



The Role of Technology in Rural Employment Adoption of Ecommerce Platform for Rural Artisans and Producers

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Abstract

India's economy is now substantially impacted by e-commerce. India is a country with a rich cultural legacy, and the country's cultural diversity provides plenty of remarkable, exquisite art and craft products. Indian artisans are part of our incredibly rich cultural heritage. 7 million! That's the estimated number of unorganised, non-farming rural artisans that are present in India. Despite their large size, they are the most under-served sections of the society. It is due to low income, less opportunities and scarce customer base have scared off the new generations from depending on it as a source of income. The purpose of this paper is to explore the multifarious role of e-commerce in enhancing economic landscape of rural areas by connecting local artisans and rural producers with broader markets and to evaluate the state of the internet today, with a focus on rural India. For this study, secondary sources such as books, newspapers, journals and articles have been used to acquire data. E-commerce has emerged as a significant driver of economic growth in rural India, addressing long-standing challenges and unlocking new opportunities for rural development. The scenario is changing with the advent of E-commerce initiatives at government as well as at private or individual level. E-commerce initiatives not only bridge the gap between rural producers and consumers but also empower local businesses to exhibit their offerings on a global platform. It is instrumental in driving balanced economic development, in rural and urban areas enhancing the quality of life in rural India. With the help of e-commerce, these artisans have the opportunity to promote their work anywhere in the world. creating an E-commerce website gives them a digital identity that helps them attract a diverse demographic of buyers. Digitization and shifting offline businesses to online channels of distribution have given new life to artisans. Rural artisans have been historically restricted to the villages that they work in. E-commerce platforms in rural India has empower rural artisans and producers by improving market access, increasing income, promoting economic growth, and increasing technical efficiency, this platform also empowers women and small enterprises, contributing to the reduction of economic disparities and encouraging innovation. although challenges such as infrastructure limitations and socio-cultural barriers remain. Despite the increasing number of internet and mobile users, the effective transformation of this digital progress into productive economic activities remains uncertain. A rising interest in rural e-commerce with notable investments from online companies and government initiatives; however, faces numerous obstacles in its expansion. Overall economic sustainability in rural area with advent of E-commerce, aims to illuminate the dynamic role played by digital platforms in reaching to global market.

Key words: Rural, Economic, E-commerce, Online, Digitization, Sustainability, Government initiatives

Introduction

The pandemic interference has proven to be an effective start in accelerating the digital transformation. An online presence is more convenient and beneficial for enterprises. The rural population dominates the Indian economy since a large portion of the population lives in rural region. When we look at the potential future growth, it shows that e-commerce in India's rural regions plays crucial role in today's context of "Atma nirbhar Bharat".

E-Commerce sector depends on rapid technology adoption. An established e-commerce market will give rural people a sense of empowerment and long-term economic engagement. Since the country's rural business has great potential to drive economic growth and providing employment opportunities to rural communities by empowering them with digitalization, lead to industry growth in rural India, and allow rural sellers to conduct larger and more active business by increasing use of devices like smart phones and access to the internet, E-commerce platform enables rural artisans and producers to sell their goods directly to a global market through online platforms, where market access might be limited, to participate in the global economy without having to migrate to urban centers and perform business transaction anytime and from anywhere by vanishing geographical and physical barriers and creating potential customers and suppliers. which lead to an increased online consumer base. The open Network for Digital Commerce (ONDC) is an initiative by the Ministry of Commerce and Industry to incentivise artisans and cooperatives to explore digital selling. ONDC is a market, community-led network that will, in one place, display products and services from all participating e-commerce channels that are a part of its network. This is especially beneficial for small businesses and artisans. In 2021, the rural artisans sector earned approximately INR 35,000 crore in foreign exchange.

As of March 2024, out of a total Internet Subscribers of 954.40 million in India, there are 398.35 million Rural Internet Subscribers. Further, as of April 2024, out of 6,44,131 villages in the country (villages data as per Registrar General of India), 6,12,952 villages are having 3G/4G mobile connectivity. Thus, 95.15 % villages are having access to internet. With BharatNet project, it is aimed to connect all Gram Panchayats (GPs) in the country with Optical Fibre Cable (OFC) connectivity, so as to provide broadband services to the rural households. A total of 35,680 uncovered villages/habitations in the country are being covered under the ongoing USOF Schemes. Source: [PressReleaseIframePage \(1\).htm](#)

Meaning of E-Commerce

E-Commerce deals with the buying and selling of goods and services over an electronic platform i.e., through the internet. Various E-Commerce models have been emerged such as Business to Business (B2B), Business to Consumer (B2C), Consumer to Business (C2B) and Consumer to Consumer (C2C). Business to Government (B2G).

