

Chapter 15

Blue Ocean Strategy: A Vehicle for Entrepreneurship Development and Economic Growth in Rural Areas

Vinay Sharma

Indian Institute of Technology, India

Piyush Seth

Sahara Arts and Management Academy, India

Shujauddin Niyazi

Sahara Arts and Management Academy, India

ABSTRACT

This paper emphasizes on the role of entrepreneurship in economic development of a society with the perspective of Blue Ocean strategy used by organizations across the globe and especially in the context of Indian rural markets. The paper also utilizes live examples of organizations going towards uncontested rural markets and is suggestive of the crux and the core definition of entrepreneurship in correlation to the core philosophy of Blue Ocean strategy. In addition, the paper emphasizes that the soul of entrepreneurship lies within the development of rural markets, which can be done through the effective utilization of Blue Ocean strategy.

INTRODUCTION

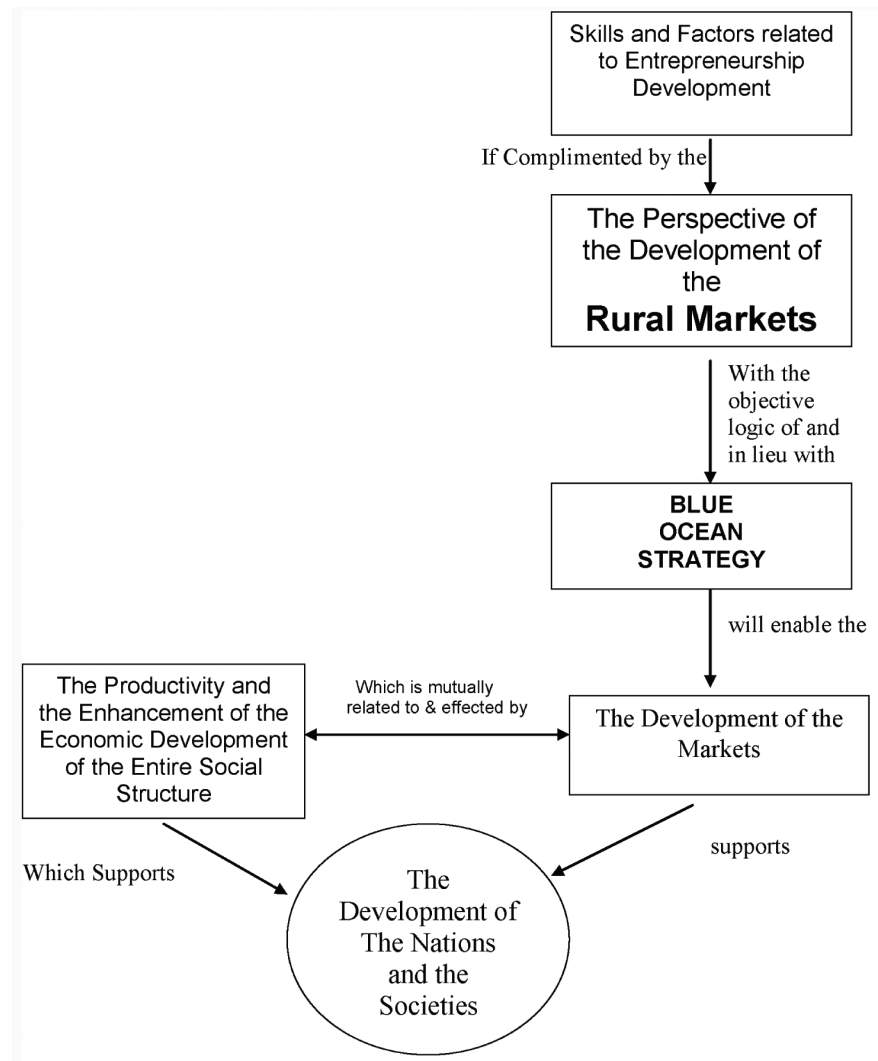
This paper is proposing the role of entrepreneurship in economic development of the society with the perspective of blue ocean strategy, with special emphasis on the usage of the said strategy at the levels of the Rural Markets (Figure 1).

Business strategies and marketing skills have been concentrating on fundamentals, especially on buying capacity. This paper argues on four major aspects:

- a) We should be looking at the ‘Size’ of the market and not at the buying capacity as a fundamental aspect in the case of highly

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Figure 1. Entrepreneurship, rural markets, the blue ocean strategy and the economic development



- b) We should think of improving market conditions and should try to bring in ‘Freedom of Market Transaction’ (Sen, 2000) through providing better services to the rural and the poor masses.
- c) Better services and the market conditions are the human right of the masses and should also be seen as a social responsibility by the marketer along with being seen as a business opportunity.

d) This paper also wishes to suggest that looking at the size of the market as an asset, we can complement the same with strategic generation of buying power i.e. by ‘creating buying power’. Aply suggested by Prahalad (2002):

“Global firms have demonstrated their ability to create wealth around the world. But the benefits of the capabilities of these firms and of the global market system do not yet reach most of the 4

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