the comparative buying behavior of rural and urban customers on mobile phones. The study highlighted the difference in terms of consciousness about price, quality, style, function and brand. It was concluded that rural segments pay less attention towards the quality, function, and brand and are more conscious about price and style. It was concluded that minor modification or extrapolation of urban marketing strategies might fail in rural marketing.

Michael Trusov et al. (2009) studied the effect of word-of-mouth (WOM) marketing on member growth at an Internet social networking site and compared it with traditional marketing vehicles. Because social network sites record the electronic invitations from existing members, outbound WOM can be precisely tracked. Along with traditional marketing, WOM can then be linked to the number of new members subsequently joining the site (sign-ups). Because of the endogeneity among WOM, new sign-ups, and traditional marketing activity, the authors employ a vector autoregressive (VAR) modelling approach. Estimates from the VAR model show that WOM referrals have substantially longer carryover effects than traditional marketing actions and produce substantially higher response elasticity. Based on revenue from advertising impressions served to a new member, the monetary value of a WOM referral can be calculated;
this yields an upper-bound estimate for the financial incentives the firm might offer to stimulate WOM.

**Objectives of the Study**

Following are the objectives of the study:

1. To provide an understanding of the concept, and importance of digital marketing in rural India.
2. To study the initiatives taken by Indian companies for venturing into rural areas by digital medium.
3. To determine the future of digital Marketing in rural India.

**Research Methodology**

- The present study is exploratory in nature, intended to provide a clear guidance for empirical research.
- For this purpose, secondary data were collected. The secondary data were collected through newspapers, magazines, books, journals, conference proceedings, Government reports and websites.

**Digital marketing strategies adopted by the companies to go rural**

**About Hindustan Unilever Limited**

Hindustan Unilever Limited (HUL) is India’s largest Fast-Moving Consumer Goods (FMCG) company with over 80 years of existence in India. It is the market leader in consumer products with a presence in over 20 consumer categories such as soaps, tea, detergents and shampoos amongst others with over 700 million Indian consumers using its products. The portfolio of HUL consists of Lux, Lifebuoy, Surf Excel, Rin, Wheel, Fair & Lovely, Dove, Vaseline, Lakme, etc. HUL has the strongest distribution network, as it covers 2 million retail outlet across India directly and its products are available in over 6.4 million outlets in the country. The
data published in Neilson market research shows that every two Indians out of three use HUL products.

**Business Objective – Reaching Media-Dark parts of the Country**

FMCG has a bigger percentage of share among the consumed categories in both rural and urban India. One of the most significant sales for FMCG companies comes from rural India. For HUL, as any FMCG company both its products and brand need to be successful in rural market. Bihar being a big state in northern India, it’s also important for HUL to take its brand awareness to both of its rural and urban parts. Vast areas of Bihar are still ‘media dark’ considering the penetration of newspaper and television. In Bihar, television penetration is only 20% which is considered very weak among the other states, the frequent power cuts add to the cause of not being able to use television medium effectively. Due to the aforesaid reasons HUL had to come up with a different concept for taking its brand awareness to its consumers.

**Strategy Adopted – Dedicated Mobile Radio Station**

In the year 2012, HUL launched a new campaign for their detergent brand Wheel asking the consumers to give a missed call to a certain number which kept them engaged with romantic husband-wife jokes and entertained them. The campaign ended up well with over 3 lakh missed calls from 25,000 unique numbers in the first month of launch. The success of this activity led to one of the biggest rural market campaign of HUL – Kan KhajuraTesan (KKT) in 2014 and it eventually became India’s first free and on-demand entertainment mobile radio station for the company for three consecutive years. In KKT the user is asked to give a miss call to 18003000123 number and the system automatically gives a call back within 15 minutes providing the user with a variety of entertainment ranging from music, news, jokes and latest from Bollywood. During the call, HUL interspersed with its advertisements which included its mass consumer brands such as Lifebouy, Ponds and Close Up. This entire KKT campaign help HUL communicate directly with its consumers in rural markets and also resolve the persisting problem of low penetration of conventional media.
Result Achieved – Fastest Growing Media Channel

KKT enrolled around 8 million subscribers in its first 6 months becoming and instant hit in rural masses. By August 2014, the channel was already operating in UP, Uttrakhand, MP and Orrissa. As per recent stats it claims to add 40000-50000 new subscribers daily and has over 1.85 crore subscribers already to its network. With all the data that KKL provides, HUL uses this information to gauge the frequency and time when the calls arrive, repeated callers and exact point when the user hangs up the call. As the brad advertisements are part of the call it also provides HUL the ad impression numbers. Kan KhajuraTesan provides HUL insight into a unique segment which is seen by FMCG companies as consumer base of the future.

