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Journal of Management Research and Analysis

Journal homepage: <https://www.jmra.in/>

## Review Article

## Innovation, quality and visibility: Strategic imperative for ODOP

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## ARTICLE INFO

## Article history:

Received 02-06-2023

Accepted 05-09-2023

Available online 25-11-2023

## Keywords:

Rural Entrepreneurship

ODOP

OVOP

Recognition of Prior Learning (RPL)

CFC

## ABSTRACT

A vast majority of Indians live in villages and rely on agriculture, related activities, and other works, for a living. Most craftsmen and craftspeople are striving to preserve the heritage of their family, village, and state, and are living on meager wages merely to keep their skills alive. However, because of poor state of living and inadequate revenue to meet their main needs, a novel population of such people has begun to migrate to urban regions in search of jobs and better living standard. To meet the growing demand for jobs, to increase the employment and lower the migration rate, the Government of India has adopted various initiatives, among which the OVOP (One Village One Product) and ODOP (One District One Product) are in practice. The objective of this research is to study the ODOP scheme, its significance and benefits, and the products covered under it. The study is done on secondary data based on the review and analysis of the existing literature available in various research papers and articles, reports, websites, and other information available on the internet. The results indicate that the ODOP scheme has been a great success in the creation of employment and providing a better income to the rural artisans.

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## 1. Introduction

According to research, more than half of the rise in urban population is due to the migration of people from rural to urban areas or reclassification of rural areas as urban. Due to the great pressure on the urban infrastructure, the growing pace of rural-urban migration in search of better economic possibilities leads in unsanitary and deprived living conditions for the migrants. It also causes a void in the process of rural economic growth. (Pradhan, 2013).

India has initiated a number of programmes on economic revitalization at the national and state levels. In this series, one among the most significant initiatives for regional economic revival is the One District One Product (ODOP) scheme, which was launched by the Uttar Pradesh government on 24 January, 2018. The ODOP concept

is comparable to the Japanese One Village One Product (OVOP) approach. The governor of Oita Prefecture in Japan, Morihiko Hiramatsu, introduced this approach in 1979. The primary concept of the approach was to concentrate on one location per village that had promising possibilities for a specific sort of product, in order to ensure the transfer of wealth-generating abilities into profitable companies (Claymone & Jaiborisidhu, 2011).<sup>1-4</sup>

The main feature of ODOP is adding value to local products to increase the income for local communities and modifying local landscapes to make them more appealing to local inhabitants and tourists. ODOP is a distinctive proposition for the development of rural community in which the creativity and potential of the latent local community is triggered and directed towards community revitalization by the evolution of exclusive products with firm market approach, thanks to effective leadership and human resource development (Claymone Y., 2017).<sup>5,6</sup>

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## 2. Review of Literature

The One Village One Product (OVOP) is one of the many innovative approaches widely imitated, developed and used for economic revival in the world. In every region, active role of the local community is critical to the success of such programmes. The goal of this plan is to promote development of villages by the use of community-based acts that utilize local talent, resources, and learning (Natsuda, 2011).

Accordinging the research in Uttarakhand state for effective implementation of any government programme, it is necessary to have smooth and impartial decision making.<sup>7,8</sup> The programme implementation without proper planning act as a hindrance to decision making and it is suggested that the autonomy of planning the programme should be more with the lower level of the structure. This will help to take the better decisions considering the specific context and requirements.(Bahuguna Rahul.et al.,2016)

### 2.1. About ODOP

The one district one product was launched on January 24, 2018, by the UP state Government, and due to its success, was later adopted by the Central Government. The ‘One District, One Product’ (ODOP) was launched by the Ministry of Food Processing Industries, to help districts reach their full potential, foster economic and socio-cultural growth, and create employment opportunities, especially, in rural areas. It aims to do this by identifying, promoting and branding a product from one district. The ODOP scheme aims to turn every district in India, into an export hub through promotion of the product in which the district specialises.<sup>9-11</sup> The initiative plans to accomplish this by scaling manufacturing, supporting local businesses, finding potential foreign customers and so on, thus helping to achieve the ‘Atmanirbhar Bharat’ vision. The Department for Promotion of Industry and Internal Trade is an important stakeholder in this scheme.

The criteria for ODOP identification are given below:

1. Percentage of ODOP produce relative to total agricultural produce of the district
2. Perishable nature
3. ODOP presence in the district relative to other districts
4. Recognisability of the district with the ODOP product
5. Processing level for ODOP in that district, other districts and states
6. Number of workers engaged in ODOP production and processing
7. Marketing linkages
8. ODOP processing infrastructure in the district

### 2.2. ODOP support to districts



ODOP approach has the potential to combat the difficulty of people migrating from one country to another, from one state to another, by providing local level jobs and creativity, as well as a tremendous job opportunity to make artisans effective entrepreneurs and improve the socio-economic well-being of the rural and poorer sections of unorganized workers and tribal people, especially in India. The initiative was created with the intention of assisting the artisan, as well as providing and improving access to the global market. This scheme works as conduit between sellers and buyers to help them to gain the national and international recognition through marketing and branding.<sup>12</sup>

The prime objective of the ODOP scheme include (i) art promotion, as well as the preservation and growth of local talents (ii) increased employment and earnings (iii) better product quality (iv) creating a product change that is artistic (v) to deal with the problems of geographical unfairness and economic disparities (vi) once the strategy has shown to be successful, expand it to a national and international level.

