

ADVERTISING STRATEGIES AND RURAL MARKET DEVELOPMENT IN POST-GLOBALIZATION INDIA

Saroj Kumar Mishra

Assistant Professor

Department of Commerce, Bahera College, Bahera, Benipur, Darbhanga

ABSTRACT

Rural India has moved from being treated as a residual market to becoming a central arena of competitive marketing, digital commerce, financial inclusion, and fast-moving consumer goods expansion. Post-globalization, advertising in rural markets has changed from one-way mass communication through radio, wall painting, print, and television to a hybrid system combining vernacular media, mobile-first messaging, influencer communication, point-of-sale promotion, digital payments, and platform-based distribution. This study examines the role of advertising strategies in rural market development in post-globalization India with the help of secondary data from official and industry sources. The study uses data on rural population, household consumption expenditure, internet penetration, digital commerce, telecom connectivity, and FMCG growth to assess how advertising contributes to awareness creation, product adoption, brand trust, and market deepening. The analysis shows that rural market development is no longer limited by demand alone; rather, it depends on the alignment between communication, affordability, distribution, credit access, and cultural relevance. Statistical calculations indicate that rural India accounts for about 55.1% of active internet users, rural monthly per capita consumption expenditure has reached Rs. 4,122 in 2023–24, and rural FMCG volume growth has recently outpaced urban growth.

Keywords: rural marketing, advertising strategy, globalization, FMCG, digital advertising, rural consumer behaviour, India, commerce.

1. INTRODUCTION

Post-globalization India has witnessed a structural transformation in the relationship between advertising, consumption, and rural market development. Liberalization after 1991 opened the Indian economy to multinational brands, private media expansion, wider retail competition, and an increasingly aspirational consumer culture. In the early phase, rural markets were often approached through low-cost product variants and mass media campaigns. However, the contemporary rural market is more complex. It includes mobile-connected consumers, self-help group networks, digitally enabled retailers, rural youth audiences, women consumers, migrant-remittance households, and small entrepreneurs using both offline and online channels. Therefore, advertising in rural India is not merely a promotional activity; it has become a market-development instrument that links information, aspiration, accessibility, affordability, and trust [1].

The demographic significance of rural India remains central. Census 2011 recorded about 833 million people in rural India, equal to nearly 68.84% of India's population, which makes rural India one of the largest consumer markets in the world [2]. Even though urbanization has increased, rural India continues to shape national demand for FMCG, telecom, two-wheelers, agri-inputs, packaged food, digital payments, health products, and educational services. Recent consumption data also show that rural households are moving beyond subsistence expenditure. The Household Consumption Expenditure Survey 2023–24 estimated rural monthly per capita consumption expenditure at Rs. 4,122, with non-food

expenditure accounting for 52.96% of rural MPCE [3]. This shift from food-dominated spending to diversified non-food consumption is important for advertising because it indicates expanding discretionary demand and rising exposure to branded goods.

Digital connectivity has further changed the structure of rural advertising. The IAMAI–Kantar Internet in India 2024 report estimated 886 million active internet users in India, of whom 488 million were in rural India and 397 million in urban India. Thus, rural India accounted for nearly 55% of active internet users, showing that digital advertising can no longer be viewed as an urban-only strategy [4]. At the same time, rural digital adoption is uneven across gender, income, education, and geography. NFHS-5 and related analyses show that rural women’s internet use remains significantly lower than men’s, indicating that digital advertising must be supplemented by community, retail, and interpersonal channels [5].

The commerce-related importance of this issue lies in the fact that advertising does not only create brand visibility; it also reduces information asymmetry, signals quality, encourages trial, supports distribution, and helps rural consumers compare alternatives. For rural markets, the persuasive function of advertising is closely tied to the educational function. Many rural consumers evaluate products through social proof, retailer recommendation, price-pack fit, local language messaging, festival relevance, and perceived risk reduction. Therefore, this study studies advertising strategies as part of rural market development rather than as a narrow media-spending exercise.

