

CASE STUDY OF MARKETING THROUGH RURAL MART

Aajeevika - National Rural Livelihoods Mission

Aajeevika - Deendayal Antyodaya Yojna-National Rural Livelihoods Mission (DAY-NRLM) of the Ministry of Rural Development (MoRD), Government of India aims at creating efficient and effective institutional platforms of the rural poor, for sustainable livelihoods developments, and thereby reducing poverty. To aid the effort, is adopted a focus on social mobilisation, skill training, providing access to markets and building strong grassroots institutions of the poor. Accordingly, to facilitate intensive implementation, State Rural Livelihoods Missions (SRLMs) have been established as special purpose vehicles. A National Rural Livelihoods Promotion Society (NRLPS) has been established under the MoRD to provide technical support to the SRLMs. The NRLPS has set up a management and implementation support units (Mission Management Units (MMU) at national, state, district and block levels, whereunder multi-disciplinary professional teams are engaged to spearhead the Mission activities under different components¹. As on date there are 83.31 lakh SHGs under NRLM fold with a total coverage of 852.89 lakh members / households².

‘Communitization’ is an integral part of NRLM. It is expected that Community Institutions eventually will drive NRLM Program managing their own institutions which are the forums for community to address their poverty and vulnerability. These institutions need to sustain to meet the emerging needs of community, hence dynamically evolving with regard to activities keeping in view the changing needs of its members. The household members under DAY-NRLM are mobilized into Self-help Groups (SHGs), and their federations at Village level (Village Organization, VO), Cluster level (Cluster Level Federation, CLF), and/or Block level (Block Level Federation, BLF). The federations enhance members’ solidarity, voice, bargaining power, and serves as a platform for greater collective action, increased access to markets and local institutions, quicker dissemination of information, easier convergence and improved significance for members in their local milieu¹.

Livelihoods under NRLM focus both on farm and non-farm sector with focus on *livelihood enhancement, employment skills building and enterprise nurturing*. Towards this end, programmes like *Mahila Kisan Sashastikaran Pariyojana* promoting sustainable agriculture, *Farm Value Chain Intervention with primary focus on formation of Producer Collectives*, *Promotion of Organic Village Clusters*, *Startup Village Entrepreneurship Programme to facilitate promotion of micro enterprises, etc.*, are major initiatives. Financial assistance for various livelihood activities are available under NRLM in addition to capacity building, marketing, etc., assistance¹.

Sanjeevini

In Karnataka the activities under NRLM are implemented Karnataka State Rural Livelihood Promotion Society (KSRLPS) under the name *Sanjeevini*. The organisation functions under Department of Skill Development, Entrepreneurship and Livelihoods,

¹ <https://aajeevika.gov.in/>

² <https://www.nrlm.gov.in/shgOuterReports.do?methodName=showShgreport> accessed 21 April 2025

Government of Karnataka, creating community based institutions like Self Help Groups, Grama Panchayath and Taluka level federations, various producer groups, entrepreneurship clusters for the rural poor and vulnerable women, etc. It has been covered more than 28 lakh rural women under National Rural Livelihood Mission.

Entrepreneurship Development under Sanjeevini

More than 50000 poor women in the state have been started micro and small enterprises, thereby engaging in different types of products and services, encouraging diversified agricultural activities for agriculture-based rural poor women and forming producer groups for their empowerment. As a part of the value chain development interventions under agriculture, Sanjeevini promotes Producers' group (PG) to promote aggregation, enable market outreach and better price realisation. Under non-farm sector, SHGs are encouraged to commence *micro enterprises* through promotion of skill and entrepreneurship development. Ministry of Rural Development (MoRD) through its implementing agency Foundation for Development of Rural Value Chain (FDRVC) has recognised Sanjeevini-KSRLPS as a Cluster Based Business Organisation (CBBO) in the month of October -2023 under 10K FPO Scheme by GOI. Sanjeevini has been granted with the target of formation and promotion and handholding of 60 exclusive women FPOs across the state each with minimum 1000 women shareholders. Incorporation of all 60 Mahila Kisan Producer Companies (MKPCs) under Companies Act has been completed and the process of 5 years handholding is ongoing, which requires intensive capacity building activities at regular intervals to empower rural women to run these business organisations to make them sustainable and independent.

