Marketing Innovation in Partnership with Self Help Groups : A Case Study of a Farm Inputs Manufacturer

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Abstract

This is a case study of a marketing innovation by a leading fertilizer manufacturing company through a project with self-help groups (SHGs). The project was initiated by the company in 2003 in Andhra Pradesh. Then, the farm input companies were faced with the challenge of meeting the farmers' requirements on a timely basis. This was largely because of the dominance of distributors and dealers across the supply network. The wholesaler's loyalties to the companies were limited and opportunistic, and lay with products that gave them more margins and not with what were ideal for farming. The farmers were, as a consequence, also plagued by woes such as non availability of fertilizers during peak cropping seasons, high costs of transportation of fertilizers from the nearest town to remote villages, high interest rates charged by the channel members, opportunistic pricing practiced by distributors, and influx of substandard products. The company, in order to limit the role of the wholesalers and to supply fertilizers directly to the farmers, engaged the self-help group members as direct dealers, simultaneously creating livelihood opportunities for these members. The project engaged as many as 750 groups in the state of Andhra Pradesh. The objective of this research was to draw a case of the project as an example for other corporations to adapt in their respective strategies for business development in rural areas and to alter their mechanisms of distribution and their forms of service for the end consumers.

Keywords: **distribution management, marketing intermediary and margins, customer loyalty, business ecosystems, self-help groups, supply chain, food subsidy, microfinancing**

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Marketing of products and services is one of the key functions of the management as value capturing happens at the customer interface. Any company would like to ensure that its distribution channel is well structured so that the customers receive a good-quality product at the right time, at the right place, and at the right cost. For agricultural inputs, especially for fertilizers, there is a lot of seasonality involved. Marketing must be sensitive to the cyclical factors. It must do an extensive market planning based on monsoon and sowing and the resultant effect on plant growth management. Farmers who are the customers will decide on brand value based on time availability, quality, and price. If a company fails to achieve any of these parameters, it would find long term sustainability to be a difficult challenge. More importantly, customers, namely farmers, who are the key component in the ecosystem can do a lot of negative marketing through word of mouth.

This boils down to establishing the right distribution channel for selling. In a typical industry condition, there could three options of which combinations are deployed after understanding the market structure. These are: Direct to customers; through intermediaries ; and thirdly, customers pick up either at retail points or from dealers or through a company run warehouse. Furthermore, direct to customers could be from suppliers of products designed/ packed at site in a 'ready to use' form or by indirect delivery through an intermediation by carry forward agencies and stockists, wholesalers, and retailers. Again, intermediaries can home deliver to customers or

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customers can take delivery from them. The critical part of this is there is no "fail safe" formula of successful single distributional channel for a product in an industry (Chandrasekaran, 2010). One needs to be agile and ingenious to design a distributional channel. There are enough cases of marketing in an industry where two head to head competitors have two distinctly different distribution structures.

It is not just marketing managers who, on their own volition, structure the distribution channel on a "silo" approach. Marketing functions usually interface strongly with other functional areas like operations, finance, information technology, human resources, and supply chain in deciding the distribution nodes and flows. Marketing and operations would decide on production flow synchronization with market dispersion and off take and feed stock towards the mother warehouse and other nodes accordingly. Marketing and finance would decide on working capital commitment required due to holding of stock and any credit to be offered to the channel partners. Similarly, information technology and marketing should design an appropriate information system with bidirectional flows for capturing market intelligence and ensuring an appropriate flow of stocks so that responsiveness is not affected (Chandrasekaran, 2010).

The Business System

It is believed that the business ecosystems have become an established way of running a business, and the executives need to find new approaches to manage assets the business does not actually own, but are critical to its success by adjusting strategies, processes, and tools to fit the new way of getting business (Iansiti, 2005). These include, for example, analyzing and determining critical species and their roles, building it, managing it, co-evolving and co-operating with the members. The leader is the central contributor and acts as a hub for other constituents of the ecosystem (Iansiti & Levien, 2004b ; Moore, 1993). The leader creates the platform and thereby may assign a high value for himself in the ecosystem (Moore, 1993). The other members follow the vision set by the leader and allow the latter to be the regulator of the system (Gueguen, 2009 ; Moore , 1996). The critical role played by the leader is to create the building block and allow other members to invest in the platform, and as a group, create value, which is assigned based upon their role and prominence in the system (Bosch, 2009 ; Iansiti & Levien, 2004a, 2004b; Iansiti & Richards, 2006; Moore, 1993, 1996).