2. REVIEW OF LITERATURE

The literature on rural marketing in India emphasizes that rural consumers differ from urban consumers not only in purchasing power but also in information access, media habits, trust networks, product-size preferences, and cultural expectations. Classical marketing theory explains advertising as a demand-stimulating and differentiation-building tool, but rural marketing adds a developmental dimension because advertising often introduces new product categories, new usage practices, and new consumption meanings [6]. In rural India, advertising has historically relied on haats, melas, wall paintings, cinema vans, radio jingles, local influencers, retailer displays, and demonstration-based selling. These formats continue to matter because they create credibility in settings where brand familiarity may be uneven.

Post-globalization studies of Indian consumer markets show that rural demand expanded with better roads, telecom growth, rural employment schemes, remittances, microfinance, and expansion of retail distribution. Global and national brands realized that rural consumers are not merely low-income consumers; they are value-conscious consumers who seek durability, trust, convenience, and social recognition. This led to the growth of sachet marketing, small pack sizes, low-unit-price products, vernacular advertising, and rural activation campaigns. The commercial logic of such strategies is simple: when income is irregular, product affordability depends not only on price but also on pack size, replacement cycle, credit availability, and perceived utility.

Recent literature also highlights digital transformation. Internet access, smartphones, UPI payments, and short-video platforms have created new advertising pathways. The Unified Payments Interface has made digital payments easier by integrating multiple bank accounts into a single mobile application and enabling instant payments [7]. For rural markets, this matters because digital payments support small-ticket purchases, online ordering, retailer credit records, and platform-based discovery. ONDC similarly aims to create an inclusive digital commerce ecosystem, noting that out of more than 12 million sellers in India, only about 15,000 had enabled e-commerce, which shows the large untapped potential for small-town and rural sellers [8].

Industry evidence also supports the importance of rural demand. NielsenIQ reported that the Indian FMCG sector registered 6.6% value growth and 6.5% volume growth in Q1 2024, with stable price growth and rising consumption [9]. In 2025, Reuters reported, citing NielsenIQ, that rural FMCG demand outpaced urban demand for the fifth consecutive quarter, with rural volume growth at 8.4% against urban volume growth of 2.6% in the March 2025 quarter [10]. This suggests that rural advertising strategy is not only socially relevant but commercially decisive.

3. OBJECTIVES OF THE STUDY

The major objectives of this study are: first, to examine the changing nature of advertising strategies in rural India after globalization; second, to analyse secondary data indicators related to rural market development; third, to assess the relationship between digital reach, consumption expenditure, and rural advertising opportunities; and fourth, to suggest strategic advertising approaches for firms targeting rural India.

4. RESEARCH METHODOLOGY

This study is based on secondary data. The main sources include Census of India 2011, Household Consumption Expenditure Survey 2023–24, IAMAI–Kantar Internet in India 2024, TRAI telecom reports, NFHS-5, ONDC information, RBI/UPI-related public information, and NielsenIQ-based FMCG market reports. The study uses descriptive analysis, ratio analysis, percentage calculation, and index construction.

The following simple indicators are calculated:

$$\text{Rural Internet Share} = \frac{\text{Rural Active Internet Users}}{\text{Total Active Internet Users}} \times 100$$

$$\text{Urban – Rural MPCE Ratio} = \frac{\text{Urban MPCE}}{\text{Rural MPCE}}$$

$$\text{Rural FMCG Outperformance Ratio} = \frac{\text{Rural Volume Growth}}{\text{Urban Volume Growth}}$$

For strategic interpretation, a Rural Advertising Opportunity Index is also prepared using four dimensions: digital reach, consumption diversification, FMCG momentum, and market inclusion. This index is not treated as an official index; it is used as an analytical framework for comparing the strength of rural advertising opportunities.

5. RESULTS AND ANALYSIS

Rural India as a Large Consumer Base

Rural India continues to provide the demographic foundation for market expansion. With 833.09 million rural residents in Census 2011, rural India represented 68.84% of the national population [2]. Even with gradual urbanization, this base remains extremely significant because the rural market is geographically dispersed but numerically large. For advertisers, this creates two simultaneous challenges: high market potential and high communication complexity.

