

Key Mantra for Rural Expansion



Rural Market has Arrived

742 Million people & rural is bigger than Urban
(FMCG -53%, Durables -59%)

Indian VAS market expected for Rs20,000 Crore by 2015
out of which 40 % contribution by Rural India

40% of wireless users are from rural & Of the Six lakh
villages ,5.22 L have VPT (Village Public Telephone)

41 Million Kisan Credit Card issued against 22Million
credit –plus- debit cards In Urban

Of 20 million Rediffmail signups, 60 % are from small towns
50% transactions from these towns on Rediff online
shopping site

42 million rural HHs availing banking services in
comparison to 27 million urban HHs

Investment in formal savings instruments:
6.6 million HHs in rural and 6.7 million in urban

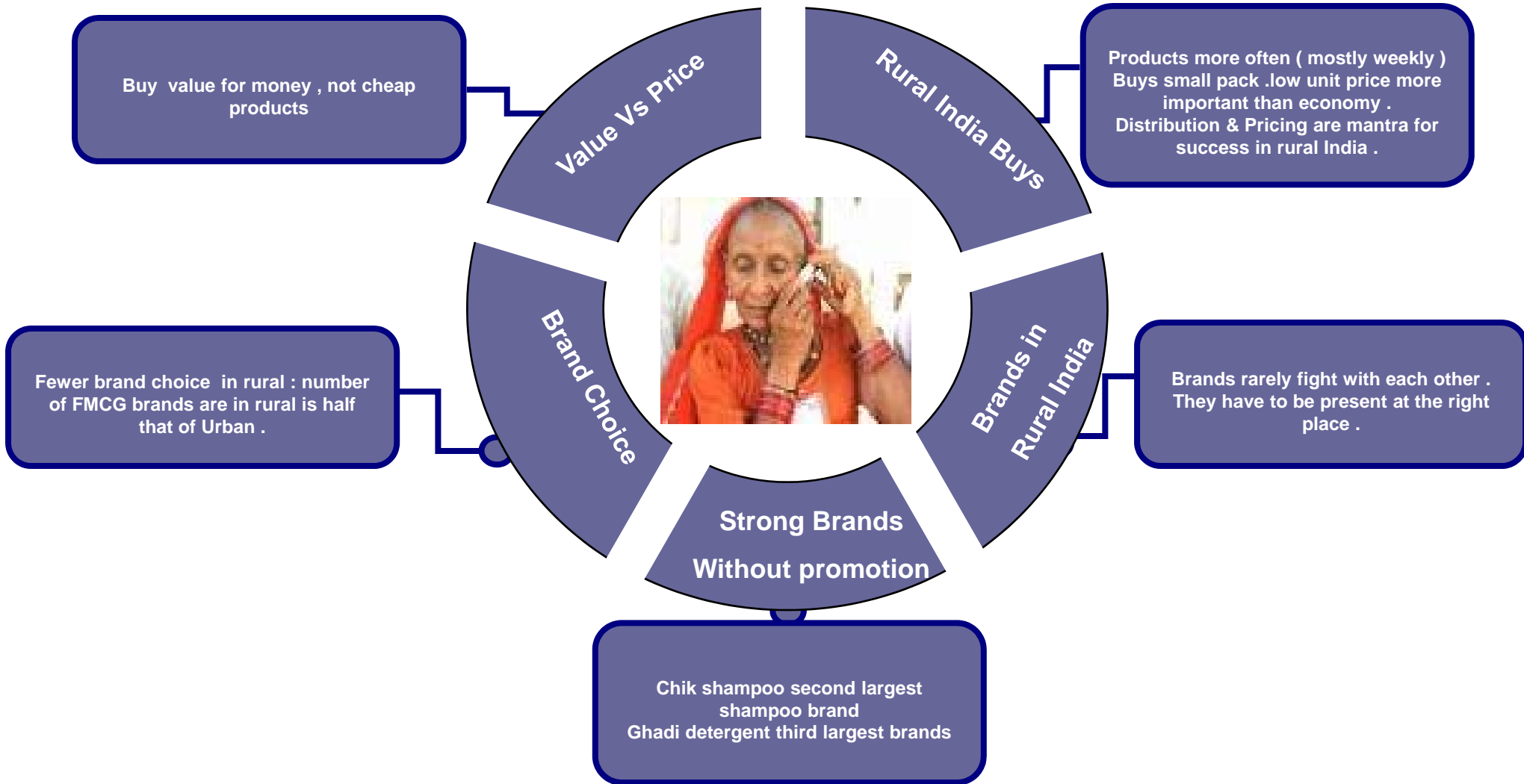
WHERE DOES THE OPPORTUNITY LIES ?

The poor may not have comparable purchasing power to the developed world consumers but they live in a high cost economic ecosystems . An attack on this system may provide an immense opportunity for the marketers to expand the spending power of the poor man's pocket. They pay a hefty premium from credit to communication to water to rice.



