

Calloused Hands And Nimble Fingers: Economic Opportunities For Marginalized Communities via Digital Entrepreneurship Platform

By: Jaya Bharti¹

¹Atmashakti Trust

Keywords: entrepreneurship, economic opportunities, social media influencer, digital platforms, e-commerce, freelancing, marginalized communities, business, access markets, generate income, equity, social innovation, collaboration, economic empowerment.

Abstract

This article explores the impact of social innovation using digital interfaces on the income and empowerment of marginalized communities from rural areas. It shows how there is an astronomical shift in income from hard manual labour to digital entrepreneurship. The change in the commerce model from traditional to digital has been explored here. This shift has led to reduced discrimination based on caste and class of the marginalized communities on both sides of the market, as suppliers and as consumers. This article further talks about how social innovation using social media can be a game-changer in reducing marginalization and advancing the economic empowerment of underserved communities.

Introduction

The pursuit of a life of dignity has inspired entrepreneurial ventures since the time explorers became traders and labour crossed borders. The labour migrated initially without will, as slaves. Later, they migrated at will for better perks and income. Most large businesses of the 20th century were built around provisioning products and services for clients. These businesses were either trying to capture the entire value chain or focus on a specific part of it.ⁱ The digital platform business model's onset has been a game changer for both the labour and the industry at large. In e-commerce, there are six models of market: Business to Consumer (B2C), Business to Business (B2B), Consumer to Consumer (C2C), Consumer to Business (C2B), Business to Administration (B2A) and Consumer to Administration (C2A). Digital platforms are also transforming industries aimed at providing B2B services to other manufacturing or service industries. For example, Dropbox is an excellent example of a B2B brand that effectively utilizes LinkedIn to enhance its engagement and presence. They use the LinkedIn platform to showcase their company culture, engage their employees, share valuable content, and highlight their products.

The e-commerce model that has benefited a lot from digital entrepreneurship is B2C. Some of the digital B2C models are Amazon, eBay, Meta, Netflix, and Uber. Uber connects the driver and the passenger in real-time using Global Positioning System (GPS) based geographical information. This significantly improves the business opportunity for Uber drivers and, thus, significantly improves the economy. The B2C model facilitates access to the desired product in the required quantity at a price that can be compared, and then the consumer can make an informed choice. The past three decades have seen rapid digitization in music, movies, classified advertisements, finance, purchasing products, and rendering services. In music, the era of record players was replaced by cassettes and Compact Disc

(CD). As the years progressed, this was replaced by buying music online, and at present, there is a subscription to music online through platforms like Spotify, Apple Music, and SoundCloud.

As more and more industries develop or participate in digital platforms, it has led to Open Data Systems, Open Application Programming Interface (APIs), new business models, and new forms of quality control and ecosystem governance.

Digital platforms have also created economic opportunities for the most marginalized and underserved communities. Earlier, it was very difficult for them to enter the B2C value chain in the traditional market system. The traditional market system had not only barriers to infrastructure but also discriminatory barriers based on social constructs of class, caste, religion, and other such parameters. The people from poor and marginalized communities were left out of the business segment and also from the consumer segment. In the Digital platform, the B2C segment of the digital market has the image of the product, quantity, and price from the business side and payment capacity from the consumer side. This has broken the social barrier of access to the market for the marginalized community. This digital linkage of the producer to the consumer has benefited weavers, craftspeople, and manufacturers from marginalized groups, castes, or classes. The digital connect has offered not only dignity but also increased margins of return. Mobile channels have become the norm and are now embedded within consumers' daily lives via the use of mobile tools, shopping apps, location-based services, and mobile wallets - all impacting the consumer experience.ⁱⁱ With the market and payment gateway a click away, the avenues for the most marginalized have broadened.

A daily wage labour in India earns an average of \$1300 per annum, with the minimum daily wage ranging from \$1.93 to \$5.11.ⁱⁱⁱ When the same wage labour becomes a social media influencer, this brings an entirely new economic opportunity with the exponential rise in annual income. The income offered by social media for a reel or post of less than one minute is astronomically higher than what a heavy manual labourer in India earns. Mobile phones have become the new tool for the economic empowerment of marginalized communities. For Instagram, an influencer with one million followers is considered a Mega Influencer. The earning potential for a Mega Influencer per sponsorship post ranges from \$5000 to \$25000 or even more.^{iv} Some Mega Influencers charge between \$10,000 and \$15,000 per sponsored post.

Case Study 1 - "Kacha Badam Song"

Mr. Bhuban Badyakar is a resident of Kuraljuri village in Dubrajpur block of Birbhum District, West Bengal, India. As a peanut vendor, he earned \$2.3 to \$2.99 daily. A shout he used to grab attention and sell peanuts caught someone's attention. They made a song out of it and posted it online. Soon, people began using the song in their reels. The jingle was used by content creators and social media influencers on Instagram, Facebook, and other social networking platforms. Soon, it transcended boundaries and became an international sensation, with Tanzanian Instagrammer Kili Paul and Korean mother-daughter duo grooving to the peppy number. With the song's instant fame, a music record label launched a remixed version of this song and paid Mr. Badyakar \$3598.

