Masters of Rural Markets Series

From Touchpoints to Trustpoints: Winning over India's Aspiring Rural Consumers
The Changing Realities of Rural India

Accenture survey of 2800 rural consumers across 8 states and 10 Focus Group Discussions provides unique insights into how rural consumers are changing—in terms of their attitudes, preferences and buying behavior. Businesses that capitalize on this opportunity now could gain a significant competitive advantage over those who wait until the market matures further.

What do rural consumers value?
71% buy brands and 59 percent see them as trustworthy and reliable. 66 percent weightage is given to brand image, functionality and aesthetics while making their purchase decisions.

When do they buy?
55% buy when the need arises, rather than waiting for special occasions.

What sales channels do they use?
83% travel to nearby cities to make their bigger purchases.

Who influences them the most?
1% said the key influencer for their last big-ticket purchase was the village head and 6 percent claimed it was the local shopkeeper.

How much do TV ads and celebrity endorsements influence them?
7% claimed advertisements and celebrity endorsements have an influence on their final purchase decisions.

Where do they plan to spend more?
51% plan to increase their spend on education and 49 percent plan to increase their spend on healthcare.

Three broad dimensions characterizing rural consumer behavior change

Four Rural Consumer Segments

Traditionalists are the conservative rural consumers that rely on conventional channels to make their purchase decisions. Necessity drives most of their purchase decisions and they typically purchase the cheapest offerings available.

Steady Climbers aspire for a more comfortable lifestyle. They want to enhance their social standing among their peers, and strive to do so by buying branded products and offerings.

Young Enthusiasts, rural consumers aged 18-28, make extensive use of digital technology and buy branded products to enhance their social image. They powerfully influence the decisions of other consumers segments.

Village Elites are the progressive rural consumers, boasting high education and awareness levels. They desire the best in product quality, features and aesthetics.
Building Trust along Rural Consumer Purchase Journey

To gain wallet share in India's rural market, executives need to meet the new imperatives at each milestone in the purchase journey. We call such milestones “trustpoints” instead of “touchpoints,” as they constitute critical moments where companies can build trust with the customer—or destroy it.

1. Need Recognition
   - Develop a deep understanding of rural consumers
   - Shape the market by identifying and targeting the right consumers
   - Keep communication simple, customised and engaging

2. Awareness
   - Customise marketing mix by product and geography
   - Look beyond traditional media; explore mobile marketing

3. Consideration
   - Tailor value proposition to create resonance
   - Appeal to diversity
   - Demonstrate results to inspire consumer trust

4. Validation
   - Engage with relevant influencers
   - Invest to transform retailers into informed advisors

5. Purchase
   - Enhance in-store experience
   - Support online channel through offline intervention
   - Offer improved financial access and payment flexibility

6. Experience
   - Differentiate through service; initiate contact with customer
   - Deliver on the brand promise to win loyalty

7. Advocacy
   - Nurture advocates to leverage positive word of mouth
   - Seek customer feedback proactively

The use of digital

>50% of the respondents expressed willingness to use digital channels

38% of the respondents agreed getting explanations on how to use digital channels could motivate them to use it