

Case Study – The Entrepreneurial Mindset for Unleashing Rural Economies

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ABSTRACT

Unleashing rural markets through entrepreneurial mindset involves identifying and leveraging opportunities that not only drive business growth but also contribute positively to the well-being of rural communities and the environment. Entrepreneurial mindset can facilitate to create a win-win situation where companies prosper, consumers benefit, and society as a whole is improved. has become one of the differentiators in the success of any organisation. It's not only about being responsible to the needs of the consumers but also of all the stakeholders including the producers. In rural context, identifying the untapped potential in terms of supply end, the entrepreneurs can penetrate into the rural markets and explore the avenues to connect the local population to commercial platforms. Strategizing an appropriate marketing mix for these products will leverage a win-win situation for all. The present case intends to highlight how public-private collaboration can open up avenues for unleashing the rural economies and may have an enormous impact on the economic and social life of the communities concerned. The case strongly recommends the role of a catalyst, who may initiate or contribute such a movement which spurs into regional development. An apt catalyst may be the natives of such rural areas who are now residing in urban set ups and wish to payback to their ancestral places. It highlights the commendable initiative by a premium B-School of the country to invigorate the rural population and to enable the local people to be proud of their localities. It talks about how the B-School Director, who is a native of a small village of the state of Uttar Pradesh, has been a true catalyst for the upliftment of his village and has partnered with the State government to boost the ODOP scheme and induce a movement for exploring and developing products which can be a symbol of locality, of which residents can be proud, and which can be competitive on the national and global levels. The B-School has also initiated avenues for online marketing and state-wide exhibition platforms for these products to maximize growth and profit. Local rural residents will surely be stimulated by a clear, feasible goal and driven by a vision of a bright future which lies ahead.

Keywords: Entrepreneurial Mindset, Societal Marketing, ODOP, OVOP, Rural Empowerment

Introduction to the Case

On a chilled morning of 2019 in Indore, Entrepreneurship lecture had just begun at one of the renowned management institutions in Indore, Madhya Pradesh. Rakshit, a promising student of marketing, joined in after missing out on few days at the institute. He looked quite perplexed. On being probed by the faculty repeatedly, Rakshit admitted that he is unable to concentrate in the class. Further probing into his dilemma, he revealed that he had to rush to his home town due to a tragic casualty wherein his uncle had committed suicide due to excessive financial burden. Rakshit seemed extremely perturbed with the condition of his native place, which is a small village nearby. Adding on to his plight was a fact that most of the youngsters of his generation had to move out of the village for higher education or for their careers and being away, there was a little they could do for their native places. Hearing this, another fellow student narrated a similar incidence of his distant relative from his hometown which apparently happened to be another small village from Madhya Pradesh. And then, there was a plethora of sharing from many students who came from rural backgrounds.

The class was over with a bundle of heart touching stories. Each story had a sense of guilt for not being able to do anything for their native places as they are still students, without much resources to be able to contribute. With few futile efforts to cheer up Rakshit, the faculty left the classroom, in a deep quandary as to how to make these young students combat their guilt. She knew that mere words won't suffice, for sure. Later in the evening, while scrolling through the newspaper, she came across a news article about ODOP, wherein IIM Indore, the leading B-Schools of India had inked a pact with the government of Uttar Pradesh with an objective of inclusive development of a district in Uttar Pradesh. This MoU was an initiative by Prof. Himanshu Rai, Director, IIM Indore to revamp a small village Katuara in the district of Uttar Pradesh.

Trying to establish a link between IIM Indore and Uttar Pradesh, she kept reading the article and soon realised that Katuara is the ancestral village of Prof.Rai! [1] [2]

And here, she got hold of what's going to be the agenda for her next class. She was delighted to have with her, a live case of how one can have an entrepreneurial mindset and payback to the native places. She knew that this initiative by Prof.Rai, who is the role model for the youth, can do wonders by instilling in them the motivation to engage with the rural communities and help them realize their potential and move towards unleashing rural economies. The professor was crystal clear on the fact that she had a dual perspective of letting the young minds explore the untapped business opportunities in their native places while at the same time, instilling social responsibility and sensitivity. All excited to embark upon a new day of possibilities with her dynamic students, she calls off the day with all contentment and went to a peaceful sleep.

The next day, as the lecture began, the faculty assigned an activity to the student teams to explore the ODOP initiative in the light of the MoU inked by IIM Indore under the aegis of Prof.Rai. The teams commenced the task with all enthusiasm. After an in-depth analysis for a day, the teams presented their findings with an overview of ODOP Scheme, its emergence, objectives, strategic interventions, challenges ahead and the managerial implications

An Overview of ODOP Initiative

One District, One Product - ODOP scheme is an initiative by the state of Uttar Pradesh for reviving and giving wings to the state's traditional industries. ODOP scheme is supposedly to play a crucial role in transforming the state into a USD 1 trillion economy by the year 2024.

