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Presents



Roundtable on

FMCG'S

Innovative Sales & Marketing Initiatives in Rural Markets

Timing : 2-5 pm, 25th April 2013 Conference Room-II India International Center New Delhi
Delegate Fee: ₹ 3000 Contact Shrija: 9910023628 / 9818960558 email: secretariat@rmai.in

Roundtable on FMCGs Innovative Sales & Marketing Initiatives in Rural Markets

Rural Marketing Association of India in partnership with Lemon Media Pvt Ltd is organizing a roundtable on “FMCGs Innovative Sales & Marketing Initiatives in Rural Markets” on April 25th, 2013 at Conference Room No. II, India International Centre, New Delhi starting with lunch at 1pm to 5:30 pm.

Background of the Roundtable

With lower levels of penetration and consumption of FMCGs, Rural India presents a big opportunity to marketers. Improved road connectivity has made availability of products to villages easy. Rapidly growing TV penetration has ensured that brand messages can reach rural consumers. Many FMCG companies are innovating ways to tap into the rural demand. The purpose of the round table is to share experiences and learn from each other.

Our roundtables are highly interactive where all participants contribute to the discussions and share their own experience with other participants.

The event will be attended by Senior professionals from Corporate, Rural Marketing Agencies, Marketing and Brand Consultancies, Rural Research Agencies, and the Media.

Fee -Rs. 3000/- inclusive of Tax per person. 10% Discount for 3 or more delegates from one organisation.

Speakers for the roundtable

1. **Krishna Mohan Nyayapati, CEO of Emami Ltd**
2. **Vijay Sharma, GM – Rural at GSK Consumer Healthcare**
3. **George Angelo, Executive Director – Sales at Dabur**
4. **Harrish M Bhatia, CEO 94.3, MY FM**
5. **Kalpana Kaul, Director (Strategy Planning) – Impact Communications**
6. **Raj Kr. Jha Creative Director – Ogilvy Action**

About RMAI

RMAI (Rural Marketing Association of India) is an Industry body of strategic thinkers and implementation agencies in Rural Marketing domain. The objective of the Association are :

- To improve the overall understanding of Rural markets by the Corporate world by conducting Seminars, Workshops and Conferences, besides offering guidance to Management Institutes in running courses in Rural Marketing.
- To undertake syndicated Research in Rural Marketing on selected topics, which will help increase the knowledge base of Rural Marketers and in turn could help marketers develop better and more effective Rural Marketing strategies.

Log on to www.rmai.in for further details.

ABOUT LEMON MEDIA

Lemon Media is a young and dynamic Organisation catering to the AP Market. With its high standards of deliverability and transparency, Lemon Media has already made a mark in the Industry. It currently operates in two areas :-

Cinema in AP

With a network of 1600+ theatres, Lemon Media can plan and execute any campaign with scale and robust reporting; with unmatched capability to provide 360 degree activities around the theatre.

As we all know Cinema is a part of AP's life.

Maya Bazar

This is our Beyond Metros platform for the AP Market. The credentials for the platform are as below :-

- Complete mapping of 16000 villages.
- Network of 5000+ Trained Manpower.
- Capability to commit to ensure sales of the products in the Campaign.
- Campaigns could be customised for 100% sales orientation, 100% marketing orientation and a mix of sales & marketing as well.
- Equipped to handle 360 degree activation in the rural ecosystem like product experience and engagement with consumers, Games, Audio – Visual Production, Retail Branding, Retail Sales etc.
- Capability to plan and execute campaigns of any size & scale in AP.

Log on to www.lemonmedia.in for further details.

About 94.3 My FM

94.3 MY FM is the radio business of D.B Corp Ltd.. It took a bottom-up approach and started operations in the growing markets of India (the Tier II & III cities) in the year 2006, where the Bhaskar Group already has a stronghold. MY FM is spread across the 7 states of Rajasthan, Haryana, Punjab, Gujarat, Maharashtra, Madhya Pradesh and Chhattisgarh, covering the 17 cities, namely Jaipur, Jodhpur, Chandigarh, Bhopal, Jalandhar, Ahmedabad, Surat, Udaipur, Gwalior, Indore, Ajmer, Amritsar, Bilaspur, Nagpur, Raipur, Kota and Jabalpur.

MY FM has gained a deep understanding of its audience and has constantly endeavored to stay ahead of the curve by offering unparalleled content to its listeners, making it the leading player in terms of listenership as well as retail advertising share. 94.3 MY FM's brand proposition - Jiyo Dil Se inspires listener by urging them to follow their passion and dreams in every area of life, connecting with them on an emotional level.

Log on to www.myfmindia.com for further details.

AGENDA

- 01:00 pm to 2:00 pm – Lunch
- 2:00 pm – Welcome by Mr. Pradeep Kashyap, President – RMAI and moderator for the event.
- 2:00 pm to 3:00 pm - **Rural Distribution Reach and Innovative Channel**
Speakers
Mr. Krishna Mohan Nyayapati, CEO, Emami
Mr. George Angelo, Executive Director (Sales), Dabur
- 3:00 pm to 4:00 pm - **Effective Communication Strategies**
Speakers
Mr. Vijay Sharma, GM - Rural, Glaxo Smithkline
Mr. Raj Kr. Jha, National Creative Director, Ogilvy
- 4:00 pm to 4:30 pm - Networking Tea
- 4:30 pm to 5:30 pm - **Activation Platforms & Strategies**
Speakers
Mr. Harrish Bhatia, CEO, My FM
Ms. Kalpana Kaul, Director (Strategy Planning), Impact Communications

End of the Programme

Synopsis

In the endeavour to increase understanding on rural markets, RMAI conducted a roundtable on *“Innovative Sales and Marketing Initiative of FMCG companies”* on 25th April, 2013 at India Habitat Centre, New Delhi.