Table 1. Selected Indicators of Rural Market Development in India

Indicator	Rural India	Urban India	Interpretation
Population share, Census 2011	68.84%	31.16%	Rural India remains the larger population base
Population, Census 2011	833.09 million	377.11 million	Rural market has large scale but dispersed demand
MPCE 2023–24	Rs. 4,122	Rs. 6,996	Urban consumption remains higher
Food share in MPCE 2023–24	47.04%	39.68%	Rural spending is still more basic-needs sensitive
Non-food share in MPCE 2023–24	52.96%	60.32%	Rural discretionary/non-food demand is rising
Active internet users, 2024	488 million	397 million	Rural digital audience now exceeds urban audience

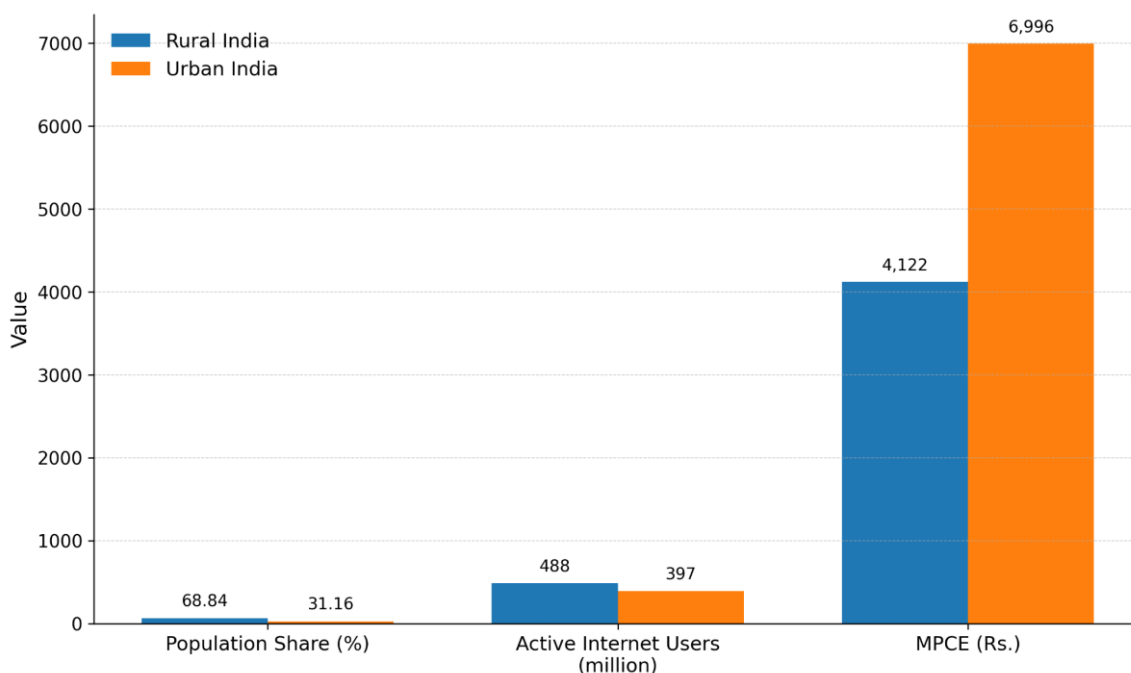


Figure 1. Rural and urban comparison of population share, active internet users, and MPCE.

The table indicates that rural India cannot be treated as a low-relevance market. Although rural MPCE is lower than urban MPCE, the rural population base and growing non-food expenditure create large aggregate demand. The urban-rural MPCE ratio is:

$$\frac{6996}{4122} = 1.70$$

This means urban MPCE is about 1.70 times rural MPCE, while rural MPCE is about 58.9% of urban MPCE. For marketers, this implies that rural advertising must be price-sensitive and value-oriented. Premium messaging may work in selected rural segments, but mass rural advertising must communicate affordability, durability, utility, and trust.

