

Decision Support System for Managers
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Module – 06
Lecture - 32
Self Actualisation Needs, Rural Marketing Challenges

Hello and welcome to “Decision Support Systems for Managers”! We are into Module 6, ‘decision support system for strategizing’ and we are into lecture 3, ‘self actualisation needs and rural marketing challenges’.

Now, you see the old Maslow hierarchy; self actualization, physiological, safety and security, social, self esteem, self actualization; five levels of needs, but time has come to look at it from a very different light. What are the changes? The physiological link it up link it up with fortune at bottom of the pyramid ok. Link it up with rule of 3, link it up with Porter’s five forces, link it up with your SWOT analysis; ok.

If you had the; if your company’s products is scattering to the physiological level of needs, then there is a problem. You cannot earn that much of a profit unless your market base is too large like for fortune at the bottom of the pyramid that market base. You cannot earn that much of profit. And if you cannot earn that much of a profit where are you? You are in the ditch of rule of three ok. So, there is a problem; ok.

Now, so, do you want to go up to safety and security, but that is not a product fitting that category is difficult; ok. Do you want to go to that level of self esteem, a social ok? If you are in that category then your product that social product, is a me to product, it is a me to product. Means, you also have it I also have it. Putting a parker pen in my pocket. I can you can also put, I can also put, he she anybody can put; social with I will buy it in some level.

So, again your company’s survival remains under question mark. Esteem, car it is some time back was an esteem need. Now, it is somewhere dwelling between social and esteem. So, car was an esteem need ok. So, esteem need is your product get is your company catering to a product of that category. If yes, two things are happening.

One is the customer base is constantly changing and shifting towards the higher order with high income, etc.; they are shifting towards the higher order. And the second is your product is also getting innovated imitated and made obsolete tremendous problem. Now, look at the last level, self actualisation.

So, you will have to decide which segment your companies wants to be in. Go to the last level, the final level self actualisation. Original Maslow theory says self actualization, one must be what he can be. One must be what he can be that is all going level by level all my needs are fulfilled, now I am relaxed.

But some other researchers ask can we really jump up the levels, go up to self actualisation level. Yes, we can. When the great freedom fighters the great revolutionaries, Netaji Subhash Chandra Bose, Biplabi Mahanayak Rashbehari Bose, Shahid Khudiram, were they are the physiological level? Were they at the social level, security level?

No they were they were up to that self actualisation level right from the beginning that is possible, but for a common man like you and me that is difficult very difficult. So, theoretically some cases only of that that level of great souls it is possible to move up to that level of self actualisation, but at this level no very difficult.

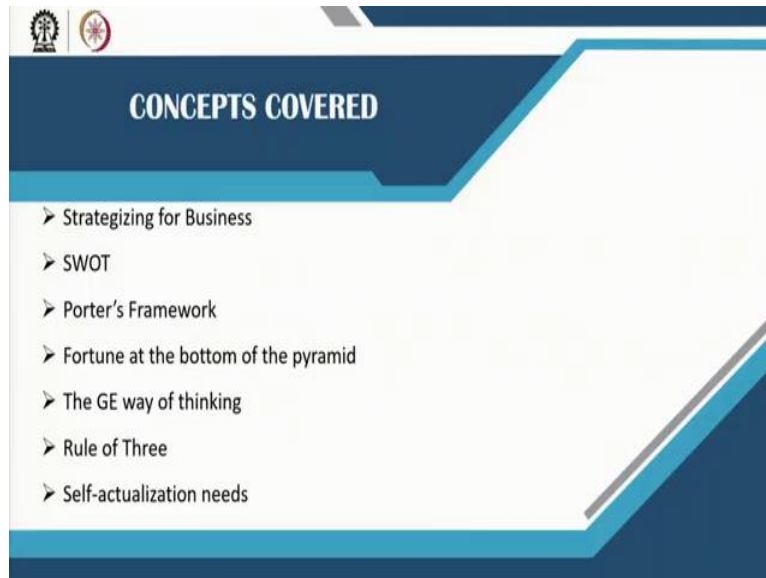
Now, the question is as a marketer as a strategist which level do you cater to? Physiological level go back to sort analysis, go back to fortune at the bottom of pyramid, go back to rule of three and see where you are and you will see your product is a me to product anyone can produce. So, focus is on less cost of production less cost of distribution anyone can do it.