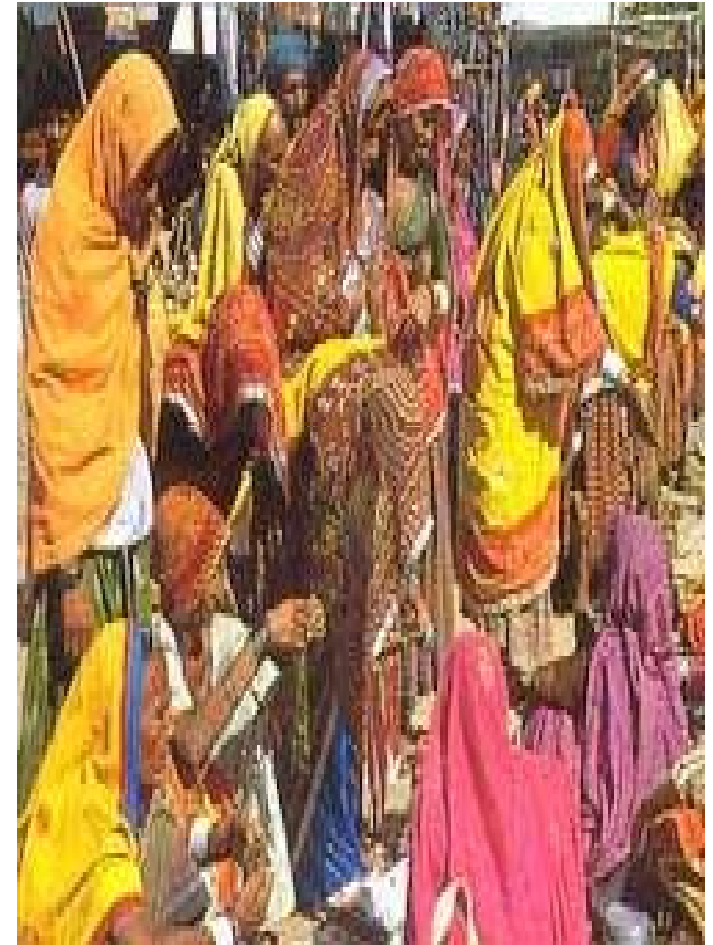
THE CHANGING FACE OF RURAL INDIA

Rural Consumer Insight



What makes rural market unattractive ?

- ***Deprived People And Deprived Markets***
- ***Cheated People And Cheated Markets***
- ***Lack Of Physical Communication Facility***
- ***Transport***
- ***Many Languages And Dialects***
- ***Low Per Capita Income***
- ***Low Levels Of Literacy***
- ***Narrow Consumption Basket***
- ***Very Limited Size Of Evoked Set***
- ***Narrow Set Of Consumption Basket (Wants)***
- ***Off Late Decline In Contribution To GDP***
- ***Decline In Growth In Agricultural Sector Even After Receiving Good Rains For So Many Years In A Row***



**RURAL MARKETS IS NOT ABOUT VILLAGES.....
.....ITS ABOUT SELLING TO MASSES**

SO WHAT'S THE SOLUTION.....

Characteristic of VAS offerings for rural market ..

- *Customization of content for tier 2 & 3 cities*
- *WAP version of local content are required*
- *Consumer profiling for rural consumer to customize content for their taste*
- *Categorization of regional content for application need & usage pattern of subscriber*
- *Application meeting the need of rural consumer like Mandi Bhav, Fisher Friend App.etc*

- *OEM's lower handset cost or provide feature in low handset at affordable price*
- *Bundling of handset by GSM & CDMA operators*
- *Pre –loading applications on the devices*

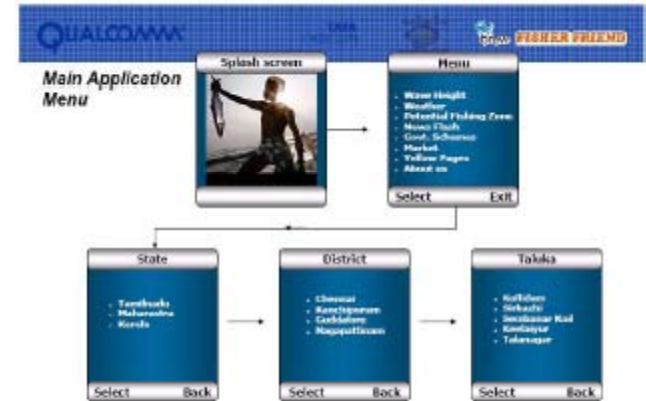
- *Increase awareness among consumers for content available*
- *Operators should invest in educating the users about VAS*
- *Ease of use for VAS services like finger print authentication ,IVR based configuration of services*

Rural application development initiative in India



Fisher Friend

- **Fisher Friend is a mobile application being piloted in South India**
 - Vital real-time information to fishing communities when and where they need it the most – at mid-sea
 - Information includes when and where to sell the fish through access to market prices, weather (e.g. sea wave heights, satellite scan data about fish shoals), government schemes, etc.
 - Access to this data could drastically improve market transparency and thus earning capabilities for smaller fishermen
- **A joint initiative of Qualcomm India, TATA Indicom, Astute and MSSRF**



Reliance Developer Program

- **Reliance Developer Programme of Reliance Communications has launched the Rural Mobile Application Contest, 2007-08 to encourage mobile application development in the country**
 - Focus will be on rural applications for transportation, m-Commerce, health care services, governance, education, information and location based services
 - Applications can be submitted for WAP, Java, Reliance Java, Brew, Brew Lite, VoxML and Symbian environments on both GSM and CDMA technology
 - Contest is open to all Software professionals, Software Developers, Companies, Students, self employed professionals and Content Vendors/Aggregators
 - Cash prizes & an opportunity to commercially launch applications is available



Thank You !