Marketing of SHG Products

Recognising that Sanjeevini micro enterprises do not command the large resources of large private and public enterprises for marketing their products, KSRLPS helps these SHGs for participation in trade fairs, establishing shelf/kiosks/speciality stores, aggregation, branding, promoting corporate gifting, online marketing through popular channels like Amazon/Flipkart/Meesho, etc.³. It has also established Santhe Kaushalkar is the first of its kind SHG/Artisan profiling platform and mobile application offering SHGs/Artisans a digital identity to showcase their products, thus increasing their visibility and value. With this application, Government of Karnataka and UNDP are providing business connections to match directly with the customers and compete effectively in online market⁴.

A document titled *Micro Enterprise Development & Marketing – NRLM Annual Action Plan 2022-23*⁵ prepared by KSRLPS identifies issues like obsolete technology, marketing, quality assurance, competition from large scale enterprises, absence of distribution network, inability to implement modern marketing strategies, lack of market research and sales promotion, etc., that affect development of these SHG micro enterprises. *Marketing* is identified as critical for survival of these SHG enterprises.

³ <https://ksrlps.karnataka.gov.in/>

⁴ <https://santhe.kaushalkar.com/about-us>

⁵ *Micro Enterprise Development & Marketing – NRLM Annual Action Plan 2022-23 (Non-Farm Interventions V.1.0), Sanjeevini - KSRLPS*

The document suggests that *developing appropriate marketing platform for Sanjeevini for going beyond the generic governmental marketing methods, creating greater acceptance for Sanjeevini products and strengthening the brand or developing a corporate brand image for Sanjeevini is the need of the hour*. The document further states that *creating a strong customer base and an alternative distribution system initially and then pivoting to general trade will be an ideal strategy for Sanjeevini. A shift from 'product branding' to 'Corporate Branding' is also essential for Sanjeevini... Considering the fact that rural markets generate more sales, Sanjeevini's weak presence in conventional retail reach will be increased in rural areas for deeper distribution through Sanjeevini Shelf Spaces and Marketing Kiosks*. The document also proposes selling through branded outlets – 'Asmite' which is expected to yield more savings in distribution margins while facilitating lower overheads. These Markets are to be positioned as culturally indigenous in the light of Swadeshi Campaign and will leverage the advantage of being associated with Women Producers and Homely, Ethnic and Pure Products.

NABARD's Rural Mart Scheme

NABARD as a pioneer in promotion of *Self Help Groups (SHGs) and further their evolution as micro entrepreneurs* has been supportive of SHGs through its entrepreneurship development and marketing support efforts. The *Rural Mart* scheme is a grant based programme of NABARD introduced in 2016, has been instrumental in SHG members accessing markets, eliminating middlemen and ensuring better livelihoods. The scheme is continuously evolving based on feedback from stakeholders. The scheme currently provides for support for a period of 3 years for setting up marketing outlets in places with heavy footfall, e.g., highway, religious place, place of tourist importance, bus stands, railway stations, etc. The support includes rent, salary of salesperson, publicity and promotion, capacity building, expenditure on statutory compliances, promotion of digital modes of payment, etc. Support is also extended to NGOs as handholding agency which will facilitate the process. Extant guidelines provides for a maximum support of Rs.7.0 lakh which could be availed for outlets either brick and mortar or mobile or food café/dhaba. Assistance towards Rural Mart would be for selling locally made products of primary producers such as artisans, weavers, tribal communities, village, and cottage industries, SHG products, farmers, beneficiaries of NABARD assisted projects, etc.