By going with this, the distributional channel partners along with the customers assume a key role in the ecosystem as positioned and driven by the leader of the system. When one of the ecosystem players acts on the local optimization motive of profiteering at the cost of the other constituents, namely customers and the focal firm, reconfiguration would follow. Though theoretically, the customer would be a loose partner in the ecosystem and move to be part of a competitive firm's system, the focal firm is the clear loser in this business. Hence, it is compelled to act on recreating its distribution channel, where the partners work with the right spirit and understanding of the supply chain network objectives and marketing goals. A larger perspective is industry players jointly in the competitive arena cannot allow any of the partners to profiteer at the cost of others. Innovative counter response would be warranted.

Here is a case where the manufacturer adds on new players, namely self help groups who could play a leading marketing channel role in the distribution of fertilizers. For a large organization, promoting and encouraging such groups through a normal course of business will be a nice spin off. This view has been echoed earlier by management thinkers as well.

The role of large firms with the local governments and various agencies such as donors, non governmental organizations, and civil society organizations in transforming societies has been viewed as an important step in economic development. If one looks at this, there can be two ways of connecting with the ecosystem. One is that large firms can be supporting NGOs, government bodies, and agencies in implementing certain projects. These could be a part of development of roads for connecting with the primary hinterland for international distribution of goods. Similarly, many such projects are being attempted in India and elsewhere. The other highly recognized and appreciated project in India is training school for truck drivers and inducting them into the system. Today, the country suffers from lack of human resources who can come in as truck drivers ; some of the large organizations are

working along with NGOs to encourage eighth class drop outs to become drivers so that the movement of goods can be improved. With the economy growing over the years, demand for freight movement goes up. The other way of connecting with these bodies is where a large organization can bring them into their ecosystem as service providers or even as an operator for commercial transactions of the company. Social organizations' involvement may not be just transactional, but could even be entrepreneurial. According to Prahalad and Hammond (2002), promotion of widespread entrepreneurial activity and bringing new consumers would drive global economic growth and promote prosperity around the world. Avon in Brazil, Bata Shoe Company in Bangladesh, CEMEX Limited in Mexico and, Hewlett Packard have created entrepreneurs out of the poor and have transformed the distribution mechanisms for these markets. Hindustan Unilever Limited, through its Project Shakti, largely engaged self help group women formed by non governmental organizations for micro financing activities, to function as rural distributors and produced positive impacts on fronts such as economic, social, and entrepreneurial for the members engaged with the company (Xavier, Raja, & Usha Nandhini, 2008).

In this paper, a case study of an intervention of a leading fertilizer manufacturing company (hereafter referred to as 'the company') with self-help groups (SHGs) through a project has been drawn up. SHGs are defined as a 'Voluntary Association' of the poor with a common goal of social and economic empowerment (Kulkarni, 2004). The outcomes of the intervention have been highlighted. The study was conducted during 2011-12.

The Company

Established over four decades ago in the business of farm inputs, The Company is a part of a business conglomerate in Southern India. The group is into a number of traditional businesses like manufacturing of sugar, alcohol, fertilizers, pesticides, nutrients, engineering, manufacture of cycles, tubes, construction materials and fittings, trading, financial services, and insurance, and so on. The group is being driven by professional management and has been on top of recall among prospective employees, suppliers, banks and financial institutions, government for advisory role, customers, and even the general public. The brand equity that each of the firms enjoy is high and has been among the top in their industry. Hence, the group has high moral standing and demand to keep operating at that level and be a leader in its approach in resolving issues.

