



Transforming Rural India with Digital Technologies: A Sociological Review

Rajesh Kumar Yadav

Assistant Professor (Guest), L.N.M. University, Darbhanga, Bihar.

The key stakeholders in rural development involving the grass root level organizations and NGOs.

Abstract

The Government. The technology providers and providers of rural centric offerings would have to come together and create an integrated approach aimed at expanding the rural economy.

Keywords: Transforming, Rural, Digital Technology, NGOs.

Introduction

Digital Technologies have made a dramatic impact in not just bringing the world closer for everyone but, as netizens, everyone is now part of the global village. The intimacy and the familiarity with each other, experienced in villages are now being sensed in the global digital village as well. As a result, it is easy to reach out to communities and get across the message to anyone if we have the real desire to do that. We have recently witnessed how the political and the governing process itself have been transformed in Delhi on account of the power of active communication and collaboration amongst people. Opinion making, experience sharing and building leaders overnight are the new exciting trends of the digital technologies. The potential of collaborative technologies in the context of rural upliftment, can lead to path breaking socio economic changes. Arab Spring set the stage for re imagining the world we live in, in recent times. Any revolution the world has lived through, has been the resultant of a shift in the beliefs and vision of people collectively, when large communities of people are influenced by such information which makes them think differently. In the past, the medium of such communication were books or radio or public meetings.

Television and Internet have taken the world by storm and digital technologies in particular have empowered the people through timely and reliable information which can also be verified.

Thus, it is exciting to envisage how the rural masses can be enthused to seek and share information about various aspects of their lives leading to better opportunities for themselves.

The Indian rural market is undergoing transformation with better access to information and changing patterns in demand structure and lifestyle. According to *rural marketing org*, India has

6.27 lakh villages and business in rural India grew at about 11 per cent annually over the last decade. FMCG sales are expected to grow to \$33 billion by 2015, of which \$22.1 billion will be contributed by rural areas, Poverty levels have dropped to 22 per cent in 2011-12 from 37.2 per cent in 2004-05 as per the reports of the Planning Commission, While this is a very positive development, the challenge going forward would be not only to reduce the level further, but is also to ensure the people who have moved up, remain there and become

part of the growth story, This would require focus among others, things, on education and skill development leading to better livelihood options. It is a widely acknowledged fact that digital technologies hold a great promise for rural development and transformation. Broadly, we could classify the ICT offerings meant for the rural

sector into three categories.

The first would be those solutions which are aimed at 'empowerment'. The second would be 'enablement'. The third category would be 'market expansion'. Let us try and take a look at some examples of each of these ...we could classify the ICT offerings meant for the rural sector into three categories. The first would be those solutions which are aimed at 'empowerment'. The second would be 'enablement'. The third category would be 'market expansion' dimensions to understand how ICT is making a transformational impact on the rural sector.

When we examine the first dimension - empowerment - E chaupal comes up as a fine example. E chaupal, with over 6500 kiosks in 40,000 villages in 10 states covering 4 million people, is an after quoted example of efficient supply chain system empowering the farmers with timely and relevant information and enabling them to get better returns for their

produce. Because of the community centric approach it adopts, the system has managed to create opportunities for providing other offerings as well to the farmers - insurance and farm management practices, to name a few.

The e-governance system is the example of the second dimension-enablement with immense potential to create transparency and good governance through IT. The successful implementation of this system in areas such as land records in the states of Maharashtra, Andhra Pradesh and others is indeed a great step in removing the malpractices and creating assurance of rightful ownership with the citizens.

In recent times, Aadhar has been seen as yet another tool to empower the masses by confirming their identities. Despite the recent judgment of the Supreme Court and the opposition to this scheme on the grounds of politicization, security and privacy, Aadhar is a good example of ICT solution attempting to provide access to monetary benefits by establishing the correct identity and through this approach, trying to expand the rural economy by energizing the dynamics of the economic system. The third dimension, namely market expansion with digital technologies, can be gleaned from several examples. Village and heritage tourism in remote parts of the country have picked up a huge momentum on account of awareness being created through online portals and thus attracting more visitors as compared to the past. Direct connect with the potential customers with the smart use of digital technologies through ecommerce has facilitated a large number of artisans and agro based small enterprises in the rural areas to bring in new businesses from new markets. Women's livelihood is being facilitated amongst the weavers' community in the north eastern states by marketing their products through the internet medium and thus, facilitating custom orders or off the shelf sales without women having to travel long distances to exhibit their wares. We need a game plan for orientating of rural India with such case studies on using the technology to market their services to wider audiences outside of the rural base- be it web presence and marketing for their traditional crafts and arts or farm produce to customers globally or bring in customers to their base through smart communication strategies, marketing their villages as holiday destinations.