Digital Connectivity and Advertising Reach

The shift toward digital connectivity is one of the most important post-globalization changes in rural marketing. According to IAMA–Kantar, India had 886 million active internet users in 2024, of whom 488 million were rural and 397 million were urban [4]. The rural internet share is:

$$\frac{488}{886} \times 100 = 55.08\%$$

This means that rural India accounts for approximately 55.1% of India’s active internet users. This finding has major implications for advertising. Digital advertising in India must be designed for rural audiences, not merely extended from urban campaigns. Vernacular content, short video, voice-based search, WhatsApp communication, local influencer videos, rural retailer groups, and mobile-first landing pages become critical.

Table 2. Digital Reach and Rural Advertising Implications

Indicator	Value	Advertising implication
Total active internet users, India 2024	886 million	National digital advertising has mass scale
Rural active internet users	488 million	Rural India is the largest digital audience block
Urban active internet users	397 million	Urban remains important but no longer dominant in user count
Rural share of active internet users	55.1%	Rural-first digital strategy is commercially justified
Rural women’s internet-use gap	Significant	Digital campaigns need offline and community reinforcement

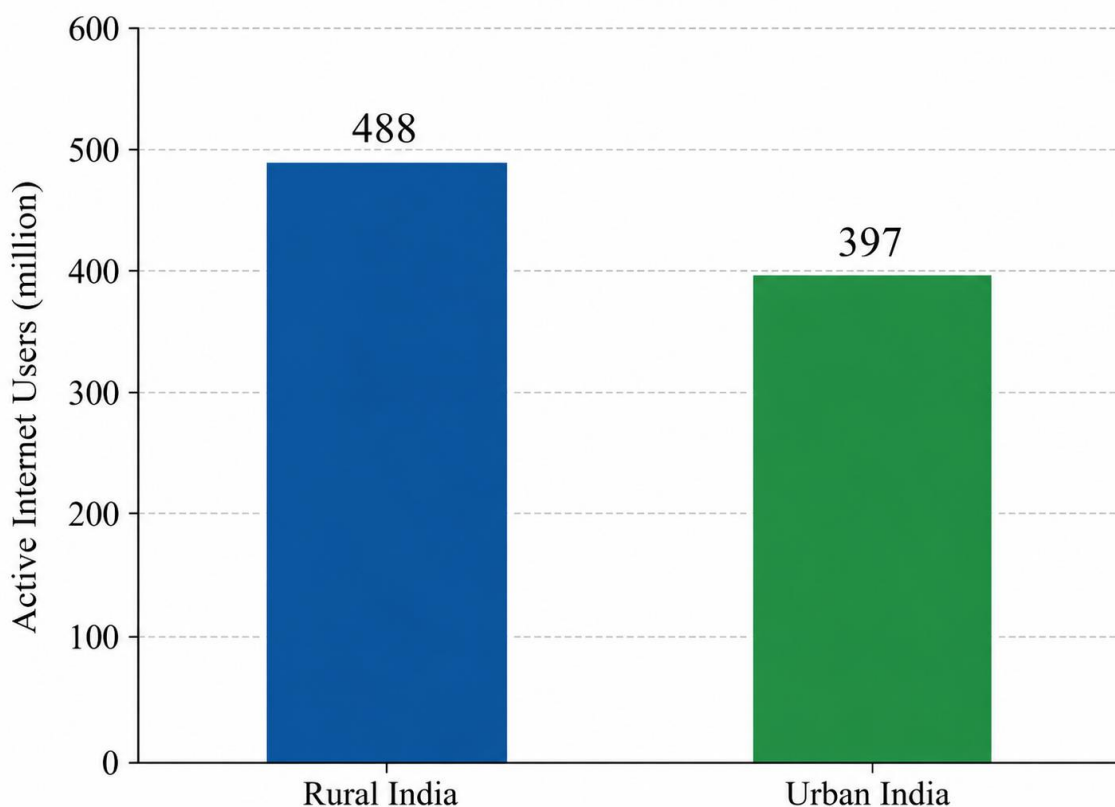


Figure 2. Rural and urban active internet users in India, 2024.

However, digital reach does not automatically mean digital effectiveness. NFHS-5-related evidence shows that internet use among rural women remains much lower than among men [5]. Therefore, brands that target rural women, household goods, nutrition products, health products, education services, and financial services cannot depend only on online ads. They must combine digital advertising with self-help group communication, anganwadi/community networks where appropriate, local retailers, village-level entrepreneurs, and demonstration-based trust building.