The fertilizer and farm inputs company about which we are discussing in this article was restructured as a focused horizontal business by putting together all under one banner. The company had a traditional structure of distribution, which was being exploited by a few intermediaries. Hence, the company altered its traditional business model to that of an 'ecosystem' linking the customers, the dealers, the retailers, and the company. The company evolved this model of business based on its strengths, including state-wide distribution, numerous dealers, sales through self help groups (SHGs) and direct retail, and developed an efficient link originating from the urban manufacturer to the rural market. It may be relevant to note here that there are studies which bring out the role of SHGs in value creation in rural markets and contribute for better income generation through group activities (Banerjee, 2009). This SHG model largely wiped out many of the inefficiencies of the erstwhile models, ensured equitable distribution of farm inputs to farmers in remote rural pockets in India, and penetration into hitherto unexplored markets. This brought the company close to the customer and reinforced brands.

It may be noted that there are studies which brought out limitations of SHGs in India. Reddy (2005) observed that financial management, governance, and human resource ranges from weak to average quality for a majority of the SHGs. APMAS (2006), on the SHG-Bank-linkage programme in India, addressed a wide range of issues, including cases of dropouts from SHGs, internal politics, issues of social harmony and social justice, community actions, book-keepings, equity, defaults and recoveries, and sustainability of SHGs. On contrary, Singh (2006) concluded that SHGs's programmes have increased involvement in decision making, awareness about various programmes, and organizations. Das (2012), in his study, observed that some of the factors affecting the quality of SHGs are : (a) the target oriented approach of the government preparing group, (b) inadequate incentive to NGOs for nurturing their groups, (c) lack of proper monitoring, (d) absence of quality enhancement mechanism, and so

forth. He also observed that SHGs had a positive impact on decision making patterns, which was ranked first followed by economic empowerment and then psychological aspects. Thus, the company's move to involve SHGs may be seen in light of the above observations.

The company is one of the leading manufacturers of phosphatic and complex fertilizers and pesticides in India, with a turnover of over ₹ 9000 crores. The company supplies its products through a network of 3,700 dealers in the states of Tamil Nadu, Karnataka, Andhra Pradesh, Odisha, Madhya Pradesh, Chhattisgarh, and West Bengal. The primary market is in the state of Andhra Pradesh, with a dominant market share. It may be important to note here that Andhra Pradesh has large tracks of fertile wet lands with two or even three seasons's crops. The primary crops being paddy, banana, tobacco, and turmeric, which demand nutrients and water. More importantly, coastal Andhra Pradesh districts have benefited from tail end river flows for long, which have helped farmers to systematically practice agriculture. Since the economy of this region is also well structured with cash flow and asset management, it became easier for the company to strategize and implement growth around these districts.

The Fertilizer Market Scenario

In India, fertilizer is a controlled commodity that is subsidized by the government. Farm input companies are eligible for claiming subsidy based on the reduced farm gate price supplies made to the farmers. This is, of course, not special to India. World over, agriculture is subsidized, with subsidy in the U.S. alone estimated at $500 bn. Some years back, wholesalers and cooperatives were the conduit for enabling supplies to the farmers. As all farm input companies relied upon wholesalers, in time, these wholesalers grew in dominance and began controlling nearly 70% of the space in the distribution channel. Manufacturers of fertilizers, offering a variety of competitive schemes and discounts, bolstered the growth of wholesalers.

As competition for market share intensified, the wholesalers and distributors who came next in the channel of distribution resorted to some peculiar market activities-high credits from companies, skimming premium during times of shortage, long credit on pesticides, and "pushing". In somewhat distant past, brokers and commission agents who supported the channel in the sale of farm inputs to rural areas extended credit sales to farmers, the end customers, at high rates of interest. As credit sales became the order of the day and the competition more intense, manufacturers were forced to provide credit for extended periods to wholesalers. The wholesalers took advantage of this phenomenon and began diverting their collections from dealers for investments in other businesses, rendering the fertilizer manufacturers indebted.

The agricultural department of the government plays the role of a regulator in ensuring timely and appropriate supplies of fertilizers to all the districts and is also the provider of recommendations on manuring practices, use of pesticides, and farm practices. The role of the government is to assure a good practice that results in higher yields on a sustainable basis. The challenge for farm input companies lay in matching the farm requirement with channel practice (Chandrasekaran & Raghuram, 2014).