So, what is the question of your survival? Big question mark, big question mark on your survival ok, great problem. Esteem need me to product will come, social need. It is a me to product. Esteem need, product will be get innovated that is why I feel very self esteem. But it will be innovated imitated and made obsolete in no point in time ok, at no point in time.

So, only where place where your company may concentrate or think or concentrating is the self actualisation level, is the self actualisation level ok. What is self actualization, we

just explain. I must be, what I can be. But, what is that how do marketer modify that and frame it in my business strategy how do I do that ok? So, let us see; let us see this; ok.

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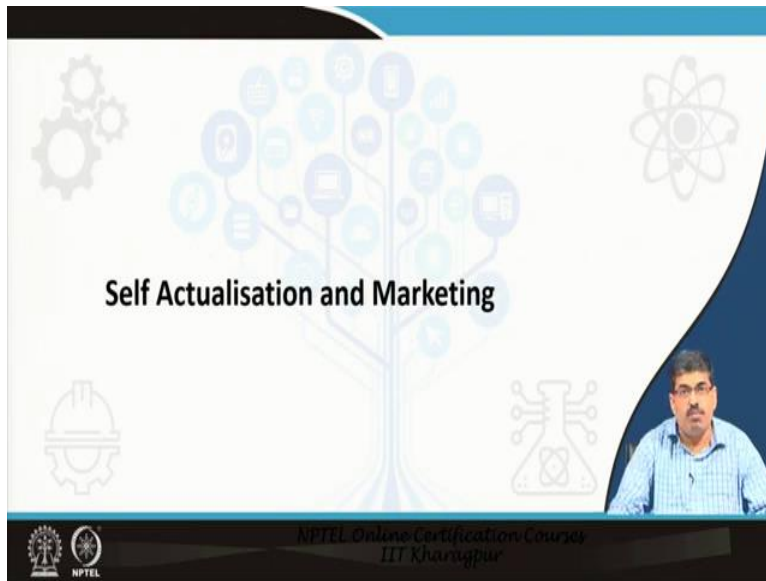
This were my, these were the course contents. Strategizing for business, SWOT, Porter's framework, fortune at the bottom of the pyramid, the GE way of thinking, rule of three; today we are in self actualization.

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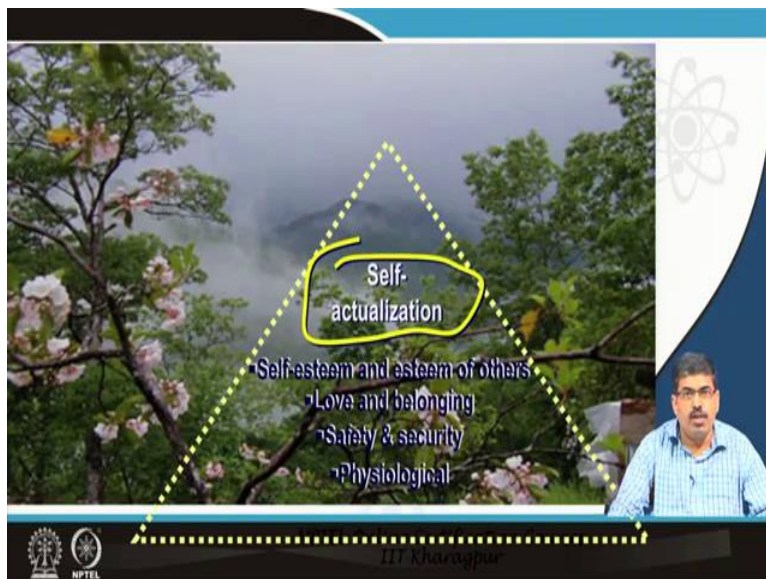
And we will also cover rural marketing challenges and balanced scorecard; ok.

