

## Selecting rural markets for two-wheelers



**We are a leading Motor Cycle marketer. Can the Guide help prioritise rural markets?**

### DATA REQUIRED FROM THE GUIDE

- Market Intensity Index MII rural - Volume II
- Contribution from Consumption to MPV - Volume II

### SOLUTION

As an illustration, consider rural constituents of districts in Karnataka. The important variable to assess best markets is a combination of quality of markets combined with inclination to consume.

Therefore data on MII and contribution from consumption to aggregate potential will reveal potential rural markets. As an illustration let us consider districts in order of rural MPV as shown in the table alongside.

| Rank by rural MPV | District         | MII - Rural | Contribution from Consumption to rural MPV | Analysis |
|-------------------|------------------|-------------|--|----------|
|                   |                  | 1           | 2  | 3=1*2    |
| 1                 | Belgaum          | 105.34      | 12.76                                      | 1344     |
| 2                 | Tumkur           | 84.37       | 5.82                                       | 491      |
| 3                 | Kolar            | 85.06       | 5.38                                       | 458      |
| 4                 | Gulbarga         | 67.41       | 6.18                                       | 417      |
| 5                 | Dakshina Kannada | 123.91      | 5.55                                       | 688      |
| 9                 | Davangere        | 99.00       | 28.53                                      | 2825     |
| 11                | Shimoga          | 105.37      | 26.03                                      | 2742     |

### RESULT

It can be seen that Davangere, Shimoga and Belgaum offer good potential. It is interesting to note that Davangere and Shimoga with lower MPV rank offer better potential when compared to Gulbarga or Dakshina Kannada.