In the year 2003, in order to create a fresh channel of distribution, The Company appointed a large number of retailers in all its markets. Price discipline, encouragement of cash sales, and measures to control interdistrict movement of stocks through direct supplies from the plant to the dealers by taking plant delivery orders (PDOs) were initiated. A credit rating system was developed to monitor the performance of dealers and to blacklist undisciplined dealers. These measures came to fruition within a year of its implementation in several ways: increase in market share from 31% to 35 %; increase in sales volumes from ₹ 5.40 lakh metric tonnes to ₹ 7.50 lakh metric tonnes ; reduction in distribution costs from about ₹ 650 per metric tonne to about ₹ 550 per metric tonne owing to deliveries directly from the plant and reduction in costs of reservation for storage; increased price realization of ₹ 150/- per month; reduction in the credit period from three months to one week, and overall savings of over ₹ 7.00 crores. Appointment of new dealers and retailers also led to increased penetration in rural markets. New dealers were agile and wanted to explore growth options. Many of them were young and first-generation traders in this business. Retailers were also enthusiastic as they saw increased opportunity of serving the customers

while selling many other agricultural inputs. While this move enabled the company to streamline the members in the distribution channel to a large extent, it continued to bear the brunt of the actions of its competitors. There was natural resistance from competitors owing to the fear of not just their inability to garner market share from the firm, but also a likely possibility of losing the market. Hence, the competitors resorted to price cuts, offers of credit, and enhanced margins to attract the wholesalers and dealers. The company could not take up such actions, as this would lead to high prices of farm inputs in the long run. More importantly, the company felt that inept competitive behavior should not hurt the farmers who are their customers. It held its moral grounds high and started introspecting on an alternate approach.

The agricultural community, on the other hand, had its own share of woes. The farmers were plagued by non availability of fertilizers during peak cropping seasons, high costs of transportation of fertilizers from the nearest town to remote villages, high interest rates charged by the channel members, opportunistic pricing, premium skimming, and influx of substandard products. Non availability of fertilizers during peak seasons is not exactly a production and operations management issue. It was more of a marketing issue as the distributional channel partners failed to provide timely information on crop planting, growth, and nutritional demand, and more importantly, there was lack of information and support from the channel partners. This is a serious challenge under which a fertilizer company operates. The primary distribution and secondary distribution players were not in sync, leaving the firm at a competitive disadvantage in the market. Worst is that it was a challenge for the farmers as non-availability of nutrients at the right time stunts crop productivity.

Transportation cost and reach are again linked with the marketing distribution issue. In a supply chain, one discusses about three flows namely physical, financial, and informational. Transportation issues affect the physical flow. As far as the cost is concerned, inability to manage the transportation cost affects the supply-chain goal of cost management. In fact, there are two goals of a supply chain namely: cost minimization and optimization of customer responsiveness. With this distribution arrangement of high transportation cost and poor reach in remote villages, the company could not accomplish both the goals. The problem was compounded further because of two other factors, namely:

(1) Fertilizer is a regulated industry and there are price and distribution regulatory guidelines to be adhered to. The regulator has a normative cost basis for distribution and allowance for working fair profit.

(2) Fertilizer is a bulk commodity, and when a firm sells on a distance of 800 kms, it has to use multi modal transportation. This may have multiple handling, increasing the cost of transportation. Furthermore, last mile delivery becomes an issue as the lot size may or may not be viable.

Given this background of transportation and logistics issues, the company looked for acceptable alternatives. The other challenge in traditional distribution was that of interest charges enjoyed by dealers on credit sale and delayed payments. This again proved to be a disincentive in the competitive trade. Furthermore, a local player profited out of the improper financial flow management.

To resolve the problems of farmers and also to face competition, the company had to adopt alternative strategies. The small volumes and scales of operation restricted the company's ability to reach the end customers directly. However, such a market cannot be ignored by the company as these, in a group, could be lead opinion makers and together be too sizeable to ignore. Hence, the company was required to look for an alternative, yet reliable and an innovative route to reach the customers. The company was focused upon developing brand loyalty among the customers. Since this is a new approach, it warranted a definitive approach. These issues required a strategy that was clearly innovative and still functionally effective. The company explored opportunities and mechanisms to reach out to the rural communities. It identified the various institutions associated with rural communities such as women self help groups (SHGs) formed by the District Rural Development Authority (DRDA), Rythu clubs and Rythu Mithra Groups, non government organizations (NGOs), co-operatives, rural banks, and micro finance institutions that were directly associated with the rural communities for various governmental schemes and projects. Rural co-operatives, rural banks, and micro finance institutions were predominantly financing the activities taken up by the various groups, clubs, and non-governmental organizations.