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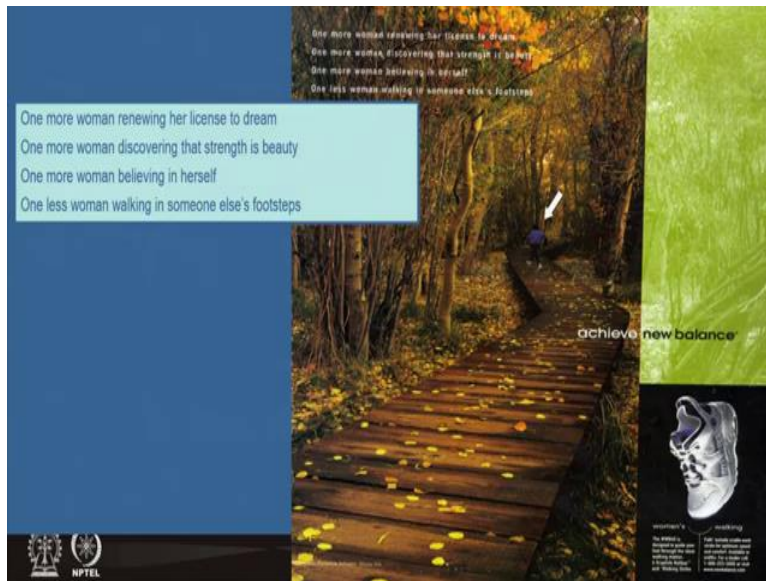
Self actualisation and marketing; ok.

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This is my Maslow's names; ok, self actualization. Look at the pack drop, beautiful mountains ok, you will have to be in the mountains; ok; clear!

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This is one of the classic advertisements for new balance, shoes. Look at this the woods that white arrow you see, the lady is running ok. You can see her pink pull over black trousers and the white shoes that she is wearing.

What is written on top? In white this magnified her. One more woman renewing her license to dream, one more woman discovering that strength is beauty, one more woman believing in herself, one less woman walking in someone else's footsteps.

So, what I am reliving my dream self actualized I am discovering that my strength is my beauty self actualisation I am believing in myself self actualisation and I am not imitating others self actualisation. So, achieve new balance. Most beautiful advertisement that takes care or that projects self actualization; ok; here this is self actualisation needs; ok.

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The slide is titled 'Nike Values' and 'New Balance Values'. It features the Nike logo (a red swoosh) and the New Balance logo (a red 'B' with a star). The Nike values listed are: Winning, Roar of the crowd, Extreme effort, The smell of sweat, and Physical development. The New Balance values listed are: Self-improvement, Inner harmony, Balanced effort, The smell of nature, and Spiritual development. Below the Nike values, a red arrow points to the text 'Nike appeals to the youthful, materialistic self'. Below the New Balance values, a red arrow points to the text 'New Balance appeals to the mature, others-centered, experiential self'. The slide also includes the NPTEL logo and the text 'NPTEL Online Certification Course IIT Kharagpur' at the bottom.

Look at how things are changing. Nike we all know and new balance we just now showed you the picture ok. Nike what are they saying? Winning, sports shoe winning. New balance, self improvement; look at the difference, winning self improvement. Roar of the crowd, inner harmony; extreme effort, balanced effort; the smell of sweat, there is hard work excitement, smell of nature physical development spiritual development.

Nike appeals to the useful materialistic self, new balance appeals to the mature, others-centered, experiential self; say very different positioning; ok.

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The slide is titled 'Rural Marketing Challenges'. It features a background with a stylized tree and various icons representing different aspects of rural marketing. The text 'Rural Marketing Challenges' is displayed in the center. The slide also includes the NPTEL logo and the text 'NPTEL Online Certification Course IIT Kharagpur' at the bottom.

Now, if you can position correctly, your job is you are more or less you are more or less what you are wanting to achieve you are more or less what you are wanting to achieve yeah. So, how to achieve this? How does your company make a self actualisation product ok? We have seen in the marketing world, classic examples of self actualisation products. Story books are very costly; ok.

People will pay a decent amount of money for a story book. What is a story book doing? Self actualisation and when companies can market that self actualization, you have made a very good marketing decision there has books uncertain situations.

