

Upliftment Through Efficient Marketing Strategies, Rural Entrepreneurship and Tourism in North-Eastern States of India

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Abstract

The eight north-eastern states of India despite being tremendously rich in flora and fauna are mostly unexplored. These north-eastern states also have a wide range of tribal and rural products that have tremendous potential but are not explored to its full capacity. Unfortunately, attention has neither been paid by the central government or the state government to the rural products or tourism due to which these states have remained far behind in terms of development as compares to the other states of India. The natural beauty of these states attracts domestic tourists as well as foreign tourists.

Construction of heavy industries is difficult in the north-eastern states because of its geographical location which acts as a huge barrier in the path of development, so an emphasis can be laid on rural tourism and rural products. In this paper, an effort has been made to study the socio-economic effects of growth in rural tourism and growth in sale of rural as well as tribal products through efficient marketing strategies and rural entrepreneurship.

Keywords

Rural Upliftment, Tourism, Efficient Marketing Strategies

1. Introduction

India is mostly an agricultural country and 68.3% population in rural areas and in comparison the north-eastern states have a combined population of 45,486,784 out of which 32,771,156 live in rural areas. This means that 72.04% of north-east population lives in rural areas, which is approximately 3.7% higher as compared to all of India. So if we want the upliftment of the north-eastern states as a whole then we have to first focus on the development of the rural areas, which is only possible through efficient marketing strategies of rural products and tourism.

Firstly the north-eastern states are very rich in flora and fauna and have breath-taking natural beauty but it is not properly encashed. A lot of revenue can be encashed by tourism in north-east India and there are lots of unexplored places to be visited and also the rural products can equally contribute to growth in economy if they are properly publicized. There are many places in Sikkim and Meghalaya which are comparable to world tourist hotspots like Switzerland and Venezuela. Secondly north-east India is also rich in tribal culture and has many indigenous rural

and tribal products which can very nicely complement our modern lifestyles and may also be the solution to many of our problems.

Chattopadhyaya, 1963 in the book “The glory of Indian Handicrafts” has very nicely described about handicraft of different states of India [1]. The tribal wears have a very aesthetic feel and equally good trendy look and there are also tribal food products and recipes which are novel. Lately a very nice slogan “Go Rural” has also been publicized to highlight the importance of rural products all over India.

2. Problem Description

The rural and tribal products of north-east India have a lot of potential but are mostly overlooked and are under rated in our country. The rural and tribal products can be low in price and the same time more efficient than the available products. The rural and tribal products can be the ultimate answer to our modern everyday problems but there is neither an efficient platform to have a direct access to the various types of rural and tribal products available nor there is an efficient way to marketing system to sell these products to who so ever and where ever it is required. The only available access to these rural and tribal products is through middle men who are the main culprits in the existing system. The middle men procure the rural and tribal products from the rural people at a very low price but sell the same products to the retailers at a very high price. So as a whole the rural producers get a very low return for their product but at the same time the same product is available to the end consumers at a premium price. Due to this existing system the rural producers are not able to maintain their livelihood and are shifting to other professions.

On the other hand we know that north-east India is “Botanical Heaven” in India and has many beautiful landscapes and sceneries which are not available anywhere else in India. But it is still unexplored and although it has a lot of tourist potential but still receives very less number of tourists. The main reason for this low amount of tourism is lack of promotion of these places due to which people are not able to get information about these wonderful places existing in north east of India and the misconceptions that exist in the minds of people about the north-east of India.

3. Literature Review

The level of research in tourism for socio-economic development in whole of India as well as the north-east of India is very less. Many literatures on the expansion of tourist sector and its impact on the whole economy are available but the information on its effect on economy in a developing country like India is not certain.

Marketing of rural and tribal products in the north-eastern states is mostly controlled by private traders due to the absence of good regulatory acts under the ministry of rural development. Extensive work of research has been done mostly by the state and central governments rather than the predominant researchers. Not much work has been documented by individual or research groups on rural product marketing strategy in north-east of India.

We can summarise the existing studies which are relevant to the research on marketing strategies of rural and tribal products and tourism as follows:-

Aliqah et al (2010) tried to determine the impact of tourism sector on the economic growth in Jordan in the period of 1990 to 2008 by using the descriptive statistical approach. The research brought to light that the tourism sector had witnessed significant growth in tourism infrastructure, tourism services and the number of tourist arrivals. The study also showed that the contribution of tourism sector to GDP in years 1990 to 2008 had seen the change from 12.3% to 14.6%. The increase in tourism sector resulted in increase of employment by 2.5% of the total workforce recruitment [2].

