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Globalization of Rural Marketing in India (With special reference to FMCG Products)

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Abstract

This study has been conducted on the basis of impact of globalization on rural marketing in India with special reference to FMCG Products. Globalization is a multi-dimensional course of action of economic, political, civilizing, and ideological change of rural consumer preferences. It has a mixed impact on rural market development with the help of global market. It has led to increasing violations of rural people's economic, political, and cultural rights in large measure due to the contemptuous missing of the welfare list/improvement list state, the feminization of poverty, the growth of religious fundamentalists, and new forms of militarism and disagreement. It has been prominent many international women's organizations. The new business agreements break the spirit and often the letter of foreign country support on human rights, labour rights, and women's rights. A thoughtful of the future of small share holders in agriculture is significant to the plan of development policies. One of the major questions concerning small share holders is the potential impact of globalisation. An analysis of past rural development, such as the rural green revolutions in Asia. An acknowledgment that the developing world is globalising business at an irregular pace on some measures possibly countries containing at least 2 billion people are not globalising at all and a clear understanding of the technological and institutional requisites for contribution in a globalised economy. Much current policy recommendation focuses on the property of policy distortions, but insufficient awareness is given to the serious, rooted, institutional deficiencies that limit many small share holder areas from taking advantage of rural market opportunities. These institutional deficiencies need concentrated, and long-term, notice if globalisation of FMCG Products in rural areas is to offer opportunities for small share holder of FMCG Products. Key words: Rural Marketing, Economics, FMCG Products, security, development.

Introduction:

Globalization in its literal sense is the process or transformation of local or regional phenomena into global ones. It can be described as a process by which the people of the world are unified as a single society and function together. It refers to the fact that we all increasingly live in one world, so that individuals, groups and nations become interdependent. Globalization is created by the coming together of political, social, cultural, and economic factors. It is often used to refer to economic, which means integration of national economies into the international economy through trade, foreign direct investment, capital flows, migration, and spread of technology. Women face major challenges as a result of changes in the world economy arising from rapid globalisation, fast-paced technological progress and a growing in formalisation of work. As a result, as the ILO notes, women's labour market status has greatly altered. Within the past two decades, globalization has created a tremendous impact on the lives of women in developing nations. With the establishment of international free trade policies, such as North America Free Trade Agreement (NAFTA) and GATT transnational corporations are using the profit motive to guide their factories toward developing nations in search of "cheap" female labour. Corporations prefer female labour over male labour because women are considered to be "docile" workers, who are willing to obey production demands at any price. In developing nations, certain types of work, such as garment assembly, is considered to be an extension of female household roles. Therefore, cultural influences in developing nations also impacts employment stratification. It is widely perceived that the process produces both "winners and losers.

The term globalization means International Integration. It is a process through which the diverse world is unified into a single society. Canadian Philosopher Herbert Marshal Mc-Luhan (1911-80) derived the term Global Village in this reference. Opening up of world trade, development of advanced means of communication, internationalisation of financial markets, growing importance of MNC and apposes, population migrations and more generally increased mobility of persons, goods, capital, data and ideas are some characteristics of globalization. Different people have different perceptions of globalization. Some see it as a beneficial process-something that leads to economic development in the world and is inevitable. On the other hand, certain people believe that it increases inequality within nations, causes unemployment, deteriorates living standards, and prevents social progress. In this research paper, we will outline the positive and negative effects of globalization on agrarian society. In addition to this, we will then attempt to present a case to reinforce our belief that globalization, at large, has in fact helped improve quality of life and living standard of people.

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Impacts of Globalization:

At a Glance Internationalization of Economic Activity, Trade and Finance; Global Liberalization, Domestic and International Technological Changes; IT Revolution (Speed and Cost); Improvements in Transportation; Containerized Shipping; Globalised Production Structures; Stateless Corporations (MNCs like IBM etc). Factors such as trade, investment, technology, cross-border production systems, flow of information and communication, policies and institutions, capital market liberalization, international standards for labour, the environmental issues, corporate behaviour and other issues, agreements on intellectual property rights, and other policies pursued at both the national and international level which support the integration of economies and countries.

Some social dimensions of globalization:

Security, culture and identity; new potentials for development and wealth creation; problems of unemployment, inequality and poverty. Major impacts of globalization on Indian Rural Economy are-Rapid transformation of agrarian society from subsistence economy to market economy; Abolition of intermediaries such as zamindar and biswedars Higher levels of consumption; Development of credit facilities; Technological advancement; emergence of various associations and institutions; empowerment of rural women etc.