The state of Uttar Pradesh has almost 5 million MSMEs and is crucial in shaping the state's economic development roadmap. The MSME sector was in existence for a long time but was neglected for almost 2 decades without the support from the government. MSME sector contributes 60% of UP's industrial output, employs 40 million people and generates direct economic activity worth Rs 1.2 trillion. ODOP proposes to integrate 20 million workers with MSMEs. [3]

Emergence of ODOP

ODOP seems to have its dawn from The One Village, One Product (OVOP) movement, which was initiated in 1979 in Japan as an innovative program in which each local community identified one or a few products as locally specific, concentrates resources on its production, establishes it as a local brand, and markets it to the entire country or beyond. The movement tries to revitalise dejected local communities by combining the production of commodities with local pride and human resources development. The OVOP movement encourages the mobilisation of local human, material, and cultural resources to create value-added products/services for domestic and external markets. [4]

Objectives of ODOP

ODOP has been launched to resolve the economic and regional imbalance prevalent among the art producers' community and protect the traditional know how manufacturing art and craft products. It aims to create supplementary MSME sectors across Uttar Pradesh to increase local art production. ODOP is said to provide a stable marketing platform to improve income, local employment, skills and livelihood and to create a marketing platform for the promotion and establishing a brand for escalating production and income.

Apart from the primary social objectives of ODOP to preserve and develop local crafts / skills and promotion of the art and thereby increasing the incomes and local employment; ODOP has a societal marketing perspective too which is being catered to through improvement in product quality and skill development, transforming the products in an artistic way through packaging and strategic branding and connecting the production with the tourism on apt platforms. [5]

ODOP is in the process to collaborate with companies to widen the scope of distribution, increase online promotion and sales activities, advertising and publicity and create a micro plan to export products at national and across international boundaries. To increase the skills to compete with manufacturers globally, technical and technological training is proposed to be provided to the Artisans for increased productivity, innovation and research. The scheme will extensively work on

creating database exclusively on finding stakeholders, distribution of products, details on total production and export, raw material requirements and training to make the scheme available to all eligible people.

Unleashing the untapped potential of signature industries

Most of the districts of Uttar Pradesh have their own signature industries and ODOP is an attempt to unleash the hidden potential of all districts and for extending a market to the local products and artisans. The huge potential of these minor districts was yet to be harnessed and ODOP will give them that exposure to contribute their bit towards making Uttar Pradesh a trillion-dollar economy.

Uttar Pradesh is famous for product specific traditional industrial hubs across 75 districts viz. Varanasi for Banarasi silk sari, Bhadohi for carpet, Lucknow for chikankari and zardozi work, Kanpur for leather goods, Agra for leather footwear, Aligarh for locks, Moradabad for brassware, Firozabad for glassware, Meerut for sports goods, Saharanpur for wooden products, Chitrakoot for wooden toys, Bulandshahr for ceramic products and so on. When the mapping for the ODOP was going on, there were no significant industries in Muzaffarnagar. At that time, it was suggested that districts, which do not have an industry of prominence to be included in the ODOP list, can go for agriculture product. And the gurrh (jaggery) of Muzaffarnagar made it to the ODOP list. Today, there are 118 varieties of gurrh being made there, and a festival dedicated to 'gurrh' called 'Gurrh Mahotsava' is being held. Gurrh has given a new name to Muzaffarnagar and it has potential for exports. The rice variety 'kala namak', for which Siddharthanagar and Maharajganj districts are known, can work in these areas with some technical help. [6][10]

Strategic Interventions by ODOP

A multi-pronged strategy is being undertaken to promote ODOP and encourage entrepreneurs come on board and benefit from the concept. [7] A roadmap is being prepared to sew alliances with big shopping malls for the branding and marketing of traditional products. ODOP aims to develop a common marketing platform between ODOP and tourism sector for live demo sessions and promote the ODOP products as gifts and souvenirs. To boost traditional industries under its ambitious ODOP scheme, the officials are mulling to partner with US ecommerce giant Amazon and eBay for global branding and marketing. UP has already signed a MoU with Amazon for showcasing 'UP Khadi' over its online marketplace apart from training artisans, the avenues are being considered with regards to more than half dozen other traditional products to be further showcased. Several initiatives have been initiated to encourage MSME sector in the state through ODOP scheme by setting up clusters to promote local products and make them export-oriented. In first phase, the state would launch 1,000 ODOP retail outlets at strategic places such as railway stations and also plans to establish ODOP clusters at prominent locations across the state. [7] [8] [9][10] The products are also made available on GeM. Government e Marketplace is an online portal to maximise the outreach. Micro plans are also proposed for product development and marketing promotion. [11]

