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Mela/Fair important channel of marketing of self-help group's products: Field based cases

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Abstract

The *Melas*/Fairs are one important channel to sell the products of Self-help Group's (SHG henceforth SHG will be used) products even individual entrepreneur's product. Further the author feels that after visiting many *melas* across the country, *melas* encourage national integration as sellers across the states go irrespective of language, caste, creed and religion with little knowledge of Hindi and English sellers manage the business outside of their home state. They all are part of micro or small enterprises. In this article, few cases based on SHG-entrepreneurs who participated in the *mela* organised by the National Institute of Rural Development and *Panchayati Raj's* (NIRD & PR), Hyderabad held in November – December 2019 are presented. The cases are based on author's study so it is purely based on primary data and mainly marketing issue has been studied. In addition, secondary data have been used in the context of the article.

Keywords: Income, *Mela/fair*, Marketing, Rural entrepreneurs and SHG

Introduction

The *Mela /Fair* (henceforth *Mela* will be used) is an important place to sell the products of individual entrepreneur or products of Self-help Groups' (SHG henceforth SHG will be used). And that is why we find lot of stalls and shops in any *mela* whether –religious or government sponsored. Further, it promotes national integration as sellers across the country come and sell their products irrespective of language, caste, creed or religion. They all are part of micro or small enterprises. It is pertinent to mention that the micro, small and medium enterprises have been contributing significantly in Indian economy. In this regard, importance of micro, small and medium enterprises, popularly known as MSMEs, may be highlighted from the Annual Report of the Ministry of Micro, Small and Medium Enterprises (2017-18). The Micro, Small & Medium Enterprises (MSMEs) have been contributing significantly to the expansion of entrepreneurial endeavours through business innovations. The MSMEs are widening their domain across sectors of the economy, producing diverse range of products and services to meet demands of domestic as well as global markets. As per the data the contribution of MSME Sector in India's Gross Value Added (GVA) and Gross Domestic Product (GDP) from 2011-12 to 2015-16 were hovering around 32 per cent and 29 per cent respectively. Also the contribution of Manufacturing MSMEs in the country's total Manufacturing GVO (Gross Value of Output) at current prices has also remained consistent at about 33 per cent, which is one third during the last five years. For the benefit of readers, definitions of different enterprises are presented here. In accordance with the provision of Micro, Small & Medium Enterprises Development Act, 2006 the Micro, Small and Medium Enterprises (MSME) have been classified into two categories - (a) Manufacturing Enterprises and (b) Service Enterprises: Definitions of Micro, Small and Medium Enterprises: In accordance with the provision of Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 the Micro, Small and Medium Enterprises (MSME) are classified as below.

The above classification pertains to self-employment and all the members of SHGs in India who are little educated or illiterate are involved with self-employment. Prof Muhammad Yunus, the Nobel laureate, in his book 'Banker to the Poor' has highlighted some advantages of self-employment over wage employment.

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1. The hours are flexible and can adapt to fit any family situation. It allows people to choose between running a business full-time or part-time when they need to meet crises, or to put their business on hold and work full-time for a salary.
2. Self-employment is tailor-made for anyone who is street-smart and has many acquired from books and technical schools. This means the illiterate and the poor can exploit their strengths, rather than be held back by their weaknesses
3. It allows a person to turn hobbies they enjoy into gainful employment.
4. It allows individuals who cannot work well in a rigid hierarchy to run their own show.
5. It offers a way out of welfare dependency, not just to become wage slaves, but to open a store or start a manufacturing business.
6. It can help those who have found a job and are still nonetheless poor.
7. It gives those who have just been fired from a job moral support to start a business before they become depressed and isolated.
8. It gives the victims of prejudice who would not be hired because of their colour or national origin a chance to earn a living.
9. The average cost of creating a self-employment job is ten, twenty or hundred times cheaper than creating an employment job.
10. It helps isolated poor person gain self-confidence, step by step.