For example as all of you know Chittaranjan Locomotive Works ok. Chittaranjan Locomotive Works is a first railway engine workshop of free India the works and the entire city named after the great son of India Deshbandhu Chittaranjan Das. Now, who has staying in that city? All people who are working in the railway workshop railway hospital, the college schools. So, it is a railway colony.

Now, if someone comes up with a book on the history of the city Chittaranjan, history of the town, history of the railway colony, what it was before the railway colony started, how the colony developed, how the people came in and started settling down, the ecstasy of the first railway engine coming out of the workshop, what Chittaranjan is today and then if he or she can compile all these things and come up with a book who will buy, who are your customers.

Your customers is not pan India. People will not align with that, but people who are in Chittaranjan city they will buy and they will pay. They will not go away they will pay because it is something which is aligned to their heart, self actualisation.

Marketing first self actualized products. Same applies to any city. steel plants Durgapur, steel plant Bhilai ok, any modern association, any modern city how it appeals that is why books particularly story books and these types of books that I was telling is a self actualised products and companies have understood that this is self actualised products.

That is why you will see regional languages books, Bengali language books selling in US, price is very high because they have a niche market. They know that these people will buy books for self actualisation. They have attained everything in life, self

actualisation they want to read their mother tongue ok. Similarly for southern part of India they will like to read self actualised products; ok; clear!

Some people come back with memorably from different places, self actualised product to some extent they are self actualised product ok. So, you have think in terms of these light what is a self actualised product and can you market a self actualised product ok, can you market. You see very recently all cities you started of with some cities and now it is spread to all cities.

The old shops means the shops that are there, particularly the Italies that are there for 70, 80, 90 years they and opening franchisees. They are now opening franchisees. They had never thought of opening franchisees, but they are now opening. The third generation or the fourth generation they are opening franchisees ok, self actualisation products.

Now, see this is the way you have to design yourself actualisation products. Find out what the customer is willing to pay, what the customers like ok. Tourism industry is a self actualisation product nowadays. There was this in Tirupati there was government tourism agency who was taking people to Tirupati.

You know the tag line “we take you with your prayers we take you with your prayers and we bring you back with the blessings”. “We take you with prayers with your prayers and we bring you back with the blessings” ok. “We take you with your prayers and bring you back with the blessings”. Look at the dimension it creates, so, self actualisation.

So, somehow you will have to convert your product to a self actualisation product and marketing of self actualisation product ok. We gave you the example of books we told you how a township can be change how a book on a township can be marketed because people are looking at the self actualisation.

Tourism today I gave you the example ok, many places you will see the tourism of elderly people have increased a lot ok, tourism of elderly people; so, marketing of self actualisation products. This the children are working they do not have that that financial crisis. So, they are moving ok. Many people many people there is a recent trend many people want to go back to their roots their native village.

They are in cities now their native village and they try to donate something to the school where they have studied, self actualisation. So, if you are a company who is an NGO or if your organisation is an NGO, you can try to leverage on it and help in self actualisation marketing; ok. So, these are dimensions of self actualisation; ok.

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Next will move to rural marketing challenges ok. Now, this rural marketing challenges in the Indian context is a very great challenge. Why? India still lives in our villages, India still lives in our villages ok. We in 1951 our economy was 80 percent agrarian economy, balance was industry, the service was very negligible; ok.