Samruddhi Sanjeevini SHG

One such SHG under NRLM in Pethri village of Udupi district, Karnataka is Samruddhi Sanjeevini SHG. The SHG is part of the Pragathi Sanjeevini Gramamattada Okkuta a Gram Panchayat Level Federation of SHGs. The members of the SHG have been, through Samruddhi Mahila Mandali a registered society, undertaking various measures for improving status of women in their neighbourhood through empowerment through pooled resources, instilling confidence by capacity building and collaborative working, promoting self-reliance embracing independence, thereby instilling a sense of confidence and resilience in their members. The society is recognised under Youth Empowerment and Sports Department, Govt. of Karnataka and granted affiliation from Nehru Yuva Kendra Sangathan, Ministry of Youth Affairs and Sports, Govt. of India. The members had also participated actively in cleanliness drive under Swach Bharat Mission and was recognised with the National level Award at the hands of Hon'ble Prime Minister Shri Narendra Modi in 2018 at New Delhi.

Also, NABARD Karnataka Regional Office has felicitated the SHG as part of Women's Day 2023. These are in addition to the various other national, state and local level recognitions received by the Mahila Mandali.

The SHG members have been engaged in micro enterprise activities producing variety of products like decorative pots, bags, condiments, etc. The members had participated in various events like Saras Mela, Sanjeevini Mela, Millet Mela, etc. Through this group, women have gained access to a wide range of training and capacity-building programs on activities like paper and cloth bag making, tailoring, mehendi design, etc.

The Proposal

A proposal for *Sanjeevini Super Market* at a prominent place at Taluk Panchayat premises near District Court in Udupi was hence made with Samruddhi Sanjeevini SHG as the project holder and Pragathi Sanjeevini Gramattada Okkuta as the facilitator. The location was within reasonable distance of famous Udupi Sri Krishna temple, National Highway, Manipal (famous as an educational hub), etc. With convergence from the district authorities, the taluk panchayat had confirmed allotment of 800 sq.ft. shop to the SHG at a nominal rent of Rs.10000 per month which was expected to be covered under NABARD grant assistance. It was envisaged that the Rural Mart would assist the marketing efforts of different SHGs in Udupi taluk of Udupi district enabling market access to varied products like decorative pots, plants, desi cow-based products, varieties of condiments and snacks, toiletries, bags, oils and other similar products of SHG members.

The proposal discussed the marketing strategy as under :

- Understanding the target audience and population: Upon analysis and survey trying to identify the specific demographics and preferences of the local community visiting the Taluk Office Building. All age groups do visit the surroundings of this place. On an average 1500 people pass by, wait at bus stand or visit several offices nearby every day.
- Develop a strong brand identity: Trying to create a compelling brand identity of **Sanjeevini products** that reflects the essence of the self-help group and its mission. This will resonate with the values of empowerment and promoting locally made and handmade products.
- Showcasing the uniqueness of products: Emphasizing the distinctive features of the products offered by the all the members of the self-help group. Highlighting the craftsmanship, cultural significance, and the stories behind each product, making them more appealing to potential customers.
- Utilize visual merchandising: Setting up an aesthetically pleasing and well-organized shop display that attracts attention. Using attractive product packaging, signage, and banners to create a visually appealing and inviting atmosphere within the premises.
- Leverage local partnerships: Collaborating with Sanjeevini artisans, craft associations, and women's organizations to showcase a wide variety of locally made and handmade products. This will not only enhance the product range but also build a sense of community support.
- Engage with the community: Organizing special events or workshops related to the products offered, such as demonstrations, interactive sessions, or DIY workshops.

This will enable direct interaction with potential customers and provide an opportunity to educate them about the products and the self-help group's mission.

- Build an online presence: Establishing a website, social media account or page to complement the physical shop. Provide detailed product descriptions, high-quality product images, and an easy-to-use interface for online shopping. Leverage social media platforms to showcase products, share success stories, and engage with a broader audience. Also provide delivery service if ordered online whichever possible.
- Offer incentives and loyalty programs: Providing attractive discounts, offers, or loyalty programs to incentivize customers to make repeat purchases. Encouraging them to spread the word about the shop and the self-help group through referral rewards or exclusive promotions.
- Collaborate with local influencers: Partnering with local influencers, bloggers, or community leaders who share an interest in women empowerment and locally made products. Collaborating on content creation, host giveaways, or offer special discounts to their followers, expanding the reach and visibility of the self-help group shop.
- Measure and adapt: Continuously monitor sales, customer feedback, and footfall to assess the effectiveness of the marketing strategies implemented. Based on the insights gained, refine the approach, introduce new products, or adjust the shop layout to enhance the customer experience.