Learning

Mobiles phones in the current age have a very high penetration thus making it a very useful media to reach out to rural customers. Companies should look to use mobile users as a major part of brand communication given the fact that today’s mobile users are willing to spend more money on downloads for entertainment and infotainment. As the reach out for this medium is limited, content is of utmost importance. The content is customized to incorporate local flavor, along with Bollywood which is very popular among users of all ethnicity. To increase KKT’s penetration it has tie ups with Bollywood movie launch campaigns. KKT is also being used PR activities to get user reaction on common social media evils. For e.g. In an appeal against corruption KKT invited users to give a miss call on its toll free number 1800-30-000-123. Since corruption is a well know issue in every household KKT received over 72 lakh missed calls from over 32 lakh Indians, pledging against corruption within 120 hours between 13th August and 17th August 2014, creating history by setting a World Records of Maximum Number of Missed Calls.

ICICI Bank announces launch of ‘MeraiMobile’, India’s first mobile banking application for rural customers

India’s largest private sector bank ICICI Bank Ltd., by consolidated assets, has launched a unique mobile app for rural customers which allow them to access the banking services as well
as information on agriculture services. The best of this app is the people who don’t have account with ICICI bank can also enjoy the services of this app which is available in 11 Indian languages.

‗MeraiMobile’ has allowed the users to avail 135 services out of which some they would not have even ever experienced before. This app helps them to save time by not visiting the bank and avail the services like Kisan Credit Card, Gold Loan, Farm equipment Loans and loans to Self help Groups (SHGs) and also frequently used banking services in a single click by sitting anywhere using smart phones that too without using mobile internet services.

First app in the banking sector which offers cropwise mandi prices of nearly 230 crop varieties across 460 mandis. It also provides regular and frequent updates on weather for close to 3700 talukas over 300 districts, which help farmers for sowing and harvesting activities. These value-added services have been provided only on MeraiMobile app.

One of the core belief for ICICI bank is to invest in innovative technology ahead of its time. On these core beliefs the bank has built reliable solutions for customers which are Mobile, Tab and ‘Touch Banking’. As India has been rated as the second largest country for internet usage and smartphone market, the next wave of growth is predicted to be from rural India due to cheaper handsets and internet data plans.

The new ‘MeraiMobile’ offers rural and semi-urban customers new ways of experience in their interaction with the bank. It’s a result of extensive research and first comprehensive offering for rural customers on smartphones with 135 services in eleven Indian languages. Any user can download the app and get access to agri related advisory on mandi prices and weather. The app has all the features which will resonate well with the needs of rural india and the aim is to have half million downloads in next six months.

‗MeraiMobile’ is specifically designed to be lightweight enabling rural customers to download and run it easily even with low internet speed. To have quick downloads Bank has introduced ‘Wi-Fi’ enabled posters’ both in rural and semi urban branches. To start with 700 bank branches will have these posters. Also plans are being made to mount these posters on vans and cycles at places of high footfall and common village areas.
Any android phone user can download the ‘MeraiMobile’ app and avail agriculture advisory related services. Users who have a rural savings account / Kisan Credit Card / Gold Loan / Self Help Groups / other agri loans with ICICI can use the app for its related services.

The key services of ‘Merai Mobile’ are:

Integrated offering of rural banking accounts in the app: Rural bank services like Kisan Credit Card (KCC), gold loan, loans to SHG and tractor loans are only available in this app for the banking sector. Customers can view details including outstanding interest, available limit, account statement among others on the app. Payments can also be done within the app from their links savings account. App will also have an upcoming feature to renew loans within the app.

- Value-added services of agri-information: Any user who downloads the app can get information on weather and prevailing crop prices. Such services are provided in no other banking app. Initially this information is made available in agri dominant districts.

- Availability of services without using mobile internet services: Fourteen most frequently used banking services are provided by the app which even works without mobile internet services. This is the improved version of SMS based services that can be done from ‘MeraiMobile’ available in feature phones. Customers can complete their frequent transactions by simply adding few details as pre-formatted templates are available which can be used. The many services provided include fund transfer, bill payment, cheque book request, recharges and balance enquiry.

Offers the app in multiple languages: The app is available in eleven Indian languages which include English, Hindi, Marathi, Gujrati, Tamil, Telegu, Kannada, Malayalam, Bengali, Odia, Assamese and Punjabi. It’s the first app in banking sector to offer UPI services in multiple languages.
ICIC bank has been doing its continuous effort in providing a robust digital system. Across the country. Recently the bank announced the largest village promotion programme in the country transforming 100 villages into ‘ICICI Digital Villages’ which encompasses digitization of transaction & commercial activities.

**Parle G**

Parle-G appealed to the rural demographic driving brand awareness. In just over 3 months, the campaign touched 222 towns in 59 cities and villages, reaching over 674k users.

The campaign by Parle G combined geographical presence with mobile interaction. Aimed at driving sales in the rural segment, the ‘Parle G Truck’ visited villages allowing consumers to download free vernacular content via Bluetooth onto their feature phones.