In addition to the promotional efforts, an ODOP Booklet, ODOP Coffee Table Books have been conceptualised to maximise the outreach of the huge and diverse product portfolio. [3]

Initiatives have been undertaken to initiate GI registration of ODOP Products to safeguard their product quality. A geographical indication (GI) is a sign used on products that have a specific geographical origin and possess qualities or a reputation that are due to that origin. [12]

One District One Product (ODOP) scheme is proposed to be promoted in the first semi-high speed train Tejas Express. The Department of Industries (Micro, Small and Medium) of the state government has given the responsibility of the branding to IRCTC. Passengers travelling will get a fair idea about the special and popular products of the districts. [13] [14]

Challenges Ahead

Since the integration to the global economy, the challenges lie ahead for rural development due to the trend of labor migration to urban areas, industrial zones, difficult access to credit, market, social inequality [15][16][17][18], the

government has proposed various policies and national programs focusing on empowering the agri sector and rural development

ODOP is an ambitious project which banks upon an effective planning, implementation and monitoring. The daunting task lies ahead of the ODOP initiators to maintain the momentum and effectiveness for this ambitious ODOP scheme. The immense untapped potential of the producers and the target segments needs to be professionally assessed and the gap may be filled up by leveraging on both the aspects. The project calls for a systematic approach to cater to challenging responsibilities like producing market research on consumer segments and insights into their preferences with respect to the target food commodities/products. ODOP needs to produce a dynamic Geographic Information System (GIS) database and diagnostics of prominent market segments, their geographies & the comparative advantages they possess.

ODOP will certainly face enormous challenge to keep pace with dynamic environment. It's crucial to use participatory learning and experiential workshops to enable the programme to design/modify the interventions it can support to enhance market-responsiveness and remain competitive.

Managerial Implications

The essence of a true catalyst lies in identifying its capacity to bring deeper integration of the rural–urban economy and revitalize intra-rural economy. This will emerge through improvement in existing exchange relationships and identifying new opportunities for rural producers based on rural resources to tap urban and rural markets for goods and services. Such interventions will further strengthen the proposed dual perspectives of empowering the rural producers and strategic marketing for competitive advantage.

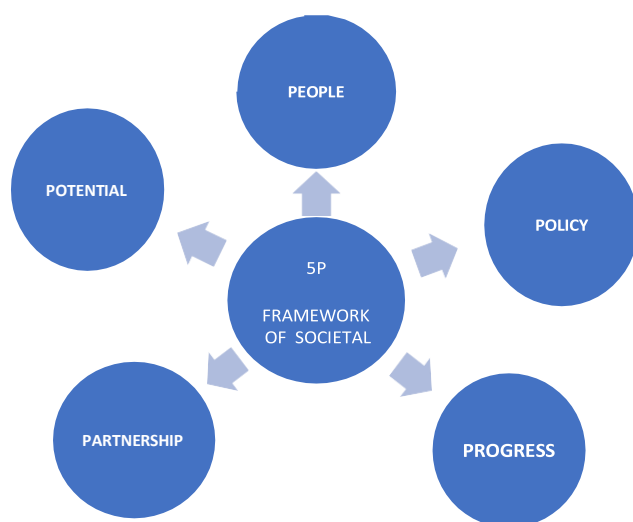
Based on three principles in the OVOP movement as reflected across studies Local yet global, Self-Reliance and Creativity and Human Resource Development, [19-24] the entire movement calls for a shift from linear operations to an interconnected system with holistic integration through the entire value chain. It will require to focus on multiple facets that manufacturers can leverage to remain competitive in the global marketplace. ODOP's implementation strategy is based on a commercial and market-led approach aimed at strengthening backward and forward linkages for the selected value chains and facilitating the role of public and private sector institutions to provide efficient and effective support to rural enterprises. There is a dire need to have a better understanding of the marketing mechanisms governing each value chain. The growth of MSMEs and their value chain participants can be strengthened by increasing their interaction with viable markets in a coordinated and sustainable manner. ODOP will implement a more explicit private sector-driven 4Ps approach as part of its strategy to support rural enterprises. It will concentrate efforts and resources on facilitating linkages between private sector institutions and organisations interested in sourcing raw, semi-processed or processed products and already organized small producers with comparative advantages in the selected value chains.

