A World Bank study has revealed that nearly two-thirds of India’s 1.21 billion population still lives in rural areas. Most of the companies are steadily transforming their rural operations into viable profit centres. They have been devising ‘reach strategies’ that are instrumental in selling to unsophisticated buyers in geographically dispersed locations.

Industry experts expect the next level of growth to come from smaller towns. India’s rural population, accounting for about 12 per cent of the world’s population, presents a huge, untapped market. Brands cannot afford to disregard the vast opportunities rural India offers, taking into consideration the population density in such areas.

Almost 67 per cent of companies in India are expanding their presence in tier IV cities, says a study by Accenture, ‘Masters of Rural Markets: Profitably Selling to India’s Rural Consumers’. Since 2000, gross domestic product (GDP) has grown faster in rural India than in urban (at a 6.2 per cent compounded annual growth rate [CAGR] as against 4.7 per cent). The study revealed that between 2010 and 2012, spending in rural India was Rs. 3,73,566 crore (US$ 68.05 billion), while urban consumers spent Rs. 2,97,770 crore (US$ 54.25 billion). Improving business environment, better infrastructure and the growing number of consumers with higher disposable income are certain factors that are driving Indian rural markets.

**Defining Entrepreneurship**

“Entrepreneurship refers to an individual’s ability to turn ideas into action. It includes creativity, innovation and risk taking, as well as the ability to plan and manage projects in order to achieve objectives. This supports everyone in day-to-day life at home and in society, makes employees more aware of the context of their work and better able to seize opportunities, and provides a foundation for entrepreneurs establishing a social or commercial activity”.

Therefore entrepreneurship is all about:

- A way of thinking and behaving
- Identifying opportunities
- Realisation of value
- Building and learning from relationships
- Gathering resources
- Being positive and taking risks
- Building for the future

**Fostering rural entrepreneurship**

Rural entrepreneurship can be defined as entrepreneurship emerging at a village level which can take place in a variety of endeavours such as business,
industry, agriculture and acts as a potential factor for economic development.

Rural development can be ensured by promoting entrepreneurs who are keen to take the rural route. Such enterprising people may or may not themselves belong to rural areas. Entrepreneurs taking to rural entrepreneurship should not only set-up enterprises in rural areas but should also use rural produce as raw material and employ rural people in their production processes. Rural entrepreneurship is, in essence, that entrepreneurship which ensures value addition to rural resources in rural areas engaging largely rural human resources. In other words, this means that finished products are produced in rural areas out of resources obtained in rural areas by largely rural people.

A large number of products and services in rural areas can be leveraged by entrepreneurs to set up new small and micro enterprises. In fact entrepreneurial can be pursued in virtually any economic field. The idea here is to make the readers aware of the linkages between various economic activities within a particular category in the Indian context. The following indicative sectors may be taken into consideration for gainful employment:

- Original enterprises created out of opportunities in supplying rural products to urban consumers and new products to rural consumers.
- Replication of urban experiences in rural setting.

Industries in rural areas, which are mostly micro or tiny in structure, are quick yielding. In other words their gestation period is much less as compared to large-scale industries. Rural industries are labour-intensive and provide large employment opportunities to rural folks of all age groups. Khadi and Village Industries Commission at national level and Khadi Village Industries Board at State level have played a pivotal role in this context. The village and small-scale industries were set-up with the following aims:

1. To orient the rural population specially the rural youth towards entrepreneurship
2. To increase the earnings of artisans in rural areas
3. To sustain and create avenues for self-employment among unemployed youth
4. To ensure regular supply of goods and services through use of local skills
5. To develop entrepreneurship in combination with improved methods of production through appropriate training and package of incentives
6. To preserve craftsmanship and art heritage of the country.

The Frameworks

The RubanHub Concept (CoRE):

Ruban-Hub: A platform for economic activity between rural and urban economies generating revenues & jobs in the rural areas.

Key Elements of CoRE:

**Community Reach:** The main objective would be to reach out to the rural community by running awareness campaigns and other product evangelizing programs. These services will be delivered by organizations like Head Held High through their Centre of Excellence (CoE) by using HHH trainees.

**Services:** A platform for providing information services and inputs through information desks, mobiles, etc. to rural customers by entrepreneurs, supported by HHH trainees.

**Products:** A platform for innovation of sustainable rural products with strategies to introduce new products in the rural chain. This will include delivering goods & services to rural and urban customers through distribution networks set up by entrepreneurs, supported by HHH trainees.