Table 1. Comparison of Characteristics of Rural Groups, Farmer Clubs, and Non-Governmental Organizations

	Women SHGs	Rythu Mithra Groups	Farmer Clubs	NGOs
Monitoring Head	DRDA*	Agricultural Department	Agricultural Department	Promoters
Members	Only Women	Only farmers	Only farmers	Any rural individual
Sources of funds	Govt. Funds, Bank loans	Bank loans, Govt. funds	NABARD**, Bank loans	The World Bank, NRI funds, Bank loans
Purpose of lending	All purposes	Crop loans	Personal and crop loans	Micro credit and economy upliftment
Group dynamics	Very good	Good	Good	Diversified groups
Execution	Good	Not good	Good	Very good
Rotation of savings	Yes	Only few groups	No	Only few groups
Financial stability	Only few groups	No	Yes	Yes

* District Rural Development Agency

** National Bank for Agricultural and Rural Development

The characteristics of the rural groups, farmer clubs, and non-governmental organizations are summarized in the Table 1. The company, in order to benefit women, chose the self-help group route to create an 'ecosystem' through its project that would address the challenges and issues of all the parties involved: the company, the farmers, and the women members, and establish a win-win situation. There has been a successful precedent to a similar model in Gujarat, where the White Revolution was driven by involving women, as animal husbandry is a supportive household income model where women could involve themselves with enthusiasm and entrepreneurial spirit to succeed. Organizing with a similar approach was a welcome move in this region. It may also be noted that the territory where this company is operating, there the White Revolution initiatives were successful.

The Project

The project was an initiative of the company to help farmers to improve their financial position by alleviating the difficulties faced by them and also to provide business opportunities to the rural self help groups. The implementation of the project started in the year 2003 on a pilot basis and was quickly rolled out in all districts of Andhra Pradesh, engaging 750 self help groups.

A village typically has 10-75 self-help groups comprising of 10-15 people with a view to promoting voluntary savings on a regular basis, and rotation of these savings among the members. The SHGs selected were those that were promoted by organisations such as the DRDA, NABARD, local banks, agricultural departments of the government, and non-governmental organizations. Potential villages in each district were first selected and groups that were dynamic, financially stable with efficient rotation of savings, and had been in existence for a long period of time were considered for selection for the project.

The company communicated the concept of the project to the groups by means of films and collected feedback from the group members. Upon selection, the SHGs were made direct dealers of the company and were entitled waiver on the trade deposit and bank guarantee. The company assisted the dealers to procure statutory approvals that included: obtaining fertilizer registration certificate (FRC) and pesticide license, general registration number to carry on marketing operations in excess of ₹ 5,00, 000/-, and registration under the Shops and Establishments Act for establishing outlets for sale of fertilizers. The groups were trained by the marketing team on the provisions that had to be fulfilled by the fertilizer control order (FCO), maintenance and updating of stock registers, stock boards, and bill books. The members were also provided with additional training on developing their entrepreneurial skills. The company also assisted in arranging for loans and placing orders with the company. On an average, it took 10-15 days for appointing a group as a dealer for the project. These groups were provided the

Figure 1. The Supply Chain Established by the Project

Table 2. Fertilizer Varieties Supplied to the Farmers

14:35:14	Single Super Phosphate
10:26:26	Sulphur Pastilles
28:28	Muriate of Potash
Gold 20-20:0:13	Gypsum

same margins that regular dealers were entitled to. The benefits that accrued to the groups contributed to the earnings of the group members and proved to be a socially responsible initiative by the company to uplift rural communities. The company encouraged the groups to support cash sales and also intervened in promoting unity among the group members so as to ascertain group sustenance. By engaging these groups, the company was able to establish an alternative route to supply fertilizers from its factory to the customers. The supply chain is shown in the Figure 1.

