PROBLEMS AND PROSPECTS OF RURAL RETAIL MARKETING IN INDIA

*Prof. Dr. A. Vinayagamoorthy Ph.D.,

**D. Kamatchi, Research Scholar.

*Professor, Department of Commerce, Periyar University, Salem -11.

** Research Scholar, Department of Commerce, Periyar University, Salem -11.

Abstract

Retail industry is the largest industry in India, with an employment of around 8 % to 10% of the country's Gross Domestic Product. Retail industry in India is expected to rise 25 % yearly being driven by strong income growth, changing lifestyles, and favorable demographic patterns. It is expected that by 2016 modern retail industry in India will be worth US$ 175- 200 billion. India retail industry is one of the fastest growing industries with revenue expected to amount US$ 320 billion and is increasing at a rate of 5 % yearly. A further increase of 7-8 % is expected in the industry of retail in India by growth in consumerism in urban areas, rising incomes, and a steep rise in rural consumption. It has further been predicted that the retailing industry in India will amount to US$ 21.5 billion by 2010 from the current size of US$ 7.5 billion for a retailer; it is very difficult to retain the potential buyer. Because the buyers are scattered according to their convenience of purchasing. Majority of functions have to be performed by owners themselves due to limitation of resources. So the researcher made sincere attempt to identify the Problems and Prospects faced by retailer in the study area, during the course of starting and managing their enterprise.

Keywords: Rural Markets, Rural Marketing, Retail Marketing, Market Potential, Indian Retail Industry