The movement can look forward to abandon supply driven initiatives and focus on activities that will empower producers to increase their bargaining and supply capacities with set targets such as establishment of proactive marketing groups and platforms, maximise their profit with set targets such as knowledge and control of their production costs, use of appropriate semi processing technology for value addition and acquisition of quality certifications that shall allow for preferential prices.

Proposed Model – 5P framework of Social Entrepreneurship

Initiatives like ODOP are commendable ones and may be spread across the country with an innovative model proposed hereby as 5P Framework of Social Entrepreneurship. It comprises of dimensions like People, Potential, Partnership, Policy and Progress.

Figure 1: 5P FRAMEWORK OF SOCIETAL MARKETING



5P framework of Social Entrepreneurship

People includes all the stakeholders who can bring a difference/effect or the beneficiaries, who will get affected by such initiatives. This also includes the marketers who have the capacity to explore the areas for commercialization through identifying untapped potential. It also includes the people who may act as catalysts in the process of implementation. Empowering, sharing and facilitating for a mutual growth is the ultimate key.

Potential signifies the unleashed potential of the signature industries and also, the untapped market potential which may be explored. This dimension may also include the potential of the catalyst to lead, initiate or contribute in any capacity.

Partnership implies the collaboration public - private or similar ones to share resources, skills, platforms for a mutual facilitation. The strategic level interventions to undertake MoUs, collaborations and partnership contract for business linkages hold utmost prominence.

Policy is the heart of such an initiative. The strategic decisions will form a part of policy document which may be adhered to and shall be dynamic in light of changing and emerging needs.

Progress of any initiative through a sound and dynamic monitoring mechanism is a must. It shall help to capture and monitor the implementation and effectiveness of the scheme.

This 5P framework of Societal Marketing is a challenging task. However, an effective planning towards inclusion of all the dimensions of the framework will facilitate the fulfillment of dual objective of attaining inclusive growth and paving a way for the marketers alongside.

IIM and ODOP

Under the ODOP scheme, the government is making serious attempts to revive local craft that has for long been a source of livelihood for many. IIM Indore has inked an MoU with IIM-Indore which will be a two-level approach. One will be aimed at the policy level, while the other will look at infrastructure in all the four districts. As part of the project, a team from IIM Indore conducted 'ODOP Jan Sarvekshan' survey in Deoria. The survey was conducted with the ODOP participants of the Udyam Samagam (enterprise meet) 2019. The IIM team analysed data of almost 60 ODOP teams of Deoria to generate insights related to the participants/artisans of the district involved in the scheme. A part of the survey reads: 'The number of women team leaders has increased in Deoria. It will surely help to improve their economy. In other words, women are participating in mainstream economic activity

As a part of the recent reports (2023), chikankari has been selected as Lucknow's ODOP and they aim to make it a global product and turn it into a lucrative profession by enhancing the income of the artisans. Based on the findings thus far, the team of experts from IIM Indore have identified a five-point agenda around which dedicated training can help in scaling up the reach of the product and also enhance the income of the artisans involved in this iconic art that is slowly losing its steam.[26]

Case Dilemma and Conclusion

Despite of an immensely inspirational story of Prof. Rai's initiative to be a part of ODOP and making a difference, the management students felt that they don't have enough resources or authority to be able to contribute. Their point was that, being in a position of authority, one might undertake such challenging tasks to bring a change. But, being just a student, they can barely contribute anything towards such an initiative. All this looked as a challenging task which calls for resources and power in addition to mere dedication and commitment. The Entrepreneurship professor was still not disheartened as deep inside she knew, these students have enormous potential and they can certainly make a difference by identifying small ways to contribute anywhere across the societal marketing mix dimensions of the wonderful initiative. The only way out is they need to attempt a personal SWOT analysis which shall boost their confidence as they can identify their core strengths and recognize the means to put these to an apt utilization against the available opportunities. The entrepreneurial mindset is what needs to be awakened and aligned to the opportunities

Questions for discussion

Question 1

Identify the main issues in the case with regard to the dilemma faced by the management students.

Hint: Management students felt helpless to be a catalyst without having resources and power.

Question 2

Consider yourself as one of those management students with roots in a village. Attempt a personal SWOT analysis and identify the ways you can contribute to such an initiative.

Hint: A number of opportunities and challenges as mentioned in the case calls for a significant role of these management students. They can find avenues and innovatively put their skills to use and combat these challenges.

Question 3

Does the primary agenda of ODOP initiative to empower the local producers deviates from its primary goal when the role of a marketer is introduced?

Hint: Societal Marketing concept with win-win situation for both

Question 4

Critically analyse the marketing mix elements as portrayed in the case.

Hint: Unique Products and dynamic Promotion strategies exist but no significant approach for Pricing strategy and Place (distribution) elements

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