Literature Review

1. Raghavendra P, Sahana H S (May 2023) in their research "E-Commerce Website for Artisans", they said, the digital platform provided by the online store allows artisans to bypass this middleman and sell their products directly to customers. This gives them the opportunity to showcase their talents and skills to a wider audience, while also retaining a greater share of the profits from their sales.

Objectives

- The key objectives of adopting e-commerce for rural artisans in India are to expand their market reach beyond local communities.
- To enable direct sales from producers to consumers, thereby increasing their income.
- Preserving traditional crafts by providing a sustainable livelihood.
- Empowering rural communities through economic opportunities
- Promoting rich cultural heritage of India by showcasing their unique handcrafted products to a wider audience
- To eliminate middlemen for fairer pricing.
- To identify the current state of e-commerce adoption in the rural area in India.
- To investigate the role of government policies and initiatives in promoting e-commerce adoption in the rural business sector.
- To suggest strategies for enhancing the adoption and effective use of e-commerce by rural farmers for promoting and distributing their produce.

Research Methodology

The data used in this study is descriptive in nature. Data collected from secondary sources i.e., collected from various websites, statistical reports, books, research articles.

Opportunities based on the research objectives derived from secondary research are

E-commerce plays a transformative role in the economic development of rural India, bridging gaps that have historically hindered growth in these areas:

- **Market access:** E-commerce platforms helps to overcome geographical barriers, enabling artisans to sell their products to customers across globe and significantly expanding their potential customer base. With ONDC, small sellers don't need to register on multiple e-commerce

platforms. ONDC's search and gateway feature allows consumers to discover all sellers in the network, regardless of the platform on which they onboarded.

- **Conservation of Traditional Atrs:** A consistent income through e-commerce motivates artisans to continue practicing their traditional crafts and pass on them on future generations.
- **Uplifting rural Communities:** E-commerce can uplift entire rural communities by creating new economic opportunities and generating employment.
- **Cultural enrichment:** Online platforms provide to showcase the unique cultural heritage and artistry of rural India to global audience.
- **Corporate Identity:** Artisans can build their own brand identity through their online presence.
- **Revitalization:** The rise of online shopping and selling encourages investments in local infrastructure, such as better internet connectivity, improved roads, and enhanced logistics services. These developments benefit the entire rural community.
- **Skill Enhancement:** Interactive with online platforms requires digital literacy and skills. Training programs and workshops help rural people to acquire these skills, enhancing overall educational and technological progress.
- **Empowerment of Women and Small Enterprises:** E-commerce platforms empower women and small businesses in rural areas by providing them an online platform to showcase and sell their products.
- **Lessen Inequality:** By connecting rural areas with broader markets and services, e-commerce helps reduce economic disparities between urban and rural regions. It lead to more balanced economic development across india.

Challenges

- **Technological issues:** A large portion of the rural population lacks the necessary digital skills to explore digital platforms and make secure transactions.
- **Low internet connectivity:** Many rural areas have limited access to internet, which obstruct people from selling and purchasing goods online.
- **Supply chain obstacle:** Substandard road and poor distribution networks, make it difficult to deliver goods to remote rural locations.
- **Payment Issues:** Many rural people are not comfortable with digital payment methods and prefer cash, which can be challenging for online buyers.
- **Trust deficit:** Lack of experience with online platforms, rural sellers may lack confidence to trust online retailers with their personal information.

Suggestions for addressing E-Commerce in Rural India

- **Boost network availability:** Government initiatives to increase broadband penetration in rural areas through fiber optic networks and public Wi-Fi hotspots.
- **Community internet centers:** Setup accessible internet booths in villages for those with limited access to personal devices.
- **Community engagement:** Engage with village leaders and local influencers to promote e-commerce benefits.
- **Training programs to rural sellers:** Provide training to local artisans and businesses to sell their products online.
- **Community Bazaar platforms:** Create dedicated online Bazaar specifically for rural products and sellers.
- **Skill development programs:** Educate rural artisans and entrepreneur on digital marketing, and customer service practices.
- **Government Digital literacy Initiatives:** Launch Digital literacy programs to improve digital literacy levels among rural populations, especially women.
- **Government Incentive schemes:** Provide financial support and tax benefits to e-commerce companies operating in rural areas.

Conclusion

E-commerce has been cited a major force in the economic development of rural India. More than 69% population is reside in rural areas The incorporation of e-commerce into rural economies has facilitated significant development in market access, income generation, and employment opportunities. By enabling rural artisans and producers to connect with broader markets, by doing business through e-commerce has allowed them to achieve better price, diversify income streams, and improved overall financial stability. Moreover, e-commerce has driven infrastructural development in rural areas, including better internet connectivity and enhanced logistical networks, which are vital for the systematic functioning of online business. Inspite of all these fringe benefit, challenges such as digital literacy, infrastructural issues, and regulatory issues remain. Recognizing these issues through good strategy, infrastructure investments, and training programs by governments and various incentives awareness is important for maximizing the potential of e-commerce in rural development.

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