

# Rural Women Empowerment through Entrepreneurship

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# RURAL WOMEN EMPOWERMENT THROUGH ENTREPRENEURSHIP E-ENTREPRENEURSHIP IN INDIAN RURAL MARKET

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## Abstract

*Rural entrepreneurship certainly implies entrepreneurship emerging in rural areas. In other words establishing the industry in rural areas is referred to as rural entrepreneurship. This means that rural entrepreneurship is synonymous with rural industrialization. E-entrepreneurship is defined as entrepreneurship based on the digitization of business processes and procedures that were previously performed manually in conventional businesses. The rural market is full of potential for e-entrepreneurs because urban markets are highly competitive and already reached saturation in many cases. On the other hand, with advancement in infrastructure, improvement in literacy level, penetration of information technology, and other developmental schemes for rural areas, their income level and standard of living are steadily improving. As a consequence, the demand for branded products is soaring. Similarly, demand for products from rural areas also increased due to e-commerce platforms. This age is of information technology. The massive growth of the internet and technological advances has transformed the landscape of entrepreneurship. As a result, a slew of innovative ideas and opportunities emerged for entrepreneurs in the era. Rural areas generally have higher delivery costs due to insufficient infrastructure, scattered population, remote locations, and extreme weather conditions in some places etc. Mostly ITC and online payment systems are inadequate in rural customs. In addition to this, people in rural areas are generally unskilled or semi-skilled when it comes to ITC related skills. In the presence of such constraints developing a new e-enterprise or expanding an existing one in a rural market have numerous challenges. In this paper covered participation of rural market process in e-entrepreneurship and their constraints with women empowerment.*

## Introduction

### Rural Women Empowerment

Women's economic empowerment is considered to be a prerequisite for attaining the Sustainable Development Goals (SDGs) as well as for establishing right and equitable societies. According to Food and Agricultural Organization (FAO), closing the gender gap in agricultural inputs alone could lift 100-150 million people out of hunger (FAO, 2011). Over the past 25 years, in spite of global economic growth, women's participation in economy centers mostly on low yield activities such as agriculture and informal sectors (World Bank, 2011). The

persisting gender disparity in employment will not only hamper short term development but will also influence broader development target of poverty reduction (Lloyd et al., 1993). As a result, the impact of restraining women may be even larger as continuing gender gap could discourage rural parents from investing in girls' education (Brown et al., 2002).

Apart from the socio-economic co-variants such as health and education, women are set apart even by the geographical setting. Women of rural Bangladesh are far below their urban counterpart in terms of empowerment. The status of rural women in Bangladesh has been ranked as lowest in the world based on twenty indicators related to health, marriage, children, education, employment and social equality (NCBP, 2000: 27). Rural women are relatively more empowered in the dimensions of self-esteem and in their decision-making role but fall behind their urban counterpart in the dimensions of freedom of mobility and access to resources (Mahmud et al., 2012).

It has been repetitively signaled by donors that microcredit can be a singlehanded solution to empowering women and therefore major policy attention have been drawn toward microcredit schemes with an impression that 'only money can solve it all' (OECD, 2012). Undeniably, microcredit programmes indeed has strong positive impact on poverty alleviation through reduced vulnerability, asset creation and thus lead to better women empowerment (Zaman, 2001). However, it has frequently been argued that credit approach is not sufficient to generate empowerment as the societal cluster who requires assistance the most can be excluded by the inclusion criteria for receiving credit (OECD, 2012; Dutta, 2004). Empirical evidence has also suggested that though long term microcredit support led to improved household welfare through higher per capita consumption, greater asset holdings however whether females' economic participation and opportunity improved or not through intervention has not been mentioned (Khandker et al., 2015). Therefore, it can be asserted that, microcredit support is not being able to empower women to the full extent by creating entrepreneurs from housewives. To become successful entrepreneurs, freedom of movement along with access to resources for women has to be ascertained.