The farmers were educated on the significance and benefits such as dealer margins and "small lot" delivery services from the SHGs as against purchases made from the traditional channel. Farmer education was given top priority in this model as they are not only customers in the ecosystem, but also key opinion makers. More importantly, it could be that a member of the farmer family is operating in the SHG, and a structured education plan will help in the involvement of all members of the marketing ecosystem.

The supply chain of the project helped to improve the services to the farmers by minimizing transportation delays and ensuring timely delivery of the fertilizers. Supplies based on orders were made within two days from the date of placement of the orders. Farmers were free of uncertainties in supplies and could save time, money, and energy spent on procurement of farm inputs from the nearby towns, especially during the rainy season, when the road conditions in the villages deteriorated and transportation became both difficult and costly. Quality supplies to farmers were possible at lower prices, and farmers were also spared the burden of high interest rates that the intermediaries levied.

The company was able to get timely feedback on the requirements of the farmers, and accordingly supplied suitable varieties of fertilizers. For logistical convenience and economical distribution of supplies, the company serviced the SHGs by combining the orders of the SHGs with those of the regular dealers. The Table 2 lists the varieties of fertilizers that were supplied to the farmers.

The company encouraged cash sales to alleviate the entry of brokers and commission agents and restrain their linkages with the farmers. This is an important and tough component of decision making in this project. Farmers have been traditionally used to buying from dealers and brokers on credit. Even if they had an ability to do cash transactions by organizing loans from the formal financial sector, intermediaries were exploiting them by giving easy loans at high rates of interest. The company, to break this system, mandated that the self-help groups were required to place minimum lots of orders that were feasible to be supplied by the company. To facilitate this, the company took the initiative to link up the SHGs with nationalized banks supported by NABARD and DRDA that were funded by the World Bank for the purpose of extending agricultural loans at nominal rates. With these initiatives, the company was able to help the farmers minimize the cost of cultivation and also avoid dealing with brokers and commission agents. The company was also able to reach out to the end customers, the farmers, and provide them with value added services, free of cost, such as soil testing and technical education regarding balanced fertilizer application. The company also established competitive advantage over other fertilizer companies by establishing a direct relationship with farmers, creating brand awareness at the customer level through a wide-spread dealer network, increasing market share, and reducing handling, storage, and distribution costs.

Figure 2. Comparison of the Existing Models and that of the Project and the Associated Costs of Distribution