Since the research article is on self-help group (SHG) so meaning of SHG can be highlighted from an international book. According to a publication of the Food and Agriculture Organization (FAO) of the United Nations which is a specialized agency of the United Nations that leads international efforts to defeat hunger and improve nutrition and food security, SHG means "An association whose members agree to work together for common objective and donors & Governments organize SHGs as a means of development" (Glossary of terms, FAO, 1992). The SHGs generally are formed with economically backward persons and approach is direct contacting the members of the groups by organizing non-formal education camp (s) at grass root level to create awareness, informal discussion, video-show, visits to nearby successful SHGs etc.

To get an idea about the selling of products in the *mela* where rural SHG entrepreneurs came to sell their goods, the *mela* organised by the National Institute of Rural Development and *Panchayati* Raj (NIRD & PR), Hyderabad five entrepreneurs who came from different parts of the country contacted by the author and relevant data mainly marketing aspects were collected from them. It is pertinent to mention that the National Institute of Rural Development and *Panchayati* Raj (NIRD&PR), an autonomous organisation under the Union Ministry of Rural Development, is a premier national centre of excellence in rural development and *Panchayati* Raj. Recognized internationally as one of the UN-ESCAP Centres of Excellence, it builds capacities of rural development functionaries, elected representatives of PRIs, bankers, NGOs and other stakeholders through inter-related activities of training, research and consultancy. The Institute is

located in Hyderabad in Telangana state. In addition to the main campus at Hyderabad, this Institute has North-Eastern Regional Centre at Guwahati, Assam to meet the NE-regional needs (www.nird.org.in/overview). For last 17 years NIRD&PR every year organises *mela* where rural entrepreneurs across the country participate to sell their products and they happily participate as NIRD & PR arranges free board and lodging. The entrepreneurs have to pay only travel cost.

Methodology and Data collection: The cases of Self-help Groups (SHGs) focusing on marketing aspects who came different parts of the country at the NIRD&PR's *mela* held are presented here. The data have been collected from the entrepreneurs directly and in addition secondary data have been used here so the research article is based on both primary and secondary data. In 2019, 17th *mela* held from 29 November to 3 December 2019 was inaugurated by the Governor of Telangana, Dr. Tamilsai Soundararajan on 29 November 2019. In the *mela* mainly women members of Self Help Groups (SHG) from 24 states including Arunachal Pradesh, Meghalaya, Mizoram, Manipur, Tripura, Sikkim, J&K participated. Also around 200 stalls were set up covering various items like veg and non-veg foods, dress materials for ladies, gents and children, different types of ornamental items etc.

Field Cases

Case – 1: *Sneha* SHG from Kerala

The *Sneha* SHG was established in 2013 with 16 members of both Hindu and Muslim women and also with different castes. The SHG was under the umbrella of *Kudumbashree*. For the benefit of readers few lines about *Kudumbashree* collected from (kudumbashree.org) are mentioned here. *Kudumbashree*, the Kerala State Poverty Eradication Mission launched on 17th May 1998 with the objective to eradicate absolute poverty within a definite time frame of 10 years under the leadership of Local Self Governments formed and empowered by the 73rd and 74th Amendments of the Constitution of India. *Kudumbashree* has been recognized as an effective strategy for the empowerment of women in rural as well as urban areas: bringing women together from all spheres of life to fight for their rights and empowerment.

Anyway, in case of *Sneha* SHG of the 16 members, four members decided to make clay items as these families had traditional knowledge of making these which according to them is known as 'clay heritage'. Generally they make clay pots like clay pans of different sizes also known as *Kadai* which are used for cooking and storing of cooked items. The other members were involved in different type of activities viz., petty business, working as wage earner etc. Ms. Shalini with her husband attended in NIRDPR *mela* with the products. They informed that rotation basis all four members visit in *mela* across India six times in a year to sell the products also locally they sell. Further, Ms. Shalini informed that initially saving of each member of the SHG was Rs.40 per month which later on had gone up to Rs.80 per month per member. With the savings and loan taken from *Kudumbashree*- four members were carrying out the business. To a query about earning of income, it was revealed that earning per member per month was in the range of Rs.12,000 to Rs.14,000 and marketing is not at all issue for them and none had agricultural land. They further

informed that all the 16 members had their own house, but no member had any agricultural land.