While we see benefits from all three dimensions of engagement through digital technologies, we would be able to experience substantial upliftment and sustainable development only when the purchasing capacity also increased in rural markets. India's rural income is slated to grow from US\$ 572 to USD 1.8 trillion by the year 2020. 70 per cent of population which lives in rural India accounts for about 50 per cent of India's GDP.

Per capita GDP in rural areas has been growing faster than in urban locations since 2000 which stands at 6.2 per cent CAGR versus 4.7 per cent. Hence, most companies have recognized the need to shift focus to rural from urban in order to get the lion's share of the market. The big challenge sellers face is, how to reach the dispersed rural masses with diverse cultures and languages and find cost effective means of making this happen. Digital technology could be one of the means of achieving this but how feasible is it to implement

in the Indian countryside? Let us examine some of the key trends of digital penetration and usage in rural India.

Out of the 833 million people residing in the rural parts in India, according to the Internet and Mobile Association of India, as of June 2012, there are 38 million Internet users and 12 per cent of them could access the Internet on their mobile phones. What is noteworthy is that this population that accesses internet via mobile phones has increased seven fold in just two years -from 0.50 million in 2010 to 3.6 million in 2012. Key factors that have helped in increasing mobile most

companies have recognized the need to shift focus to rural from urban In order to get the 110n'lllhare of the market. The big challenge seller face II how to reach the dispersed rural mallei with diverse cultures and languages and find colt effective means of making this happen. Digital technology could be one of the meanl of achieving this but how feasible is it to Implement In the Indian country side? penetration in rural areas include falling prices of handsets, increased battery life, lower data charges and improved network infrastructure and this trend is likely to continue. There is still a very sizeable market for used mobile phones majority of which are not connected to the internet. It is estimated that the unique mobile users are around 100 million. Awareness and access of internet via mobile phones for entertainment and communication are currently the highest as compared to other online services such as e-commerce, education jobs and social media, which are slowly but steadily picking up pace.

In the coming years, as mobile and internet usage increases in the rural markets, organisations targeting the rural markets need to come up with a marketing strategy vastly different from today's approach to the market. As opposed to the urban markets, the challenge in the rural markets is targeted reach rather than gaining their attention. On account of significant-Rural customers traditionally value community recommendations for their buying decisions. Social media marketing can be gainfully deployed with smaller communities focusing on their interest areas and using them to promote products and services. Building partnerships with NGOs, financial institutions and Government agencies to create social platforms and through these platforms, gently nudging the rural customers to buy their products and services, is required to be done.

Variations in the profiles of rural population, homogeneous approaches may not work. With a sound database and analytics of profiles of individuals, targeted marketing for products and services could be successful.

Rural customers traditionally value community recommendations for their buying decisions. Social media marketing can be gainfully deployed with smaller communities focusing on their interest areas and using them to promote products and services. Building partnerships with NGOs, financial institutions and Government agencies to create social platforms and through these platforms, gently nudging the rural customers to buy their products and services, is required to be done. ITC and HLL are two good examples of early practitioners of ICT in rural marketing who have been successful using such approach to win over rural customers. Personal devices like smart phones and tablets are non intrusive media available for marketing organisations to reach out to such customers in innovative ways.