Consumption Diversification and Advertising Opportunity

The Household Consumption Expenditure Survey 2023–24 shows that rural MPCE was Rs. 4,122, out of which Rs. 1,939 was food expenditure and Rs. 2,183 was non-food expenditure [3]. Non-food expenditure formed 52.96% of rural consumption. This is important because advertising has stronger influence where households make brand choices across discretionary or semi-discretionary categories such as personal care, packaged food, mobile recharge, apparel, health products, education, mobility, and household durables.

Table 3. Rural Consumption Structure, 2023–24

Category	Rural MPCE, Rs.	Share in rural MPCE
Food	1,939	47.04%
Non-food	2,183	52.96%
Total	4,122	100.00%

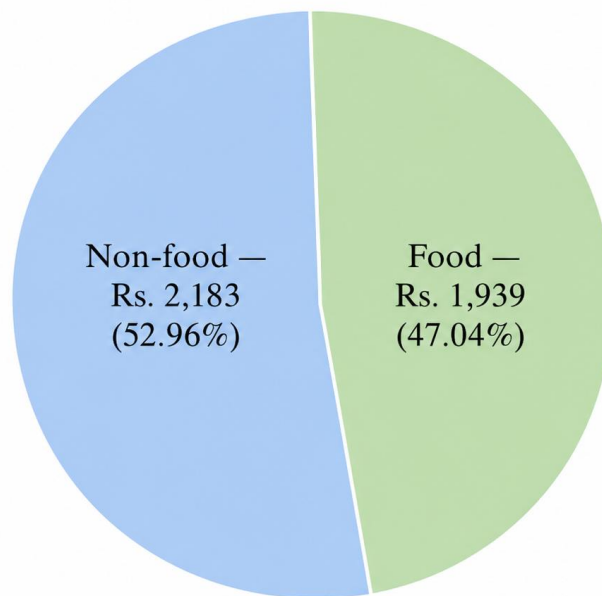


Figure 3. Rural MPCE composition: food and non-food expenditure.

This consumption shift supports a broader advertising proposition. Rural advertising should not be limited to “cheap product” messaging. It should communicate quality, aspiration, safety, convenience, family benefit, and long-term value. For example, a detergent brand may emphasize stain removal and water-saving convenience; a two-wheeler brand may emphasize income mobility; a digital payment product may emphasize safety and ease; and an educational app may emphasize children’s progress and parental trust.

FMCG Growth and Rural Market Momentum

FMCG is a strong indicator of rural market development because it reflects repeated purchase behaviour, distribution intensity, brand recall, and household-level consumption. NielsenIQ reported that the Indian FMCG sector registered 6.6% value growth and 6.5% volume growth in Q1 2024 [9]. In the March 2025 quarter, rural FMCG demand outpaced urban demand for the fifth consecutive quarter, with rural volume growth at 8.4% compared with 2.6% in urban areas [10].

The rural FMCG outperformance ratio is:

$$\frac{8.4}{2.6} = 3.23$$

This means rural FMCG volume growth was approximately 3.23 times urban volume growth in that quarter. This is a strong signal for advertisers because advertising budgets often follow expected growth. If rural demand is expanding faster, brand communication must be rural-specific rather than urban-adapted.

Table 4. FMCG Growth Indicators and Advertising Interpretation

Indicator	Value	Interpretation
FMCG value growth, Q1 2024	6.6%	Consumption-led market recovery

FMCG volume growth, Q1 2024	6.5%	Demand expansion not only price-led
Rural FMCG volume growth, March quarter 2025	8.4%	Strong rural momentum
Urban FMCG volume growth, March quarter 2025	2.6%	Lower urban growth
Rural outperformance ratio	3.23	Rural growth over three times urban growth