Case Study 2 – A village full of social media influencers

Tulasi, a village in the Raipur District of Chhattisgarh, India, has over 1000 households. At least one member from each household is a YouTuber or a social media influencer. The village alone is home to 40 YouTube channels, with each YouTuber earning at a scale of \$2500 to \$5000 per annum. The District Collector of Raipur made a studio worth \$30000 to promote the young social media influencers.

Social innovation using digital platforms has a strong potential to provide economic gains to rural areas. Digital platforms enable cutting on a lot of interim expenses that are incurred in a physical marketplace used for selling goods and services. In this digital market, the buyer, seller, and payments to the bank account are clicks away. This reduces the cost of transport, storage, and many other expenses that are incurred in traditional markets. This leads to more margins of income and profit for the producer. A product that the producer can directly upload online and the consumer can buy with a doorstep delivery facility is often available at less than one-third the price of the product, which is sold to the consumer by a retailer in the traditional market.

Neumeier defines social innovation as “changes of attitudes, behavior, or perceptions of a group of people joined in a network of aligned interests that, in relation to the group’s horizon of experiences, lead to new and improved ways of collaborative action within the group and beyond.”^v Moreover, social innovation has two characteristics. First, social innovation produces or enhances social capital. Second, social innovation has both a process dimension and an outcome dimension. The process dimension, which includes mobilizing actors or the participation of actors, is particularly important because it is strongly intertwined with the outcome.^{vi} Social innovation has received widespread attention in the rural development field, especially its contribution to future rural sustainability.

A Japan-based study^{vii} involved comprehensive search and case studies targeting 139,063 rural communities and 10,922 rural joint communities, all of which are legally designated agricultural communities. The search found that disadvantaged rural communities’ adoption of Facebook was scarce, and most of the communities that had adopted Facebook did not expand their social networks. Social media, therefore, may have the potential to foster social innovation by enabling remote communication, but in rural areas, social media use may be low because of an aging and decreasing population. Also, external supporters or migrants had essential roles in successful networking.

With the expansion of the digital interface for the market, governance, and social innovation, there is a huge scope to bridge the gap of marginalization. The youth from the marginalized communities have started freelancing and accessing markets, which was not possible before the digital era. Economic ventures using digital platforms help them generate income much more than traditional markets do. The speed and efficiency of digital innovation have also enabled the youth to engage in social innovation to access better infrastructure and services for their community. Platforms like Twitter are used by these youth to claim their rights and entitlements by directly engaging with the administration.

From the 20th century to the present day, the markets have focused on clients. There was discrimination against consumers from marginalized communities. Further, there was limited opportunity for these communities as producers. The digital platform has allowed the underserved to transcend these barriers. Both B2C and B2B models of e-commerce have opened economic opportunities for social entrepreneurs from the marginalized community. Digital markets have brought business models, new forms of quality control, and ecosystem governance. Social innovation using digital platforms has a strong potential to provide economic gains to rural areas. Compared to the daily wages earned by manual labour, the daily income of a social media influencer is more than 5000 times. The shift of income opportunities from manual to digital has ushered in a new era of economic empowerment and social inclusion of the most marginalized communities. Challenges of digital literacy and connectivity are some of the barriers that can be overcome. The bigger barriers of inclusion, equity, and dignity have started to be lifted by this social innovation of moving from calloused hands to nimble fingers.

ⁱ Zutshi, Advances in Management Research, November 2019

https://www.researchgate.net/publication/337368318_The_Evolution_of_Digital_Platforms

ⁱⁱ Yogesh K. Dwivedi; et. al. August 2021

<https://www.sciencedirect.com/science/article/pii/S0268401220308082#bib1230>

ⁱⁱⁱ Dezan Shira and Associates, India Briefing, 2024

<https://www.india-briefing.com/news/guide-minimum-wage-india-19406.html/#:~:text=Regional%20disparities%20in%20minimum%20wage,Minimum%20Wages%20Act%20of%201948>

^{iv} How Much Money Do Instagram Influencers Make In 2024?

<https://embedsocial.com/blog/how-much-do-instagram-influencers-make/#:~:text=An%20influencer%20with%201%20million,and%20%2415%2C000%20per%20sponsored%20post>

^v Nuemeier, 2011

<https://onlinelibrary.wiley.com/doi/full/10.1111/j.1467-9523.2011.00553.x>

^{vi} Richter, December, 2017

https://www.researchgate.net/publication/321880616_Rural_social_enterprises_as_embedded_intermediaries_The_innovative_power_of_connecting_rural_communities_with_supra-regional_networks

^{vii} Onitsuka, 2019

<https://doi.org/10.3390/su11092697>