## 3. Research Objectives

1. To analyze the various critical factors for success of ODOP
2. To explore the benefits and significance of ODOP
3. To study the financial schemes and list of products under ODOP

## 4. Research Methodology

In this study, the descriptive approach of research was used which includes the collection of facts and figures using

the secondary data. This is an attempt to analyze ODOP scheme and its key performance areas (KPA) and to suggest significant strategies for its success. For this purpose, the existing literature in related journal articles, research papers, books, reports, and other internet sources have also been used.

#### 4.1. ODOP: A transformational effort

ODOP is a transformational effort aimed at fulfilling a district's potential, generating economic growth, employment and rural entrepreneurship. The effort has been operationally amalgamated with the Department of Commerce's 'Districts as Export Hub' initiative, with the Department of Promotion of Industry and Internal Trade (DPIIT) as a significant stakeholder. Increased manufacturing capacity, assistance for local businesses, identification of potential international buyers, and other initiatives will all help in the accomplishment of the 'Atmanirbhar Bharat' vision (PIB, 2021).

The fundamental principle of ODOP is to pick brand and promote one product from one district of India that has a unique attribute or is indigenous to that region/district, in order to facilitate successful trade and create jobs. The concept of transforming the districts into export hubs and delivering structural changes to the lives of rural people by connecting local manufacturing houses to the global supply chains is both idealistic and revolutionary (The Hindu Business Line, 2021).

The ultimate goal of the ODOP scheme is to strengthen and enhance local self-organization for the long-term development and also poverty reduction. The three essentials of this approach are: (i) self-reliance and innovation (ii) human resource development, (iii) think local but act global. Local people take the initiative, relying on their own innovations and self-reliance rather than external pushing, to create distinctive products from the available local resources to benefit themselves and to grab markets outside of their immediate area. They strengthen their knowledge by producing competitive products and as a result of increased income, their livelihood gets better and their communities grow closer at the same time (Claymore Y., 2017). To attain the ambitious goal of achieving one trillion economy by the government, the Common Facility Centers (CFCs) are being set up to provide facilities to all the stakeholders related to these products under ODOP in various districts.

Economic times report dated October 28, 2021, of UP state's ₹1.21 lakh crore exports in FY21, almost 80% or ₹96,000 crore were of ODOP products. According to ODOP report by GoI, states that even though COVID slowed down the economic progress across the globe, Uttar Pradesh has managed to fare exceedingly well in terms of exports. Between April 2020-2021 to March 2021-2022, UP's exports increased from Rs 1,07,423.5 crore to Rs

1,40,123.5 crore, which is an increase of about 30 per cent. In this, the contribution of One District One Product (ODOP) is about 72 per cent. This has been marked by the MSME and Export Promotion Department.

#### 5. Benefits and Significance of ODOP: According to (Tandon, 2021) the benefits of ODOP are as follows: (Table 1)

1. Preserving and developing local crafts and skills, as well as in promoting arts
2. ODOP contributes to rising salaries and local employment to stop migration of rural people
3. ODOP strategy helps in improved quality of the product and skill development
4. ODOP would also assist in the creative transformation of products (either via packaging or branding)
5. In order to integrate manufacturing with tourism, it can be accomplished through a live demonstration and a sales outlet that offers presents and souvenirs.
6. The ODOP helps to resolve the economic disparities as well as the regional imbalances in the states and districts.
7. After the successful completion of the project at the UP state level, the craftsmen might be trained and raised to national and international level.

*Financial Schemes under ODOP:* The financial assistance schemes provided under the ODOP project are the following:

1. *Marketing Development Assistance Scheme:* All the participants in the national and global fairs and exhibitions would be eligible for the scheme. They can use it to exhibit and sell products that are a part of the ODOP programme.
2. *Common Facility Centre Scheme (CFC):* The scheme would offer funding for up to 90% of the project's cost. The state government is responsible for providing it.
3. *Finance Assistance Scheme:* The scheme is also known as Margin Money Scheme. It benefits in the portion of the project's cost rather than the entire cost. It is given to the applicants in a grant form to help them start their project.
4. *Skill Development Scheme:* Under the scheme, all skilled artisans are trained by the use of a technique called RPL (Recognition of Prior Learning), they are accredited by several Sector Skill Councils, or SSCs, while the craftsmen who are unskilled are trained for ten days, and they are also given a free latest toolkit.