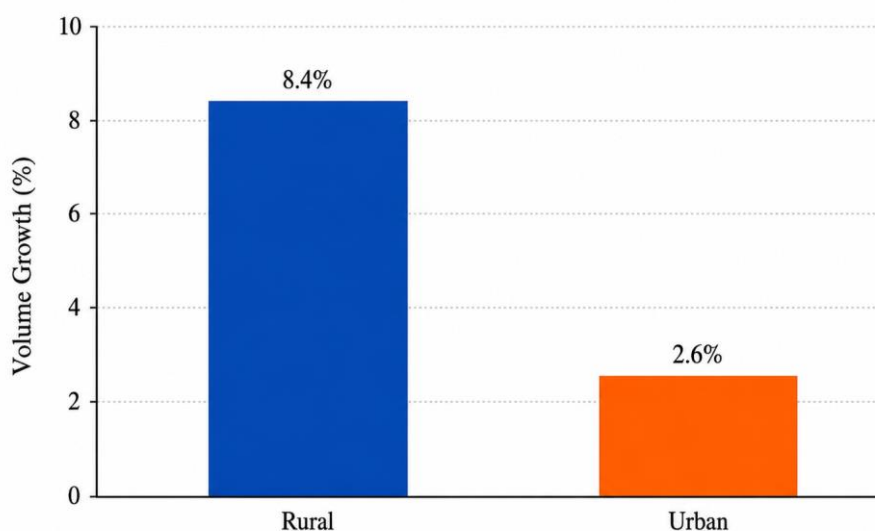


Figure 4. Rural versus urban FMCG volume growth, March quarter 2025.

The implication is that rural advertising should focus on repeat purchase and brand loyalty. Trial generation through small packs is useful, but long-term rural development requires regular availability, retailer margin support, consistent quality, and after-sales responsiveness where relevant. Advertising creates demand, but if distribution fails, the campaign can weaken trust.

Rural Advertising Opportunity Index

For analytical clarity, a simple Rural Advertising Opportunity Index is constructed using four dimensions. The values are normalized on a 0–100 scale, where higher values indicate stronger advertising opportunity.

Table 5. Rural Advertising Opportunity Index

Dimension	Basis of scoring	Score
Digital reach	Rural share of active internet users, about 55.1%	55.1

Consumption diversification	Rural non-food MPCE share, 52.96%	53.0
FMCG momentum	Rural growth advantage over urban FMCG	80.0
Market inclusion potential	ONDC and digital payment expansion potential	70.0
Composite average	Mean of four dimensions	64.5

$$Composite\ Index = \frac{55.1 + 53.0 + 80.0 + 70.0}{4} = 64.5$$

A composite score of 64.5 suggests that rural India has moved into a high-opportunity zone for advertising-led market development. The score is not at the maximum level because barriers remain: income instability, gendered digital gaps, literacy constraints, fragmented retail, regional language diversity, and trust deficits toward unfamiliar brands.