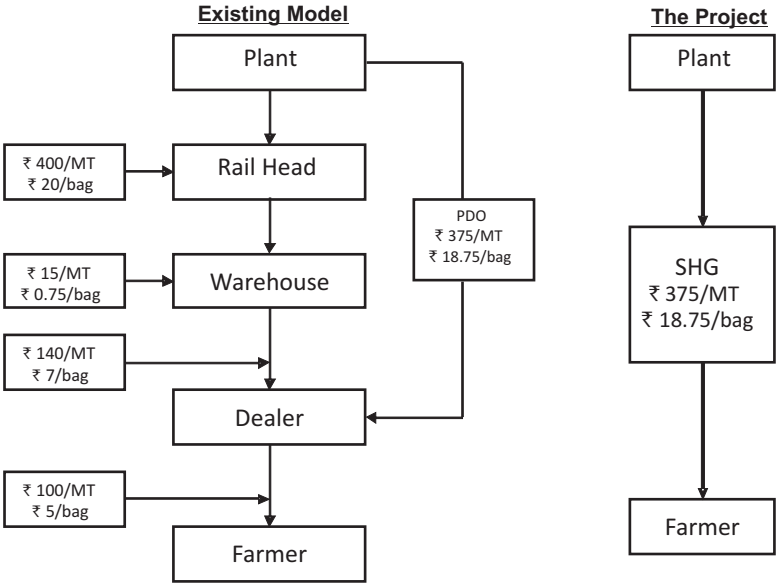


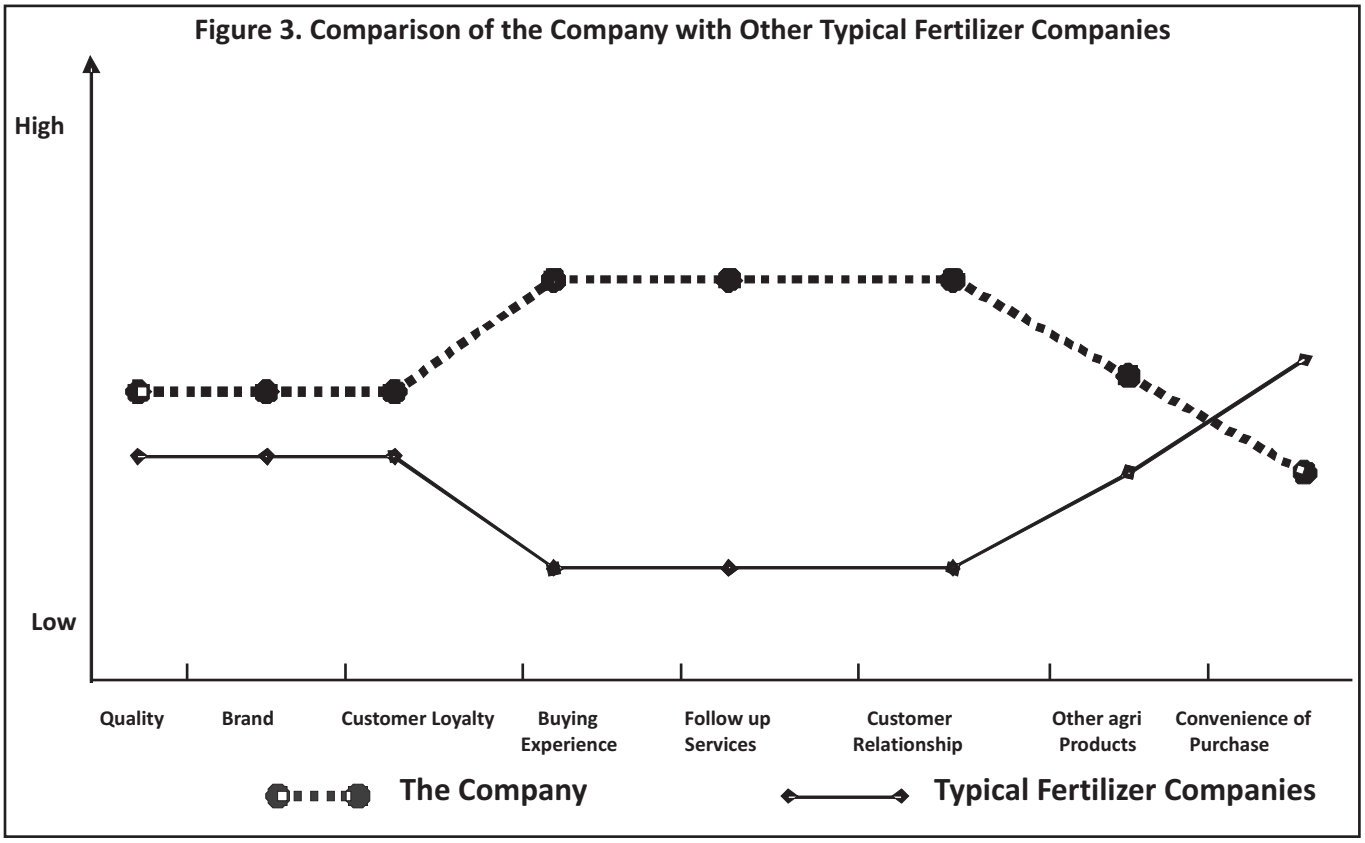
Table 3. Comparison of Cost of Distribution Across Models of Distribution

Model	Amount/bag (₹)
Project	19
Through PDO	24
Through Wholesalers	33

The Figure 2 shows a comparison of the existing model and the one established through the project and the associated costs of distribution. It can be seen from the Figure 2 that there is only a single intermediary in the model created by the project, while there is the presence of the dealer when supplies are made through the plant delivery order (PDO) model, and in case of the third model, the intermediaries include both the wholesaler and the dealer. The project has the least cost of distribution of ₹ 19/- and the costs increase as the number of intermediaries increase; being ₹ 24/- for the PDO model, and ₹ 33/- for the model engaging wholesalers and dealers, as shown in the Table 3.