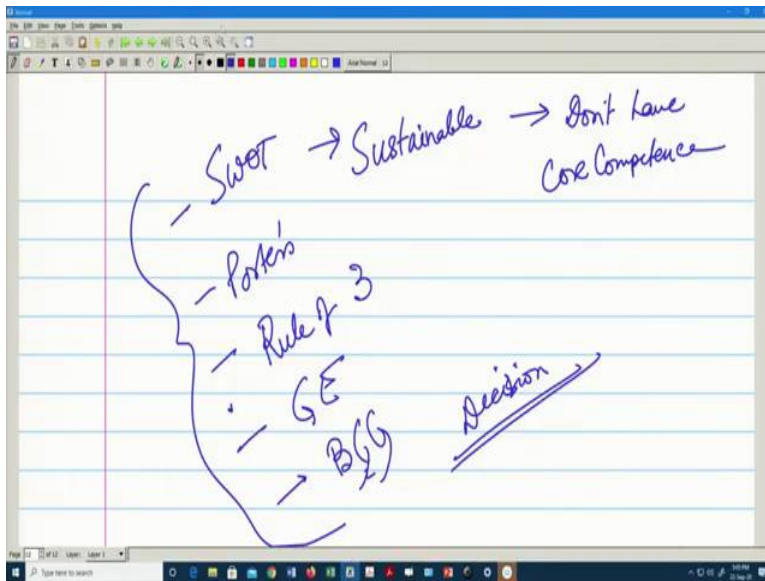
Today our economy 40 percent is dependent on agriculture, but what is important is India still lives in our villages. So, rural marketing is still a great opportunity as well as a great challenge ok. Rural marketing is still a great opportunity as well as a great challenge hm. Now, what do we mean by that; great opportunity as well as a great challenge?

Now, you see that rural marketing is very-very different. For example, I will share with you one example that I have personally faced. I once went to a rural fair f a i r, fair. Moment you moment I go to a shop to buy something they are not telling me the price. I have telling you long back. They are not telling me the price.

After sometimes what why are you not telling me the price then someone told me that they are not aligning with you they understand that you are from outside; ok. So, they are not aligning with you that alignment is very important, alignment.

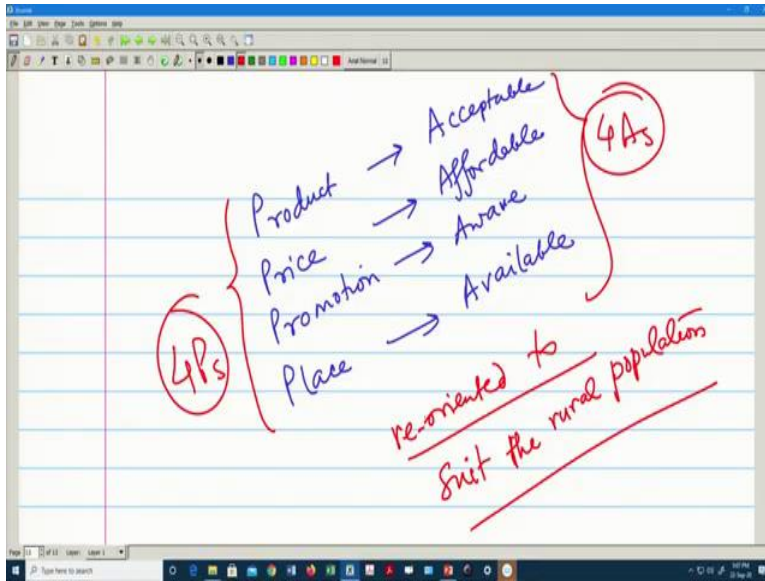
So, rural marketing unless you are aligned with the rural consumer, with the rural people, your marketing will become very-very difficult; ok; your marketing will become very difficult; right; ok.

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Now, having said that let us ask, let us put you through this dimension of rural marketing.

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You have actually 4 Ps in marketing; product, price, promotion, and place right; product sorry that product has to be acceptable. Price has to be affordable. Promotion that is people should be made aware and place means product has to be available; right.

So, if you see, if you see this very-very carefully, these are my 4 Ps and these are my 4 As of marketing. In rural marketing what we see is the these 4 Ps and these 4 As have to be re oriented to suit the rural population; to suite the rural population They have to re oriented to suit the rural population; ok.

So, this is the basis of rural marketing. There are many other challenges, opportunities, many other threats, many other dimensions to rural marketing ok. I will give you; and do not take it as a rural marketing as such, rural service rural service. Use this mobile hospital vans, mobile ambulances, mobile medical units; rural marketing, marketing in the sense rural service rural; ok.