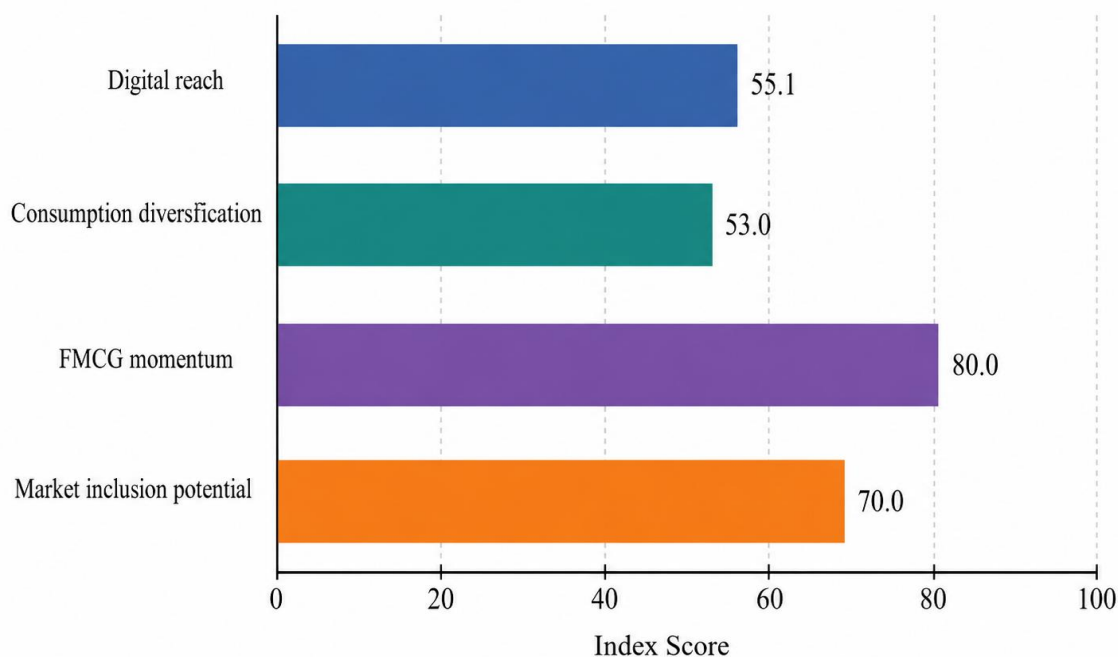


Figure 5. Rural Advertising Opportunity Index by dimension.

6. DISCUSSION

The results show that advertising strategies in rural India must be understood through four interlinked transitions: demographic scale, consumption diversification, digital penetration, and retail-platform integration. Globalization increased the number of brands competing for rural consumers, but it also raised the expectations of those consumers. Rural buyers are now exposed to national advertising, regional celebrities, social media videos, e-commerce messages, and peer reviews. As a result, the rural consumer has become more informed, but not always less risk-averse. Trust remains a decisive variable.

The first strategic implication is localization. Rural India is not a homogeneous market. A single national advertisement may build awareness, but conversion often depends on local language, dialect, cultural symbols, crop cycles, festival calendars, climate, occupation, and

income timing. For example, advertising before harvest seasons may be more effective for agricultural households because liquidity improves. Similarly, campaigns around Chhath, Pongal, Bihu, Onam, or local fairs may create stronger emotional relevance than generic national campaigns.

The second implication is the importance of affordability architecture. In rural marketing, price is not only an economic variable; it is a communication variable. Sachets, small packs, refill packs, low-cost trials, and bundled offers communicate that the brand understands rural cash-flow realities. However, the brand must avoid giving an impression of inferior quality. Successful rural advertising should combine affordability with dignity: “within reach” should not mean “second-grade.”

The third implication is media integration. Television still matters for brand legitimacy, but mobile video, WhatsApp sharing, local retailer display, wall painting, and influencer-led demonstrations are increasingly important. Rural consumers may first encounter a brand through a short video, confirm it through a retailer, and finally purchase it after peer validation. Therefore, the advertising funnel is not linear. It is circular and community-mediated.

The fourth implication is the growing role of digital commerce and payments. UPI and ONDC-style open digital commerce systems can reduce transaction friction and improve market access [7], [8]. For advertisers, this creates a new possibility: campaigns can move from awareness to immediate action. A rural consumer may see a product video, receive a WhatsApp offer, pay digitally, and collect from a local retailer or delivery point. Yet this model requires digital literacy, trust in payment systems, grievance redressal, and reliable last-mile logistics.

The fifth implication is gender-sensitive advertising. Many rural consumption decisions are made or influenced by women, particularly in food, health, personal care, education, and household products. But the gender gap in digital access means that women-focused rural campaigns cannot rely only on smartphone-based targeting. Community meetings, women’s groups, local health workers where contextually suitable, school-based outreach, and retailer-mediated explanations remain relevant. The most effective rural advertising strategy is therefore hybrid: digital for reach, interpersonal communication for trust, and retail presence for conversion.

7. STRATEGIC FRAMEWORK FOR RURAL ADVERTISING

A commerce-oriented rural advertising strategy should include the following components:

First, **vernacular and cultural adaptation** should be at the centre. Advertisements must use local languages, familiar settings, and relatable characters. Rural consumers respond strongly to authenticity. Artificially urban visuals can weaken identification.

Second, **demonstration-based advertising** should be used for products requiring behavioural change. Agricultural inputs, hygiene products, water purifiers, insurance, digital payments, and educational technologies need explanation, not only emotional appeal.