To win over rural customers for new offerings, businesses have to invest in all round the year communication and engagement with the potential customers. Many organisations find this hard to do as the time lines for the returns are not predictable. With digital technologies, with the understanding of the pockets where penetration and usage pattern is good, companies could start seeding their offerings using relatively inexpensive media and slowly expand in other territories based on such experiences. The rural population which is connected via mobiles is predominantly putting it to use for the purpose of entertainment and communication. One of the key inhibiting reasons for not using other content is due to lack of relevant content available in local languages. Businesses would be able to benefit a great deal by being attentive to this need and ensuring that content relevant for decision making is made available to the rural masses in vernacular languages in an entertaining manner. Although, last mile connectivity continues to be the major challenge to establish the reach with the rural areas, there have been innovative initiatives like DakNet in Orissa and Babasaheb Ambedkar Open University (BAOU) in Gujarat through buses equipped with ICT using which, the rural citizens are able to access the internet for their needs. While penetration of personal devices and access to the internet will grow steadily, in the medium term, Common Services Centres (CSCs), set up by

various State Governments, could be leveraged to some extent.

CSCs were announced and rolled out with a lot of fanfare but the public private partnership envisaged is yet to come up with a sound business model. Organisations keen on tapping rural markets cannot ignore these CSCs and, in fact, should study carefully the successes achieved in some states and use them to pilot their plans for rural markets. Understanding the usage patterns of rural netizens, determining how to stay engaged with them, sizing up internet enabled and non enabled mobile phone usage and creating appropriate content in vernacular languages, would be critical to making digital marketing a success in the rural areas.

In the case of IT products/solutions, very few offerings have been designed specially keeping in mind the rural customer. Further, most of the solutions or products - IT or non IT have often aimed at addressing the needs of the population and not necessarily enhancing the demand side. It is when IT solutions are designed to create new demand that there will be overall expansion of rural economy powered by digital technologies. Although, the Government has been keen on bridging the digital divide and has initiated several projects towards this objective, there is a huge requirement for building more IT products and solutions leading to noticeable change in the rural economy. Of late, there are several innovative social ventures being conceived around the use of digital technologies aimed at the rural-

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segment. Rural BPOs, for instance have caught the imagination of some entrepreneurs, although replication of this model in many locations with consistent quality and predictability of business have been not easy. In states such as Tamil Nadu, Kerala and Goa where the difference between rural and urban living styles and the aspirations of the youth, are not very divergent in rural vs urban locations, we are seeing an interesting phenomenon of the same set products and services being relevant to both audiences, albeit with a difference in pricing to take care of the purchasing power capabilities.

Apart from designing IT products or solutions, providing access is equally an important subject of attention. The ISPs and the State Governments are assiduously working towards expanding the last mile connectivity and it would be only a matter of time by when this dream is realised.

In rural areas, we are witnessing the power of digital technologies in everyday life through examples such as online ticketing and electricity bills payments, matrimonial alliances, even if people do not have access to digital devices at home, as the cybercafés and shared desktops are handy and offer inexpensive alternate access.

The key stakeholders in rural development involving the grass root level organisations and NGOs, the Government, the technology providers and providers of rural centric offerings would have to come together and create an integrated approach aimed at expanding the rural economy. The Citizen Service Centres (CSCs) which were designed to address this objective and launched with much fanfare in many states, have unfortunately not taken off due to lack of viable business models attractive to the investors and offerings appealing to the rural audience.

The need for building a technology enabled education system which brings in the best of expertise and teaching pedagogies at the fingertips of the students is much more significant in rural India than the urban locations where students do have choices. We need a MOOC like approach to skill development oriented programs in vernacular languages, which could be delivered through CSCs and schools in rural locations.

The project involving 34 this in Kerala, majority of which are in remote parts of the state, for training students in employable skills using CISCO's Webex system supported by the dual language content and training delivery by Global Talent Track is an example of how with the blend of innovation and technology, the needs of rural youth could be addressed, despite the challenges of power and other infrastructure issues.

Rural transformation through ICT innovations requires a long term approach with an appetite for risk taking and tolerance for failure.

Although, some of the current venture fund initiatives are supporting the proposals that are aimed at 'inclusive

India', there is also a need to create venture funds with the specific focus on innovation for rural India as the demand generation and the characteristics of market functioning are very different from the urban models and their customer mindsets. With the growth of agriculture segment hovering around 2 per cent, and the resources being scarce, the objective of equipping the villages to embrace knowledge economy powered by digital technologies has to be vigorously pursued to build a sustainable development plan.

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