### **Indian Rural Market**

There is a need for the booming growth of Village e-commerce. The rural Indian market ensures untapped potential to become the market leader for most e-commerce business enthusiasts and budding entrepreneurs. Since independence, nothing has happened in terms of boosting the rural distribution of commercial products within India's geographical boundaries. Therefore, the urgent need of the

minute is to accelerate the expansion of commercial enterprises and e-commerce businesses in rural areas.

E-commerce in rural India is on the rise as the trend of online shopping has become the trend in the last few years. Most people are inclined to purchase various forms of communities and take advantage of different services via online platforms. This practice is not restricted to urban areas but has also come into practice in full swing in India's rural parts. In rural areas of India, there is a high penetration of internet and mobile-friendly individuals. The Indian government is leaving no stone unturned in establishing the connection between all the villages and small towns through optical fiber by keeping its eyes on making India digital on a massive scale. In this regard, the objective of the Indian government is to provide citizens living in villages or rural parts of India the benefits of online services.

### **E-Entrepreneurship**

E-entrepreneurship is defined as entrepreneurship based on the digitization of business processes and procedures that were previously performed manually in conventional businesses (Jelonek, 2015). Matlay (2004) described e-entrepreneurship as a term that refers to establishing a new enterprise in the digital economy through information technology. It is also used to refer to the entrepreneurship process of setting up an ebusiness. (cited in Asghari & Gedeon, 2010). It is the continuation of conventional entrepreneurship into the net economy. It encompasses all classic entrepreneurs' defining traits like risk wearing, proactiveness, innovation, and managing and administering the enterprise (Zhao, 2007). E-entrepreneurship has revolutionized the entire business operation to shift it from a regional to a global marketplace. With this new transformation, new prospects are created entrepreneurs, referred to as e-entrepreneurship in this context. (Jelonek, 2015) Cyber-entrepreneurship, digital-entrepreneurship or entrepreneurship in digital space are often used to describe a new entrepreneurship model. (Carrier et al., 2004) emphasized that cyber-entrepreneurship is an innovation that empowers the detection and capture of new opportunities for entrepreneurs.

### **Review of Literature**

Rural entrepreneurship has been encouraged to reduce pressure on agriculture, curb emigration of rural people, disperse large scale industrialization, reduce investment cost and generate employment in mass scale for skilled and unskilled persons of the community and reduce regional disparity (Ganesh Bhat. S). Petrin

(1992), in a study observed that to speed up economic development in rural areas, it is important to build up the critical mass of first generation entrepreneurs.

Lyson (1995) specified the prospects of small-enterprise framework as a possible rural development strategy for the economically disadvantaged communities. As risk takers, entrepreneurs bring about new products and services, and indeed, add colours to a society. (Zimmer and Scarborough, 2005) Thomas and Henley (2006), that one of the most crucial components of local economic development strategy is rural entrepreneurship.

Petrin (1994) in another article concluded that rural development is now being largely linked to entrepreneurship. It acts as a vehicle to improve the quality of life for individuals, families and communities in order to sustain a healthy economy and environment. Duarte & Diniz (2011) It is found that entrepreneurial actions promote economic and social conditions which benefit the individual as well as the entire village.

Saxena (2012) Institutions and individuals promoting rural development now see entrepreneurship as a strategic development intervention that could stimulate the rural development process. Sharma, Swati, Vyas, and Divya (2011) indicated that various social, economic, political and ecological problems in rural areas in developing countries like India create challenges in employment, decreasing agricultural production and increasing food shortage. This has resulted a huge impact on the domestic production, employment etc. To a certain extent, these problems can be solved by developing entrepreneurship in rural India.

(Sarkar, 2014) online retail is on the verge of a meteoric rise in the Indian rural market. Sanpdeal, one of the e-retailing company planned to reach out to 50 lakh families in villages and slums throughout the country. These include places like Dharavi in Mumbai (Asia's largest slum), Govindpuri (one of the biggest slums in Delhi) and other rural areas. In association with FINO PayTech (an Indian FinTech company), the company will roll out about 5000 e-commerce kiosks in 65 cities and 70000 rural places by the end of 2015. Entrepreneurs from rural places will manage these technologically equipped centres. These centres will also act as pickup and delivery sites for shipments. A majority of residents in these places don't have their permanent addresses. Additionally, these canters will enable people without internet access to shop online.