**Tata Sky**

Incorporated in 2001, Tata Sky Ltd is a joint venture between Tata Sons and 21st Century Fox. The satellite television service aims to empower the Indian viewer with choice, control and convenience through its wide array of programming choices and interactive features Tata Sky offers customers interactive services as well as a variety of channels ranging from entertainment, sports, movies and music to news and documentaries in DVD quality picture and CD quality sound. It has redefined the television viewing experience for thousands of families across India.

**Objective**

Direct to Home subscription base in India is 6.2 crores, Tata Sky share currently stands at 6.2 Crores. With the ever maturing urban markets, Tata Sky has been looking to target Rural India-where a large chunk of TV viewers still depend on analogue services.

The challenge facing the Brand in the rural market was accepting that a monthly subscription model did not fit the requirements of the consumer. They sought a model where they could pay
for their limited consumption which was largely short term, keeping in mind lengthy hours of power cuts.

With this understanding, Tata Sky introduced the Daily Recharge- a sachet size recharge voucher offering a minimum 8 Rs recharge coupon providing a user access to their DTH service for a day.

The challenge for the brand was bringing out a path breaking campaign which would emphasize the everyday nature of the brand and the benefits of it.

**Strategy Adopted**

Tata Sky along with Ogilvy and Mather came up with a campaign called ‘Daily Dillagi’ that would have 13 TVC’s strewn together to tell the story of a young couple that meet whenever the girl comes to the boy’s store to buy a daily recharge coupon, and how their every day meeting eventually blossoms into love. The brand promise being: “Daily Milengetohpyaar to hoga hi”

The agency created 13 commercials of 1 minute each and was set against a small town close to Srinagar. The campaign was launched to coincide with IPL 8.

The first episode that was launched on Tata Sky’s Youtube channel titled PehliNazar has 620K views.

Apart from the TVC’s a huge social media marketing campaign was also launched simultaneously. The brand built engagement and interaction with customers through conversations asking for advice for the lead character (Mannu) who is confused about what to wear on his first date. The customer was invited to help him out through a video.

There was another video with Neelu’s dad talking about Neelu’s change in behaviour.

In addition to this, lots of interactive competitions were held asking viewers to answer questions after each video either on their Facebook, twitter or website and stand the chance to win a Tata Sky connection.
The Facebook and Twitter pages were also redesigned along the lines of the campaign with creative visuals and hashtags like #thingspeopledoinlove and #saidalldadsever among others.

The lead characters also created their own personal profile pages as Neelu and Mannu to create a personal touch and give the brand an identity to connect with customers.

All things considered, Tata Sky took a bold step in redefining the age old mantra of stand alone TVC’s and ad campaigns, choosing to make a 13 episode long love story to convey the everyday nature of Tata Sky’s chota recharge along with the tag line ‘Jis din tv dekhousi din ka recharge karo’

Result Achieved

The first episode that was launched on Tata Sky’s Youtube channel titled PehliNazar has 620K views, and all the 13 videos together brought in over 5 million views.

The Tata Sky website witnessed a 30 % surge in visitors during the first run of the campaign during IPL. Facebook & Twitter also witnessed massive increase in followers and interactions, thereby increasing customer engagement and awareness around the campaign.

The message of the campaign “Daily Milengetohpyaar to hoga hi” was very well received and Tata Sky is already growing rapidly in the rural market with this offering as was the intention behind this campaign.

Learnings:

An emotional connect with customers was brought forth through the 13 TVC’s which broke the clutter in terms of execution it’s both online and offline.

Personalized Facebook and Twitter pages created a bond between characters and customers.

Engagement through youtube videos and contests allowed users to be a part of the campaign, thus extending recall.
While competitors might look it as a gimmick campaign, it will go down in memory as a bold move by Tata Sky to promote a product via story telling on TV and then further tying it with digital. In doing so Tata Sky has reached its IPL watching TV audience and by building conversations on social media it has also gained eyeballs from netizens. The daily recharge is a path breaking product so far unheard of in the DTH space and required a path breaking campaign backing it. Which was what we got and the #DailyDillagi will remain in the hearts of viewers all over the country.

Conclusion

From the above we can conclude by saying that the reach and affordability of the mobile medium allows personalization and Geo-targeting.

With affordable smartphones and mobile internet, brands can now experiment beyond messaging or missed calls. Mobile website, banner ads, text campaigns and a variety of other options available to marketers can be highly effective whereas SMS-powered communication can work with even low-end devices.

Long-term or short-term; stand-alone or integrated campaigns work better.

Most brands employ long-term mobile programs and integrate into other media channels as it allows them to enable maximum touch points. As mobile is far-reaching, brands are inventing diversified ways of using mobile as a communication channel to create customer relationship that will help drive the sales. *Combining the reach of mobile with appealing content is usually a winning combination.*

Entertainment in the form of video and audio content drives the internet consumption in rural parts of the country. To connect effectively with the otherwise media-disconnected rural audience, mobile marketing is the key.
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