**Training & development:** Creating a talent pool that can be employed by local businesses with HHH training centers and SME partnerships.

**Process management:** Management of all back-end processes like finance, human resource, customer management etc. by HHH CoE or RubanSource partner network.

**Surveys:** Rural Data collection and market surveys by HHH CoE using well-trained team of surveyors, capable to transact in English & on tablets.

- The five sectors in which HHH will operate with respect to RUBAN concepts are
  - Agriculture
Based on the model of CoRE and the five sectors, the key objectives of Head Held High are:

- Create jobs for rubans in & around the hubs
- Enable entrepreneurs to succeed within the hubs
- Provide services that make sense for the ruban economy
- Build a “sustainable” model for replication

Ruban Entrepreneurship Forum:
The Ruban Entrepreneurship Forum is envisioned to be a district-level platform with an objective of supporting over 100 successful entrepreneurs in each district over the next 10 years.

The need for Entrepreneur Forums in rural India:

- Firms (both large & small) have last-mile service delivery issues and do not have access to talent in the villages
- Entrepreneurial talent in the villages does not meet with opportunities, as there are no “formal” interfaces
- Penetration of services – Agriculture, Financial, Health, Consumer and Education are very low
- Several ideas on rural innovation do not see the light of the day, as there is no commercialization layer with a network of entrepreneurs

The objective of Ruban Entrepreneurship Forum (REF) is to promote entrepreneurs and enterprise development in rural India by enabling:

- A common platform to bring together local entrepreneurs at a district level to learn, share, network, and partner
- Access to talent, capital and market information for a variety of businesses
- Technical and business knowledge through training and “hands-on” mentoring
- Access to a wide variety of product, services, markets and partners from local, national and global markets

**Concept of REF Platform**

**REF Value Propositions:**
Prime focus will be on Rural Entrepreneurs and Local Communities by facilitating:

- Access to products and services for better education, livelihood, health and lifestyles
- Access to capital and talent, to help build local businesses
- Access to mentors, partners and supporters who can help scale local businesses
- Better access to markets –both in India & the US through marketplaces

**For Market Players (both India & Global Markets)**

- Access to new and growing rural markets for existing/new products and services
- Access to rural market information and understanding of customer needs for further innovation (co-creation) and product development
- Access to local talent as employees, quasi-entrepreneurs or dealers, through REF and HHH platforms.

**REF & RubanHub (CoRE):**

REF will facilitate identification of entrepreneurial opportunities with respect to different sectors covered in RubanHub i.e. finance, healthcare, agriculture, education and consumer retail. The next step would be to identify interested candidates to be enabled as entrepreneurs in respective fields. Once an entrepreneur is enabled, REF will provide mentoring services and monitor the process to guide the entrepreneur towards the path of success.
REF in some cases will function alongside ruban hub by providing warehousing facilities to urban corporates and rural entrepreneurs taking up franchises. This in turn will result in creating market linkages between rural entrepreneurs and urban corporations.

**Engagement with Market Players:**
REF will work with market players interested in rural markets and rural products/produce on:

- Providing a platform and act primarily as market-linkage creators and facilitators
- For services & products, HHH will work with partners & entrepreneurs for each of the Ruban Hub activities and will not be delivering services/products by itself (HHH will not be “in-the-chain”). The only exception will be in Education Hub where HHH could deliver services
- Training, back-end processes & surveys will be delivered by HHH to showcase Centers of Excellence that can be replicated
- Market research for existing or new products/services
- Hiring local talent for sales, distribution, marketing, servicing and technical requirements.
- New product/service introduction
- Setting up local dealers and distributors

REF will adopt a customized engagement models with market players, based on their specific needs.

**Key Stakeholders of REF:**
- Rural consumers
- Rural entrepreneurs
- Urban corporate
- Urban entrepreneurs
- Government
- NGOs

**Network of entrepreneurs:**
REF will facilitate the creation of a network of successful entrepreneurs across the sectors covered under RubanHub. The network will act as a platform wherein all members of REF could interact with each other and stay updated by sharing their success stories, gain knowledge of various new concepts followed by other members, etc. This network will help REF in promoting and nurturing new talents as well.
Conclusion
Rural entrepreneurship is the answer to removal of rural poverty in India. Therefore, there should be more stress on integrated rural development programs. The problem is that most of the rural population do not think of entrepreneurship as a career option. Therefore, the rural society needs to be motivated to take up entrepreneurship as a career, with training and sustaining support systems providing all necessary assistance.