Third, **retailer integration** is necessary. Rural retailers are not passive sellers; they are information intermediaries. Point-of-sale posters, retailer incentive schemes, product samples, and retailer training can convert advertising recall into purchase.

Fourth, **mobile-first digital campaigns** should be designed for low-bandwidth environments. Short videos, voice messages, missed-call services, WhatsApp catalogues, and regional influencer clips may work better than heavy websites or English-heavy content.

Fifth, **trust signalling** should be built into advertising. Certifications, warranty, local testimonials, transparent pricing, and easy complaint channels reduce perceived risk. Rural consumers often value reliability over novelty.

Sixth, **festival and seasonality-based campaigns** should be planned. Rural incomes are often seasonal, especially in agrarian regions. Advertising linked with harvest, marriage season, festivals, school admission cycles, and local fairs can produce higher response.

Seventh, **social-development alignment** can improve long-term brand equity. Campaigns related to health awareness, financial literacy, women's entrepreneurship, sustainable farming, or education can strengthen brand legitimacy when they are genuine and not merely symbolic.

8. LIMITATIONS OF THE STUDY

This study is based mainly on secondary data and aggregate indicators. Rural India is internally diverse, and national-level data may hide differences across states, castes, gender groups, income classes, and product categories. The Rural Advertising Opportunity Index used in this study is an analytical construction, not an official index. Future research should use district-level consumer survey data, brand-specific sales data, experimental ad-response studies, and comparative analysis across FMCG, durables, digital services, and agri-input sectors.

9. CONCLUSION

Advertising strategies have played a significant role in rural market development in post-globalization India. Earlier, rural advertising was largely treated as an extension of urban marketing with simplified messages and lower-priced products. The present rural market requires a more sophisticated approach. Rural consumers are digitally connected, aspirational, price-conscious, culturally rooted, and trust-sensitive. Secondary data show that rural India remains demographically dominant, accounts for a majority share of active internet users, has rising non-food expenditure, and is showing strong FMCG momentum. These trends establish rural India as a strategic market rather than a peripheral market.

The main conclusion of this study is that rural advertising works best when it performs three functions simultaneously: information, persuasion, and market enablement. It must inform consumers about product utility, persuade them through culturally meaningful communication, and enable purchase through affordability, retail access, digital payment support, and after-sales trust. Post-globalization rural advertising in India is therefore not merely about selling products; it is about building markets. Firms that combine vernacular creativity, digital reach, retailer networks, women-focused outreach, and credible value propositions are likely to gain durable competitive advantage in rural India.

REFERENCES

1. P. Kotler, K. L. Keller, A. Koshy, and M. Jha, *Marketing Management: A South Asian Perspective*. New Delhi: Pearson, 2013.
2. Office of the Registrar General and Census Commissioner, India, *Census of India 2011: Rural Urban Distribution of Population*. New Delhi: Government of India, 2011.
3. Ministry of Statistics and Programme Implementation, Government of India, *Household Consumption Expenditure Survey: 2023–24*. New Delhi: MoSPI, 2024–25.

4. Internet and Mobile Association of India and Kantar, *Internet in India 2024*. Mumbai: IAMAI, 2025.
5. International Institute for Population Sciences and ICF, *National Family Health Survey NFHS-5, 2019–21: India*. Mumbai: IIPS, 2021.
6. C. K. Prahalad, *The Fortune at the Bottom of the Pyramid*. Upper Saddle River, NJ: Wharton School Publishing, 2005.
7. Digital India, Government of India, “Unified Payment Interface,” Ministry of Electronics and Information Technology, Government of India.
8. Open Network for Digital Commerce, “All About Open Network for Digital Commerce.”
9. NielsenIQ, “Rising FMCG rural growth underpinned by stable consumption in India,” 2024.
10. Reuters, “Rural India’s consumer demand outpaces urban areas for fifth straight quarter, NielsenIQ says,” 2025.
11. Telecom Regulatory Authority of India, “Telecom Subscription Reports,” TRAI, Government of India.
12. Press Information Bureau, Government of India, “Indian Telecom Services Performance Indicator Report for Quarter Ending 31st December 2024,” 2025.