Apart from accelerated growth in its retail sales, the company gained market superiority relative to other agricultural companies in terms of quality, brand image, customer loyalty, buying experience, follow-up services, and customer relationship. This is shown in the Figure 3. This initiative effected several changes in the ecosystem - in that it led to empowerment of the rural women, development and maintenance of direct relationships with farmers, change in the farm input distribution mechanism, and also provided the way forward for the other players in rural markets. This is a key development in bringing in SHG in the distribution management. Rural markets have a huge potential. Households in the rural areas also want to go through the demonstration effect. However, they have been limited by poor reach of firms in their last miles. Unfortunately, spurious and poor-quality products manage to sneak through, affecting the ecosystem. This project shows how one can beat such competitive disadvantages and generate a new set of opportunities.

These initiatives were supported through videos and direct communication with farmer groups. The advantage the company had was strong brands with positive mental association with farmers owing to decades of brand building. The reorganization of the marketing channel using a large number of smaller dealers followed by supplanting through the SHGs was path breaking. Using multiple tracks of large PDOs (plant delivery orders)



saved logistics cost, and break bulk small lots with relatively higher logistic complexity created a unique cash based system of delivery, securing a clear advantage for the company. This experience of progressive disintermediation and taking the point of customer contact closer to interior rural areas later helped the company by paving the way for other major initiatives like "company owned, company operated retail outlets" across three states.

Managerial Implications

This case clearly establishes how an existing company has a large scope to realign its distribution model with the socioeconomic implications of benefiting its constituents in the rural community. By bringing SHGs into the distribution network, income generation is created. It also allows other constituents to weave into the system, which helps SHGs to improve their revenue and greatly improve the reach of products to rural customers. There are a number of such opportunities which managers of different FMCGs, consumer products industry, and financial & insurance sector can learn and implement across rural based agro industries like manufacture of sugar, textiles ; cotton and yarn manufacturing ; and even large industries close to the rural community in India. This is likely to be a high impact model for rural marketing and for achieving the socioeconomic objectives of the rural local community constituents of a firm.

Conclusion

Self-help groups created by local agencies, banks, and micro finance institutions are sustainable in the short run by rotation of savings among them. In the long run, sustenance of these groups as efficient market channel partners

can happen only through micro enterprise development. Empowerment comes as a natural outcome of this endeavor. Creation of an alternative distribution channel in turn created opportunities. The fertilizer company's contribution towards meeting this challenge has been significant. By this intervention, the company's benefits were the establishing of a closer and more direct relationship with the farmers. The entire ecosystem: the company, the farmers, the self-help groups reaped multiple benefits. The project, therefore, became a base for the company to expand the ecosystem of which it has been a part.

Limitations of the Study and Scope for Further Research

Despite the fact that a case study is a commonly used research technique to understand managerial lessons for wider reach, the case study methodology has received criticism. In this case, we have used this methodology to address a specific project, how it has benefited the company, and how it can be extended in similar situations. There could some bias in the case study approach, especially if a single investigator works across observations and data validation (Yin, 1984). Since one of us worked closely on this project, the researcher's bias was carefully avoided. Another limitation of the case study approach is that it provides very little basis for scientific generalization, since it is based on a specific situation and focus. A common criticism of the case study method is its dependency on a single case exploration, making it difficult to reach a generalizing conclusion (Tellis, 1997). Yin (1993) considered case methodology to be 'microscopic' because of the limited sampling cases. This limitation could be valid.

However, it may be relevant to note here that parameter establishment and objective setting of the research are far more important in the case study method than a big sample size (Hamel, Dufour, & Fortin, 1993 ; Yin ,1994). We are of the view that our case study has a clear statement of the problem and objective set out. Managers can draw suitable inferences and use these learnings more appropriately for their business situations. We are also of the view that there is a lot of scope for future research. First, more number of similar case situations can be identified in industries like manufacture of sugar, procurement of grains and other agricultural produce, and so on, which can be used for drawing common inferences for generalizations. Second, even in the case of the present company, different time period analysis can be studied to ensure whether the implementation of the project had significant implications.

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