Economic reforms have brought a measure of prosperity. The need is of those reforms tailor made for the Indian scenario. It should be keeping in mind India's unique problems, parameters, vis-à-vis its huge rural agricultural background and not thoughtless implementation of a "one-size-fits-all" neo-liberal reforms approach. Already Latin America and much of East Asia have shown that that approach will never work.

Objectives:

- 1. To study of FMCG Products in rural markets.
- 2. To study on economy of the country
- 3. To study the terms of development of country
- 4. To identify the process of globalization of rural India.

Review of literature:

The great significance of globalization to India and to the world has drawn many scholars and academicians including business historians, economists, social scientists, political economists, management experts and others to write on the subject. Globalization has been addressed from different angles by various scholars and hence it is rather difficult to classify the literature on globalization. However, majority of the writings has been related to impact of globalization either at firm

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level or at aggregate level and so have been rather normative in their analyses. Obviously, a natural outfall of the impact studies is the existence of two schools of thought from this approach viz., first, globalization has been/will be good for India, and second, globalization has not been good for India. Yet, a third set of scholars have dealt with some dynamics of globalization with reference to some short time intervals. Scholars in the first school of thought have argued on the theoretical principle that free trade and competition is good for the whole world in the long run and therefore globalization is also good for India.

G.L.Sharma & Y.K.Sharma (2011) The term globalization means International Integration. It is a process through which the diverse world is unified into a single society. It is derived the term Global Village in this reference. Opening up of world trade, development of advanced means of communication, internationalisation of financial markets, growing importance of MNC and apposes, population migrations and more generally increased mobility of persons, goods, capital, data and ideas are some characteristics of globalization.

Amar KJR Nayak & Kalyan(2010) The analysis includes the study of six variables, viz., trade and investment policies of the Government of India, responses of foreign companies to the trade and investment policies of the Government of India, responses of foreign Governments in terms of the structure and motivation of their overseas development assistance, policies of GATT/WTO, Inward foreign direct investments, nature of exports from India, and outward foreign direct investments. The study reveals that globalization with reference to India has been rather shallow in its characteristics. It has been more of globalization in India and less of globalization of India.

Results and discussion:

The causes of globalization of rural marketing and growth elasticity of FMCG Products can be explored through the factors underlying differences in levels of living between social groups, and for each group separately. Demographic and occupational factors, level of education and land holding, and infrastructural facilities are found to be significant factors determining the levels of living in rural India. Seasonal variations in consumption expenditure of FMCG Products are found to be significant only for the rural people. In addition to the levels of physical and human capital, social group disparities in levels of living are also the result of differences in returns to education and land. There are contrasting relative magnitudes with regard to one country to another foreign country. There are number of characteristics of FMCG Products effect' and 'coefficients effect' of various policy relevant factors in explaining social group disparities, and indicate the distinct nature and causes of globalization of rural marketing among these foreign country. This in turn is the result of historically rooted 'social advantages', by way of social

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exclusion and physical exclusion respectively, which continue to operate in contemporary Indian Society. Overcoming these 'social advantages' will constitute the key challenge in any future policy matrix designed for the globalization of rural marketing in Indian perspective.

Conclusion:

Most importantly, we find that Globalization of rural market with reference to FMCG Products in India has been emerging business country of the world. There are number of foreign country want to invest in Indian rural areas because 70% people lives in rural areas. In other words, globalization has been only a one-way process that is foreign enterprises has found a favourable way to do business in India since Independence. Foreign companies have invested in India only when the policies of the government of India have favoured either the market looking for the efficiency of selling FMCG Products and looking for objectives of the foreign firms. The foreign firms have either left India or critiqued India otherwise. From the historical observations, it is very important that the Government of India. The foreign companies and the governments of other nations have to be recognized and respect the need for both Globalization of rural India and globalization in Indian demand of FMCG Products to make sure that the globalization process takes off in a balanced and continual manner. Hence, while enterprise policies on liberalization of Indian economy, the Government of India has to take care that liberalization does not lead to globalization of India alone as it has been supposed in the past 15 years. The policies of the Government of India should be able to direct foreign direct investment into manufacturing sector and high technology areas through which the Indian economy can effectively be part of the globalization process worldwide with similar framework of our study, further research may be conducted on other developing countries in Asia to enhance our understanding of globalization of rural India.

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