It was envisaged that implementing these marketing strategies, the women SHGs could effectively promote their shop at the Taluk Office Building, empowering women through the promotion of locally made and handmade products. This approach will not only drive sales but also create awareness, build a strong customer base, and contribute to the overall empowerment of women in the community.

Sanction of Assistance by NABARD

The Rural Mart was sanctioned by NABARD to Pragathi Sanjeevini Gramamattada Okkuta with a grant assistance of Rs.5.265 lakh, being 90% of the cost of Rs.5.85 lakh proposed by the agency for project implementation. The assistance majorly covered operational expenses of the project for a period of 3 years. It was envisaged that the Rural Mart would become sustainable within a period of one year of establishment and would function sustainably post period of assistance.

Achievements & Impact

The Rural Mart functional for a period of around 20 months has recorded the following major achievements :

- Provided a marketing platform for local SHG products like snacks, condiments, toiletries, terracotta and clay products, handicrafts and handlooms, organic food, etc., exhibiting local flavour and culture.
- Some of the fast-moving item include macrame bag and decorative plants with pots for indoors for gifting purposes, desi ghee, dhoop, jeevamrutha, manure, dung-cake, etc.
- In all about 600 items from 150 SHGs are exhibited and sold at the Rural Mart.

- During festive season, hand painted diyas and gift packs were introduced. In all around 100 gift packs were sold.
- Zilla Panchayat Udupi purchased 63 specially made gift packs comprising around 15 items packed in an attractive *bird shaped forest vine basket made by tribal community members*.
- GI tagged Udupi saree from the Rural Mart was presented to Hon'ble President of India Smt Draupadi Murmu
- Under the aegis of the Rural Mart multiple training programmes and motivational workshops were conducted for SHG members, more specifically with the motive of fostering and developing rural entrepreneurship
- Fulfilled a bulk order from KVK (Krishi Vigyan Kendra) for customized Khadi bags for the Krishi Saki programme
- The Mart has clocked a turnover of around Rs.13.0 lakh during 2024-25 and totally around Rs.20.0 lakh
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Additionally, the Rural Mart also markets *Hebri Honey* a product of NRLM Sanjeevini SHGs in Hebri taluk of Udupi district, an unique product from the foothills of Western Ghats and associated with sustainable production practices.

The Rural Mart has also been selling GI tagged Udupi sarees, revival of which has been supported by NABARD through Kadike Trust and Udupi Weavers' Cooperative Society Ltd., by grant of Skill Development Programmes, participation in exhibitions, organising melas, felicitation of artisans, promotion of online sales through website development, etc.

The inauguration of the Rural Mart was conducted by Smt Lakshmi Hebbalkar, Minister of Women and Child Development, Disabled and Senior-Citizens Empowerment of Karnataka on 14 August 2023. The event was widely covered in media like *New Indian Express*, *The Hindu*, *Hans India*, *Ravivar Vihar*, etc. The Rural Mart has also been covered on social media channels like Youtube⁶

Issues for Discussion

1. From your own experience identify the efforts of NRLM in livelihood promotion, challenges faced, measures / efforts undertaken to overcome them, including success / failure stories, etc.
2. What are the pain points identified in upscaling SHGs as micro enterprises
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⁶ <https://www.youtube.com/watch?v=vYeU5QpdG9M> – Spices & Aromas Channel;
https://www.youtube.com/watch?v=giSuBXz_YZo; Vriaan27 Kannada Vlogs;
<https://www.youtube.com/watch?v=jUy7soXMRno> - Hebri Honey I Women-led Open Super Market I Sanjeevini -Prajavani