

Name:

Enrolment No:



**UPES**

**End term Examination– May 2025**

**Course:** Rural Marketing

**Semester:** IV

**Program:** BBA (Spl: Marketing Management)

**Time** : 03 hrs

**Course Code:** MKTG2038

**Max. Marks:** 100

**Instructions:** All questions are compulsory

**SECTION A**  
**10Qx2M=20Marks**

S. No.	Multiple choice questions	Marks	CO
Q 1	When a company provides products to rural SHGs to sell locally, it is a form of A) Urban microfinance B) Retail chain partnership C) Community-based promotion and distribution D) Franchisee expansion	2	CO1
Q 2	Land mortgage banks are also known as A) Land development Banks B) Lead Banks C) Regional rural banks D) Central Cooperatives banks	2	CO1
Q 3	Rising rural aspirations and consumption was seen during which phase of rural marketing evolution A) Decade of Denial B) Decade of Doubt C) Decade of Demand D) Decade of Digital	2	CO1
Q 4	NABARD stands for A) National Bank for Agricultural and Rural Development B) National Bank for Advanced Rural Development C) National Association for Banking and Rural Development D) None of the above	2	CO1

Q 5	<p>What are the 4 A 's of rural marketing?</p> <p>A) Awareness, Affordability, Accessibility, Availability  B) Advertising, Affordability, Accessibility, Acceptance  C) Awareness, Acceptance, Affordability, Availability  D) Advertising, Availability, Affordability, Accessibility</p>	2	CO1
Q 6	<p>Which of the following would help reduce fake products in rural areas?</p> <p>A) Lowering product prices  B) Making packaging less attractive  C) Stronger supply chain and awareness campaigns  D) Selling through fewer outlets</p>	2	CO1
Q 7	<p>The concept of 'Last Mile Connectivity' in rural marketing means:</p> <p>A) Connectivity between villages and district headquarters  B) Internet access in cities  C) Reaching the final consumer in remote rural areas  D) The last point where products are manufactured</p>	2	CO1
Q 8	<p>Which company launched 'Shakti Amma' as rural entrepreneurs?</p> <p>A) Godrej  B) HUL  C) Colgate-Palmolive  D) ITC</p>	2	CO1
Q 9	<p>Rural marketing channel members focusing more on speculation rather than distribution is known as</p> <p>A) Carrying and Forwarding Agents (CFA)  B) Stockists  C) Wholesalers  D) Retailers</p>	2	CO1
Q 10	<p>Discriminatory pricing is the part of which pricing strategy</p> <p>A) Market entry strategy  B) Product mix pricing strategy  C) Price adjustment strategy  D) Rural specific pricing strategy</p>	2	CO1
<p align="center"><b>SECTION B</b>  <b>4Qx5M= 20 Marks</b></p>			
Q	<b>Short answer questions</b>		
Q 11	Discuss the major issues faced by marketers in reaching rural consumers.	5	CO2
Q 12	Explain the various factors influencing the purchasing decisions of rural consumers?	5	CO2

Q 13	Explain hub-and-spoke model in rural distribution using example of any company following it for rural markets.	5	CO2
Q 14	Discuss the role of self-help groups (SHGs) and cooperatives in rural distribution?	5	CO2
<b>SECTION-C</b> <b>3Qx10M=30 Marks</b>			
Q	<b>Long answer questions</b>		
Q 15	Rural consumers have unique cultural, social, and usage preferences. Analyze how companies can customize their products and marketing strategies to align with rural consumer expectations.	10	CO3
Q 16	Affordability is the cornerstone of rural marketing. Discuss in detail how pricing strategies differ in the rural markets.	10	CO3
Q 17	Discuss the logistical and infrastructural challenges involved in ensuring product availability in rural markets. Evaluate how companies have adapted their distribution strategies using real-world examples.	10	CO3
<b>SECTION-D</b> <b>2Qx15M= 30 Marks</b>			
Q	<b>Case Study</b>		
	<p>Aaranya Naturals, a brand producing herbal personal care products, had gained popularity in urban India for its chemical-free, eco-conscious positioning. Encouraged by its growth, the brand sought to tap into rural markets, believing that its natural ingredient base would appeal to traditional rural values.</p> <p>Initially, Aaranya relied on regional distributors and small-scale stockists to push products into rural stores. However, sales were sluggish. Retailers stocked the items reluctantly, citing low margins and slow movement. Additionally, many rural consumers were unfamiliar with the brand and hesitant to switch from more established or locally trusted alternatives.</p> <p>The company realized that availability without visibility was ineffective. In response, Aaranya piloted a rural retail activation model. It set up branded display units in key village shops, conducted in-store demo days, and trained retailers in basic product knowledge and selling techniques. It also introduced a “combo pricing” format—bundling soaps, oils, and shampoos in small packs suited to rural purchasing patterns.</p> <p>To improve distribution, Aaranya moved from centralized town-based distributors to a hub-and-spoke model using local sub-distributors and village-level entrepreneurs. These “Aaranya Partners” not only restocked</p>		

	<p>nearby retailers but also sold directly through weekly <i>haats</i> and door-to-door visits.</p> <p>The dual focus on retail visibility and localized distribution started to pay off. In some regions, repeat purchases increased, and retailers began placing larger orders. Still, logistical challenges, low inventory turnover in remote areas, and training consistency across geographies remained concerns. As Aaranya scales up, it must decide how to structure its rural retailing and distribution for long-term growth without compromising brand positioning or profitability.</p>		
Q 18	Evaluate the initial distribution and retailing approach of Aaranya Naturals and recommend strategic improvements Aaranya could implement to scale rural retail operations efficiently.	15	CO4
	<p>Suraksha Stoves, a social enterprise, developed a clean, fuel-efficient cooking stove designed for low-income rural households. The stove reduced smoke emissions, cooked faster, and used less firewood—key benefits for families relying on traditional chulhas.</p> <p>The product was priced at ₹2,000, reflecting its technology, durability, and environmental impact. In urban pilot markets, consumers responded positively. However, once Suraksha expanded into rural districts, adoption was far lower than expected. Despite awareness campaigns and demonstrations, most households either delayed the purchase or opted for cheaper, traditional alternatives.</p> <p>Suraksha believed the long-term savings (less wood, fewer health issues) justified the price. But for many rural consumers, the upfront cost was too high. More importantly, stoves were seen as household utilities, not investments. The perception of value differed significantly from what the company had anticipated. Suraksha tested multiple pricing strategies such as -Micro-EMI schemes in partnership with local MFIs, subsidized pricing through government programs, buy-back offers where customers traded old stoves and group discounts for SHG members.</p> <p>Each approach had mixed results. EMI models saw better uptake but required strong partner networks. Subsidy schemes increased volume but introduced delays and paperwork. Group discounts worked in some areas but failed where community trust was weak.</p>		
Q 19	Evaluate the different pricing adaptations considered by Suraksha and recommend a sustainable pricing strategy for Suraksha that balances affordability, value perception, and business viability.	15	CO4