RMAI invited experienced professional from the sector which made event attractive and delegates from companies attended the event. Roundtable started in the post lunch session and speakers largely shed light on three major areas of Rural Marketing Management; *Distribution Channel, Rural Communication and Activation*.

At the onset, *Pradeep Kashyap, president RMAI*, briefly cognized audience on rural distribution by saying that there are more than half a million villages in our country and in the scenario, setting up a sustainable cost effective last mile distribution network is nightmare for FMCG companies. He added, this roundtable could provide answer to some of the complex questions of the subject. Proceeding further he introduced *Mr. Krishna Mohan, CEO, Emami* and *George Angelo, president Dabur* to address the gathering on theme of rural distribution.

Mr. Krishna Mohan shared that upto few years back Emami group was largely focused on communication based marketing strategy and discounted the importance of last mile distribution setup. But over the period of time group realized single method would not work in changing rural landscape and after carrying out great deal of research study at ground level, Emami conceived a Hub & Spoke distribution channel to serve end consumers at village level. He added Emami has created separate rural vertical with spate sales & marketing team. He further added during pilot phase 84 districts were identified on the basis of population and potential & within three months of inception, this project share increased to 27% of revenue. Mr. Krishna said that biggest challenge is brand interaction with rural consumer. He negated use of post office as part of distribution network on the account of minus control by company over it. In reply to a question he said FMCG companies need to calibrate their product according to the need of rural consumer.

Second speaker *Mr. George Angelo*, proceeding on same theme shared Dabur's experience of extending distribution channel. George brought in various interesting facts on rural markets. He stated that 96% of villages have population less than 5000 population; 30% of wealth is concentrated in 9% of villages; and 10 states encapsulate 72% of rural wealth. He continued, on the basis of mentioned fact, Dabur decided to extend distribution to 10 wealthiest states. Next, he emphasised on use of rural human resources for last mile distribution channel because person with urban mindset is not comfortable in rural setting. He also covered how Dabur used information technology for administration, control and information flow. He advanced his talk on challenge of retaining rural consumer and advocated use of available rural platforms like ASHA

worker, Haats etc for on-ground activation. While answering a question on average cost for acquiring a rural customer he said it can vary from industry to industry and company to company and region to region; however ballpark for acquiring a rural consumer would be 55% higher logistic cost, 3 times higher media and 2 times higher packaging cost in comparison to urban consumer. Here, Mr. Krishna stressed on cost of losing a rural customer is always higher than cost of acquiring him.

Third speaker on the forum was *Mr. Raj Kumar Jha*, from *Ogilvy activation*. While sharing his experience he said corporate has viewed rural consumer through different glasses in past; about two decades back companies were not focusing on rural market; few years later Rural became fashion where rural is considered for PR and in current times rural is considered future growth engine in many sector. He underlines need of the hour is to get close to rural consumer. He stated product designed according to the need of consumer will make communication simpler and easier. He also added we should communicate in mental & physical space of consumer using consumer language. Secondly, he talked about conveying pertinent communication for rural consumer to work effectively, and elaborated popular communication message **“Brush twice a day for health teeth”** used by toothpaste brand may not work in rural. While addressing rural consumer message should go on explaining it further in terms of how germs can infect his teeth, how does it look like etc. Thirdly, Mr.Jha drew attention towards shedding urban mindset while designing strategy mix for rural markets. He ended his talks with narration of communication design of an oral contraceptive pill where creative (*smiley of Mala-D*) is placed at the backside of door hence women get reminded about pill which subsequently brought behavioral change in pills usage.

Mr. Vijay Sharma, *GM GSK*, was fourth speaker to the forum and shared rural markets should be looked as completely different business rather than extension of current business portfolio. Business strategies to *reach, communicate and influence* rural consumer should be entirely different than that of urban consumer. He explicated a rural proposition which address individual and community need bring behavior change and is always a winning preposition. It is easier to implement such preposition at touch points like school, doctors, ASHA worker and barber. Extending further he mentioned a barber shop can be an effective platform to reach target audience within three months, which may not be possible through mass media or haat activation. In reply to a question on addressing challenges of diverse rural culture of country, he said a marketer need to identify least common factors according to industry.

Taking the event forward Mr.Kashyap introduced *Mrs. Kalpana Kaul*, *director Impact communication* and *Mr.Harish Bhatia*, *CEO MyFM*, to address the gathering on the theme of Rural Activation.

Mrs. Kalpna mentioned various platforms to interact and influence rural mass like Melas, Haats, Jatras, Mandis, Choupal, Barber shop, Anganwadi, School and Primary

health centre. Kalpana mentioned the strategic selection of activation platform depends on goal of a brand. Elaborating further she mentioned Haats and Mandis are appropriate platforms for mass awareness. A Mandi or Haat has minimum catchment area of 20 villages and it may goes up to 100 at certain geography. She also suggested use of platform like post office for brand reminder and PHC to establish brand credibility. Mr. Harish Bhatia brought in the importance of nukkad natak and video on wheel as most effective medium to win rural consumer. He closed his talks by saying '*Rural Understand Activation*'.

At last, Mr. Pradeep Kashyap gave vote of thanks to all speakers & attendees and concluded by saying that RMAI will continue to follow its endeavor and would organize many more such events in futures.

Inputs by Kuldeep Singh (MART)