

RUM 03

Roll No.

Total No. of Printed Pages: 3

Total No. of Questions: 10

Maximum Marks: 30

Duration: 2 hrs

Note:

Answer in Brief : Any 3 out of 4 (3 marks each)

9 Marks

1. Why are organisations entering rural market? List key reasons
2. What do you understand by a 'Local Area Bank'?
3. Compare Urban Vs Rural Markets (Minimum 3 points only)
4. What are the typical products belonging to rural cottage industries?

Discuss in detail : Any 2 out of 3 (5 marks each)

10 Marks

5. Rural Marketing Index
6. Rural Marketing of Fertilisers in India
7. Challenges faced by Tractor Industry in India & measures to tackle them

CASE STUDY:

11 Marks

Kindly study the 'Write-up' given below & answer the following questions based on the write-up & your understanding of rural marketing.

Indian farmers go globetrotting for tips

Chandrakant Nalavade was a junior engineer in the state's irrigation department in Marathwada's Osmanabad district till a couple of years ago. His family cultivated banana, sugarcane and ginger on their 15-acre plot using drip irrigation. Then, last year, he visited an international agriculture exhibition in Israel and that changed his life. "The first thing I did after returning from Israel was to resign my government job. I installed advanced drip irrigation and

fertigation systems I had seen in Israel on my farm and my income rose to Rs 15 lakh from Rs 5 lakh within a year. It will go up to Rs 50 lakh in the next five years," he says confidently.

Agro-tourism of this kind, focused not so much on the sights and sounds of a foreign land as on professional education, is a segment that is growing at a healthy 15% annually, keeping travel and tour operators busy designing new, innovative and educational packages for this segment. They aim to take enterprising modern Indian farmers on world tours to show them the best in their business.

Travel companies like Cox and Kings are already old hands at arranging 'farmer specials'. Others are entering the fray. After its first agro-tour to Israel six months ago, Mumbai-based Kesari Tours, now plans to take 2000 farmers to foreign destinations over the next five to six months.

"There is huge potential in the agro-tourism sector. We expect 10% of our turnover to come from agro-tours by 2011-12," says Zalam Chaubal, director, agro-tours, a division of Kesari Tours. The tour operator had a turnover of `300 crore last fiscal. "Since we see growth in this segment, we have added new destinations like New Zealand, Australia and The Netherlands, in addition to existing destinations like China and Israel to our agro-tour products," she says.

Unlike other business tours, foreign agro-tours are not restricted to visiting just exhibitions. Travel companies design special study tours that include hands-on practical and theoretical training for farmers, meetings with experts and field visits. Depending on the destination, the average cost of a five-six day tour ranges between Rs 75,000 and Rs 1.5 lakh per person.

Usually some sight-seeing is included in the itinerary. "We create exciting itineraries for these delegates. These include visits to agricultural projects in the country of visit. For instance, delegates who attended Agritech 2009 in Israel were treated to visits to the kibbutz to see the green houses, dairy farming, drip irrigation, horticulture and various desert plantations. Sightseeing tours are also included in the package, so that the delegate gets to experience the country and its culture," says Karan Anand, head-relationships and supplier management, Cox & Kings.

Pune-based Guardian Holidays conducted three tours of 50 farmers each in 2009. It is planning four study programmes next year. Over time, farmers too have matured and now want to see more than just farm practices. The focus is expanding to the food supply chain, storage and value-added processing. Sandeep Joshi, director, Guardian Holidays, says, "Modern farmers are interested in seeing wineries, floriculture, cold storage centres and food processing techniques."

Ms Chaubal said state governments have started providing subsidies, ranging from partial to full, to farmers wanting to study agricultural systems in developed countries. The Maharashtra government plans to send 350-375 farmers to four different destinations in the current year.

Jayant Deshmukh, director, extension and training, state agriculture department, says, "We plan to sponsor study tours for farmers to China, Israel, South-east Asia and Europe. We have pulled resources from various schemes for these tours."

Tour operators — who till now had focused only on outbound or foreign tours for farmers — are now waking up to the fact that there is lot to learn within the country as well. So, they are planning inter-state study tours for farmers.

Kesari Tours' Ms Chaubal says, "We will have two such products for Maharashtra farmers to Karnataka and Haryana." Travel companies tie-up with the popular agriculture input companies to spread awareness among farmers about their products. "We reach the farmers through the marketing boards, the sugar factories and the state agriculture ministry," said Guardian's Mr Katre.

And just in case the processed food industry is not enough, the group of over 35 farmers with whom Mr Nalavade had visited Israel is planning its next destination. "We want to go to the US to see how robots are used in farming," Mr Nalavade says.

(Source: 8 Sep, 2010, 12.57AM IST, Jayashree Bhosale,ET Bureau)

8. Identify Opportunities & threats for 'Agro-tour' business in rural marketing 5 Marks
9. Discuss the impact of such 'Agro-tours' on the future of 'Agricultural – produce' market in India 3 Marks
10. What do you think, in the long run, will be the changes seen in the rural consumer as a result of such 'Agro-tours'? 3 Marks

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