Case - 2: Laxmi SHG from Manipur

The *Laxmi* SHG was set up at Luwangsangbam village, Imphal East district and block of Manipur. The SHG was set up in January 2018 with 14 members including other backward caste (OBC) and other caste (OC) women. While contacting Mrs Ronita who came to NIRDPR *mela* informed that each member was saving Rs.120 per month and in June 2019 the SHG was extended one time grant known as revolving fund (RF) of Rs.15,000. The members of SHG were involved in income generation activities like fish pickle, chicken pickle, fruit candy, black rice (grown in their agricultural land) etc. Each member had agricultural land in between 0.50 acre and 1 acre). To a query about earning of income Mrs Ronita informed that earning of each women member on an average was @ Rs.6000 which is in addition to husband's income.

Case - 3: Golap SHG from Tripura

The SHG was established in July 2015 at Noabari village, Killa block, Gomati district of Tripura with 10 scheduled tribe (ST) women. In this *mela*, Ms. Kamal Kumari Jamantia was contacted as she came with the products. She informed that the monthly saving of each member was @ Rs.120 and the SHG was provided with revolving fund (RF/one time grant) of Rs.10,000 in November 2015 and also bank loan to the tune of Rs.1.00 lakh (repayment continuing while study carried out). The members were involved in making ladies dresses (ST women wear) locally known as '*Pashraa*', wood items (Tripura is famous for wood and cane), pickle making in addition members also nurturing pigs, chickens etc. With all these activities earning per member was to the tune of Rs.10,000 per month on an average.

Case - 4: Godavari SHG from Sikkim

The Godavari SHG was established under the umbrella of Sikkim *Pragatishnari* at Jorethang block of South Sikkim district with 10 women consisted of SC, ST and other castes. The SHG was set up in 2012 and in 2014 the group was provided with Rs.20,000 as seed money (one time grant) also each member was saving @ Rs.100 per month per member and thus the SHG had substantial corpus fund. Two women members who came to NIRDPR *mela* informed that except one family all nine families had agricultural land ranging from 0.60 to 1 acre. They further informed that they visit different places in India three times where they sell agricultural goods like raw ginger, raw turmeric, potato chips, washable sanitary pads for girls and ladies, jams and jelly etc. By selling the products locally and also in *mela* earning of each member was hovering around Rs.8000 per month which in addition to husband's income. In addition, four members had piggy and two had dairy business.

Case - 5: Mahaprabhu SHG from West Bengal

The *Mahaprabhu* SHG was set up at Monohanpur village, Bolpur Sriniketan block of *Birbhum* district, West Bengal with 10 women members (four other castes & six scheduled caste) in 2008, August. The SHG was provided with one time grant of Rs.10,000 as revolving fund (RF). And also time to time the SHG was provided with bank loan. It is

pertinent to mention that two widow members are also part of the SHG (getting widow pension) and one person with disability (getting PWD pension). Further, except two families all had agricultural land hovering around 0.70 acre each. From the SHG, Ms. Gayatri Gorai who participated in the *mela* was contacted and she informed that members were involved with decorating in *sarees* (ladies wear) known as '*Kantha* stitch'. This is a skill activity and all women members are endowed with the skill so they design through the needle and thread in the *sarees*. By selling locally and in *mela* (four times in a year in different places) on average each member earns Rs.5000 per month which is in addition to husband's income (seven members had husband). She further informed that out of seven husbands, two works in local leather factory and others in agriculture.

Conclusion

It is evident from the study that *melas* are important place of marketing of SHG entrepreneurs' products. It acts as important forward linkage as sellers can bring their products from far flung areas and buyers can get within their area with reasonable price varieties of products and thus both are benefitted. Further, *melas* have been promoting national integration. In view of this, it is suggested that Union Government and all State Governments should arrange to organise more *melas* within the states and outside by giving proper incentives to the entrepreneurs.

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