Mishra, P.K et al (2005) in a study showed that development in tourism industry in India had shown positive effects on the economy of the country [3].

Dritsakis (2004) showed that tourism growth boosts economic growth and is a long term process [4].

Skerrit et al (2005) examined the effect of international tourism on GDP in 87 developing countries like India and the results show that tourism boosts economic development in the countries [5].

Dr Manjusmitha Dash (2011) in her study has shown that rural product like handloom and handicrafts can be a boost for the economy of the state of Odisha. This can also be applied to other states in India like Tamil Nadu, Andhra Pradesh, Kerala, Manipur, Tripura and Goa [6].

Pal, M. K. (1982) in his research "Tribal Crafts and Craftsmen in India" in 1982 has shown the potential of tribal crafts, tribal jewellery and other tribal products in India and its positive effects on tribal and rural population development [7].

4. Methodology

The eight states in North-east have shown a growth of 26.69% in tourism from the year 2005 to 2006 as compared to 8.01% from the year 2009 to 2010. From the year 2014 to 2015 the growth was recorded at 12%.

For understanding the growth or decline in tourism, I will mainly use the variables total number of foreign tourist inflow and total number domestic tourist inflow in various years to find out the percentage growth in tourism both from foreign countries as well as inside India.

The empirical formulas used by me would be:-

$$GT\% = ((P-L)/L)*100$$

Where, GT% = percent growth in tourist inflow

P = number of tourist visits in present yr.

L = number of tourist visits in last year.

$$\text{Now, } CT\% = (RT/E)*100$$

Where, CT% = percentage contribution of tourism to total revenue in a year.

RT = total revenue from tourism.

E = total revenue from GDSP.

5. Results and Discussion

The data and stats from all north-eastern states in India was analyzed and we found out the impact of tourism and efficient rural product marketing strategies on the economy of the states. The trading of rural products was mostly done by middlemen, private traders and small retailers who bought the products from the producers and sell at a high price. Due to this practice the producers are not able to get any benefits. So this practice should be changed and government should lay fixed prices for the rural products below which the middlemen will not be allowed to buy the products. Also government and NGO's must take initiative to publicize the rural products so that the products get sold in the market. E-platform must be provided to the rural producers so that they can market their product on a national level or even a global level. This will benefit both the producer and the buyer as the buyer gets the rural products at a lower price because there are no middlemen.

Tourism industry has an enormous potential in north-east India and contributes to around 21.25% of the GDP of the north-eastern states of India. It is far greater than the revenue of tourism of India as a whole which is only at 6.73%. The governments of the different states of north-east India must advertise the tourist places of their respective states so that more people come to know about the beauty of the states and they receive more tourists.

The state wise growth in tourism is shown in the following table:-

Table 1: Domestic Tourists

GT%	2006	2010	2015
Arunachal Pradesh	36.91%	16.76%	4.80%
Assam	32.46%	5.71%	13.77%
Manipur	24.06%	-8.01%	26.56%
Meghalaya	6.48%	10.38%	4.85%
Mizoram	9.23%	-0.60%	-2.33%
Nagaland	-9.27%	0.67%	10.44%
Sikkim	21.01%	27.78%	22.64%
Tripura	3.34%	6.65%	0.53%
Total	26.69%	8.01%	12.02%

Table 2: Foreign tourists

GT%	2006	2010	2015
Arunachal Pradesh	125.55%	-13.94%	9.63%
Assam	3.42%	1.04%	14.78%
Manipur	-6.64%	29.67%	17.73%
Meghalaya	-16.47%	-7.62%	-7.35%
Mizoram	73.16%	8.30%	-13.36%
Nagaland	-51.75%	-20.45%	7.12%
Sikkim	7.12%	17.07%	18.72%
Tripura	8.57%	30.3%	30.73%
Total	2.99%	7.04%	13.62%

So from the previous tables it may be said that the number of tourist arrivals fluctuate every year but if the number of tourists increase then they substantially increase the revenues of the government as well as profit the local people of the north-eastern states.

Thus we can state that tourism and efficient rural and tribal product marketing techniques can help in upliftment of rural areas after the analysis through the empirical formula as stated above.

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Biographies

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