#### 5.1. Strategic imperatives of ODOP project

1. *Innovation Quality:* the local produce may not have the quality standards but for marketing of these locally produced products, it is necessary to have certain

**Table 1:** District-wise products list under ODOP

S.N.	District	Products	SN	District	Products
1.	Agra	Leather Products	39.	Jaunpur	Woollen Carpets (Dari)
2.	Aligarh	Locks and Hardware	40.	Jhansi	Soft Toys
3.	Ambedkar Nagar	Textile Products	41.	Kannauj	Perfume (Attar)
4.	Amethi	Moonj Products	42.	Kanpur Dehat	Aluminum Utensils
5.	Amroha	Musical Instruments	43.	Kanpur Nagar	Leather Products
6.	Auraiya	Food Processing (Desi Ghee)	44.	Kasganj	Zari Zardozi
7.	Ayodhya	Jaggery	45.	Kaushambi	Food Processing (Banana)
8.	Azamgarh	Black Pottery	46.	Kushinagar	Banana Fiber Products
9.	Baghpat	Home Furnishing	47.	Lakhimpur Kheri	Tribal Craft
10.	Bahraich	Wheat-Stalk Handicrafts	48.	Lalitpur	Zari Silk Sarees
11.	Ballia	Bindi (Tikuli)	49.	Lucknow	Chikankari & Zari Zardozi
12.	Balrampur	Food Processing (Pulses)	50.	Maharajganj	Furniture
13.	Banda	Shazar Stone Craft	51.	Mahoba	Gaura Stone Craft
14.	Barabanki	Textile Products	52.	Mainpuri	Tarkashi Art
15.	Bareilly	Zari-Zardozi	53.	Mathura	Sanitary Fittings
16.	Basti	Wood Craft	54.	Mau	Powerloom Textile
17.	Bhadohi	Carpet (Dari)	55.	Meerut	Sports Products
18.	Bijnor	Wood Craft	56.	Mirzapur	Carpets
19.	Budaun	Zari-Zardozi	57.	Moradabad	Metal Craft
20.	Bulandshahar	Ceramic Product	58.	Muzaffarnagar	Jaggery
21.	Chandauli	Zari-Zardozi	59.	Pilibhit	Flute
22.	Chitrakoot	Wooden Toys	60.	Pratapgarh	Aamla Products
23.	Deoria	Decorative Products	61.	Prayagraj	Moonj Products
24.	Etawah	Textile Products	62.	Raebareli	Wood Work
25.	Etah	Ankle Bells ,Bells,Brass Products	63.	Rampur	Applique Work,Patch Work,Zari Patchwork
26.	Farrukhabad	Textile Printing	64.	Saharanpur	Wood Crafting
27.	Fatehpur	Bedsheets,Iron Fabrication Works	65.	Sambhal	Handicraft (Horn-Bone)
28.	Firozabad	Glassware	66.	Sant Kabir Nagar	Brassware Craft
29.	G.B.Nagar	Readymade Garments	67.	Shahjahanpur	Zari Zardozi
30.	Ghazipur	Jute Wall Hanging	68.	Shamli	Iron Arts
31.	Ghaziabad	Engineering Goods	69.	Shravasti	Tribal Craft
32.	Gonda	Food Processing (Pulses)	70.	Siddharthnagar	Kala Namak Rice
33.	Gorakhpur	Terracota	71.	Sitapur	Carpet (Dari)
34.	Hamirpur	Shoes	72.	Sonbhadra	Carpets
35.	Hapur	Home Furnishing	73.	Sultanpur	Moonj Products
36.	Hardoi	Handloom	74.	Unnao	Zari Zardozi
37.	Hathras	Hing Asafoetida	75.	Varanasi	Banarasi Silk Saree
38.	Jalaun	Handmade Paper Art			

standards to adhere to attract the larger segment of consumers. The quality imperative will lead to better product quality as well as better marketing offer leading to better margin to the local producers.

2. *Visibility*- For these products, it is important to have more visibility to the customers. The advent of various social media and marketing tools may provide the rural producers and artisans a better reach and access to larger segment of customers.
3. *Branding and Marketing*-There will be a need of USP (Unique selling proposition) for these produce to create

a niche market for their unique artisan identity and culture too. The people involved in the ODOP schemes should be trained to understand about the market, its choice and pricing strategies.

4. *Export Hub through Brand Equity*-The specialities of these artisans and produces may be marketed to create a niche market and access to global reach. This will help them to get the new market as well as the government support will help them to get better margins for global market. This will result in creation of export hub for these products.



## 6. Conclusion

Given its goal of realizing a district's true potential through the product specialization and economies of scale, discovery and promotion through marketing, MSME growth, and job creation, the ODOP initiative has a lot of promise. ODOP is also increasing awareness about the relevance of Government Initiatives. Entrepreneurial training through ODOP scheme is assisting them in running their businesses more efficiently, resulting in various success stories. In both the domestic and foreign markets, the ODOP effort aims to enhance the awareness of ODOP goods and the benefits of purchasing them. As a result, the scheme provides a chance to strengthen the local products that have health, environmental, or other advantages.

## 7. Source of Funding

None.

## 8. Conflict of Interest

None.

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**Cite this article:** Tiwari A, Pandey AC. Innovation, quality and visibility: Strategic imperative for ODOP. *J Manag Res Anal* 2023;10(4):196-200.