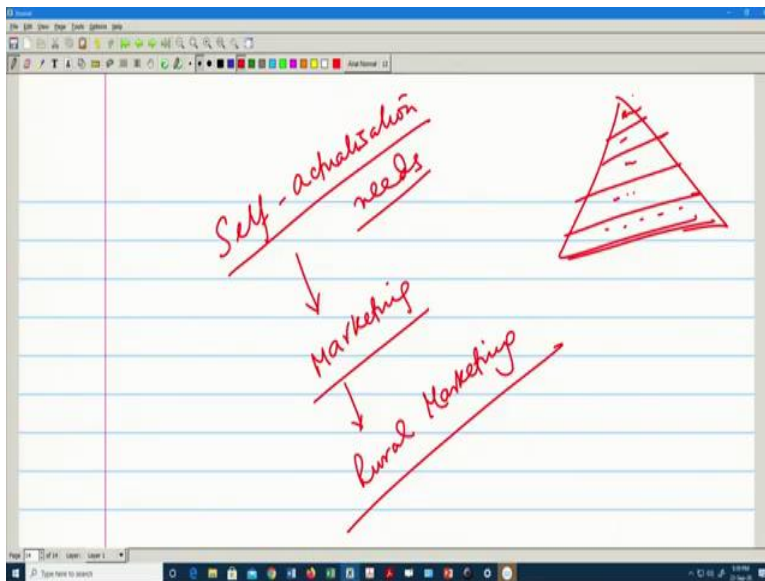
Sundarbans, the largest delta in the world; Sundarbans in West Bengal. You know how medical care is given, they have big vessels, vessels with small operation theaters also in them ok, small, but at least they are there for minor problems for emergency problems.

And these vessels will go every morning they are stationed at night, but every morning they will move from one island to the other and any problems any emergencies they will have medicine, they will give medical care. If any small minor operations are to be done

they will do that and if any patient has to be brought to some place they will do that also. So, this is the way by which we do rural service.

So, rural setting is very-very different; rural marketing; rural marketing has to be looked into from that angle; ok. So, now let us try to link up self actualisation and rural marketing.

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Self actualisation needs marketing and rural marketing, ok. You see self actualisation needs marketing, we have understood that if your company can really find out what is a self actualisation product then you can really sustain because if you are somewhere here at this level you know your market and your finances and your revenue are very limited.

If you are here it increases here increases here increases, but if you are here you can leverage, you can leverage on the finance part on the income part ok. But, if you are somewhere at the bottom of the pyramid then unless you have a very big marketing base, it is becoming very difficult because your unit price of the product is very less. So, it cannot make that much of margin; ok.

Margin will also be very-very way for thin margins; ok. Take the classic example of the yellow color bulbs that we had in our homes even till 3-4 years back that yellow colored bulbs have disappeared ok, yellow colored bulbs have disappeared and we are now having the white colored ones, the LED and the florescent whatever you want to say.

Why this? Companies have stopped manufacturing almost the yellow colored bulbs, same space they are taking, but price of one is 10 rupees price of the other is 100 rupees; 10 times. So, margin is more; ok.

So, you have to unless, so, unless you are looking into this matrix properly unless you are looking into this matrix properly you will have these issues will come up. So, you have to decide where you want to be.

You have to be at the self actualisation level, design a self actualisation product and you see everywhere we are seeing that companies are trying to design a self actualisation product. Tourism I mentioned, self actualisation product. Eco tourism is coming up as a self actualisation product. Home stay is coming up as a self actualisation product; this is within the broader framework of tourism; ok.

Tour planners they will help you out different even if you are going abroad no problems; so, self actualisation products; ok. Then see you will have health care; again is coming up in a big way. All the packages all the health care packages are basically aimed at this self actualisation ok. Then rural systems that is why we brought in the rural aspect into the picture; ok; rural systems people will want to go back to their villages and see that their old school is living up to its expectation.

Some people go back and pay for one or two students, entire years expenses. So, these are all examples of self actualization; ok. So, one has to be very careful how you design a self actualisation product. So, think and see whether your company can also design a self actualisation product. Link it up. Rural marketing is a bit different; but if you can link it up with rural marketing which will take up in the next week in the next module rather in the; sorry; in the next lecture; if you can link it up with rural marketing, nothing like it.

Thank you!