### **III. Problems of Rural Market**

#### **i. Underdeveloped people and underdeveloped markets**

The impact of agricultural technology isn't felt uniformly across the country. Some parts in Punjab, Haryana and the Western UP where the rural consumers are

somewhat comparable to their urban counterparts, but there are communities in large areas who have repaired beyond new advancement. In addition, the farmers with small agricultural landholding are also unable to take advantage of the new technology (Pranali, 2020).

#### **ii. Lack of power physical communication facilities**

Nearly fifty per cent of the villages in Asian countries don't have all-weather roads; physical communication to the villages is costly. Especially throughout the monsoon four months, these villages become completely inaccessible.

#### **iii. Inadequate media coverage for rural-communication**

Many rural families own radio and television sets; there are also community radio and TV sets. These are wont to diffuse agricultural technology to rural areas. However, the coverage relating to marketing is inadequate.

#### **iv. Many languages and dialects**

Every region has different languages and dialects – this type of distribution of population warrants applicable ways to decide the extent of rural market coverage.

#### **v. Other problems of rural market**

Natural Calamities, Drought or excessive rain, epidemics, primitive cultivation methods, lack of storage facilities, transportation problems and inadequate market intelligence, including a long chain of intermediaries between cultivator and farmer and wholesaler and retailers, are also the reason for entrepreneur's apprehension to enter in the rural market.

There also are issues of extending promoting efforts to tiny villages with a 200-500 population. Vast cultural diversity, immensely variable rural demographics, poor infrastructure, low financial gain levels, and low acquisition levels usually tend to lower the presence of giant corporations within the rural markets.

### **Swot Analyses of Rural Market in Context to E-Entrepreneurship**

A SWOT analysis framework has been designed to understand opportunities and challenges for e-entrepreneurship in the Indian rural market. After classifying the factors according to their role as strengths and opportunities, they are compared against weaknesses and threats. This comparison will give clarity to budding entrepreneurs, and they can make their strategies accordingly. The features of the Indian rural market include some welcoming features for entrepreneurs, such as; huge market size, yet not fully exploited or explored.



People over there are now comparably well informed, income level also improving, leading to a higher spending ratio comparably. The most crucial point is the people in rural areas adopting changes rapidly. Additionally, many factors are promising the future to be more favorable for rural e-entrepreneurship in the coming year. For example, a better literacy rate leads to better employment opportunities; as a result, a positive shift in the income bracket and a better living standard increases demand for quality or branded goods. Furthermore, growing ITC infrastructure expanded internet penetration and improved digital payment facilities.

Geographically distant villages pose a significant challenge to serve people living there. Due to many reasons, the basic infrastructure is still not up to the mark in many rural areas. Socio-economic diversity is another challenge that makes this market highly heterogeneous. Insufficient research and development facilities are another severe issue in the rural market. The unorganized market serves a substantial size of demand in the rural market. So in lack of proper check and balance, unhealthy compaction is there in the rural market. Few marketers are taking advantage of the unawareness of rural people; some unethical practices such as duplicate or pirated products are often noticed in the rural market. A large portion of the rural population still hesitates in using the online payment option.

## Conclusion

The analysis revealed that the rural market stands as a big challenge for e-commerce enterprises. However, the stage at present could be regarded as the perfect set for e-enterprises looking for growth and capturing critical market share. The strategy is to experiment with different models in this sector to find an indigenous solution to capture rural India. The issue here will be to create enterprise designs in accordance with the customer at the centre of all operations, seamlessly intervening the physical and digital worlds into a single touch point with the customer, creating an association of “trust” with the brands. It is right for the e-entrepreneurs to earn profit by expand their business by tapping into the rural market and for budding entrepreneurs to start new online venture. Additionally, it is important to understand the different challenges of reaching out to consumers who are not tech-savvy and may not be comfortable in making online payments. The strategy for connecting with rural India roots is to priorities simple design, secure payments, and flawless experiences, regardless of connectivity issues. Also, the entrepreneurs need to work on strengthening the operational aspects of their businesses and strategies (Admin, 2017)

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