A Cognitive 'Just' Brand Model: How Sustainable Is It?

Sandip Anand

INTRODUCTION

Consumer Justice

In the recent past, assertion for justice has increased due to the growth of Meta organizations, where external force has become the dominant force (Anand & Parashar, 2006). External force is represented in the form of consumer groups who are also shaping the process of production. It has been argued that a farmer's or consumer's voice is as strong as a dictum from scientist. Creativity for cooking is as important as an innovation from a CSIR laboratory, "Sensory or intuitive knowledge as of Cooking evolves in one's life through encounters with information which one processes according to one's cultural context and then assimilates. Cognitive justice ensures the acceptance of alternative knowledge, and the right of many forms of knowledge to exist, as all knowledge is seen as partial and complementary with each bit containing incommensurable insights" (Visvanathan, S. as quoted in Anand, S. 2006).

Across the globe, there is emergence of various forms of online communities. Internet revolution has reemphasized the collective bargaining power and so we see more and more online communities being setup by companies; Axe Unlimited Academy, BeingGirl.co.in to name a few. Through these online communities, companies are trying to negotiate upon the product and pricing. All this suggests a collective bargaining power, which is required to solve our problems. These online communities are helping consumers to raise their voice. The consumer is empowered. For instance at http://www.ldraw.org, Adult Fans of LEGO are influencing key decisions of the company (Schultz et al. 2006).Technology seems to be mediating the expression of one's voice. However these online communities are limited to few. Not everybody has an opportunity to raise his/her voice through email.

This expression of voice has started compelling corporations to emphasize about ethical behaviour, where duties and obligations are being redefined. It seems that it is unavoidable. Today, in this way, 'socialization of corporations' is happening. What one will call it in psychoanalytic fashion that 'Super Ego Structure' of corporations is being formed. In Indian Context, post independence and pre-1991 liberalization phase, one would like to call as 'Id' of Corporations in India where the contact with outside reality was minimal. The opening of economy in 1991 starts building the ego structure of corporations in India, where one starts recognizing competition from the outside world. After a decade, it finds itself in the domain of rights and law. That happens because world wide, anti-logo consumer movements become stronger and moral responsibility comes at the centre stage, which one calls as the development of super-ego structure of corporations. The entire process is termed as socialization of organizations. Corporations are being forced to make a choice not only between profitability and non-profitability in the immediate context but choice between what is good for citizens and not-good for citizens. The indirect impact of citizen branding in terms of creation of wider good and trust and thereby enhanced customer loyalty is well documented (Willmott, 2003). Citizen branding indicates towards common societal good and set up the context for just communication.

The above suggested framework depicts the need for consumer justice getting mediated through efficiency of exchanges.

According to this framework, the technological changes have made it possible to live two lives simultaneously. We get an opportunity to live in cyber reality, where one lives a second life (Paul Hemp, 2006). This second life provides us with an opportunity to collectively bargain as a consumer by becoming a member of an online community. Collective bargaining causes a conflict with the power structure. Many such communities are available which provide opportunities to raise one's voice.

"the Internet has given birth to online infomediaries such as shopbots, virtual advisors, and consumer opinion platforms. With the help of shopbots (e.g., shopping.com, mysimon.com, dealtime.com), buyers can retrieve comparative information on prices, companies, products, and services at low costs and very quickly. Virtual advisors (e.g., ActiveDecisions.com, MyProductAdvisor.com) provide consumers with expertise in complex purchase decision settings. Moreover, virtual consumer opinion platforms (e.g., epinions.com,

**Assistant Professor,* Xavier Institute of Management, Bhubaneswar-751013
E-mail : sandip@ximb.ac.in, sandipanand@gmail.com

consumerreview.com, ciao.com) allow consumers to engage in electronic word-of-mouth and share experiences about nearly all kinds of products and services". (Rezabakhsh et at 2006).

However, when one finds that this is being misused by a power structure or the power structure is not responsive enough; one feels alienated even within this online system. A study done by Sahoo, A & Subramanian, P. (2007) shows that though on the website of sunsilkgangofgirls.com, many forums have been created to share one's views but the company has not made any effort to listen to the customer's voice, so they have become "*frustrated"*. They find the communities like orkut to be more appropriate, which not only provide them an opportunity to share their voice but has been more responsive in terms of providing value added services.

At the same time, there is a certain population in the third world countries which sees elevators in high-rise apartments or escalators in a shopping mall but cannot develop belongingness for that. This population is unable to develop the belongingness for these ultra modern technologies in the real world because the activities around these technologies are not for him/her. So, both online communities and deprived communities feel alienated and a conflict gets created in their mind. Both the communities (Internet and deprived), are in constant search of an equilibrium which economic institutions could offer them.

It can be argued that the nature of conflicts is different and so the needs of the communities are also very different. But, if the problem is conceptualized at the level of exchange with economic institutions, it can be observed that if both the parties involved start performing their duties and obligations as expected from them , an efficient exchange system gets created. If the home country gives the equivalent treatment to the host third world country, the problem gets resolved.

It appears that the Internet technology and civil society movement have created a convergence point. It is the point where both the main stream consumer group and the deprived consumer group is meeting. The common theme is a feeling of alienation and conflict with the economic institutions or power structures.

However, the other side which represents the power structure is trying to exercise control on both these communities in various forms. Many instances of such control exercise may be seen.

For Instance, In India, there has been a debate revolving around genetically modified (GM) seeds and cotton for the last one decade. However, political citizens living in various parts of the country are not well informed about it. In one way, one can sense that citizenship is not being treated in the same way as will be in the host countries. For example, BT cotton debate has raised issues related to health of soil, environment, crop, animals and human beings. However, citizens of India do not have information related to that. It is well known now that worldwide, edible fish is contaminated with metals. In the developed countries, there is a clear cut warning against that but in India, that warning is not present in the formal sense. So, we see that in India there is a clear lack of exchange of information which creates barriers against efficiency of exchange.

However, demand for just production and communication is increasing. On many occasions, the voice is getting reflected in media. On Television programmes, consumers can directly participate and voice their problems. They are acting as consumer journalists as one Television channel in India, CNBC Aawaz has defined it. However, not all the audience participate in it directly. There is a limited number of audience who is actively participating in it. If one analyzes the programme content and looks at the detail, one finds that efficiency of exchange is not created at its first level through efficient exchange of information. For instance, in many complaints registered against credit card companies, the problem exists as consumers have not been informed properly about the credit card usage or payment conditions. On the contrary, there is policing of these consumers where with the help of organized physical force, they are being tortured. Companies argue that problems happened because the consumers did not 'know' about credit card usage conditions. The knowledge of consumer is limited. The companies seem to be shirking away from the fact that onus of creating efficiency in exchange of information lies upon them.

An empirical study done by Agarwal et al. (2007) clearly indicates that consumers are seeking, expecting and demanding more and more information from the advertisements. A study was done to explore and identify the reasons for ad avoidance in the context of advertising by HLL. Information related expectations are being observed in the entire related categories viz. oral care segment, Deodorant category, Hair Care, Tea and Coffee, cosmetics, laundry. Consumers feel that advertisements are repetitive in nature and do not provide any information to us. The relationship of consumers on the dimension of trust with advertisement is also low. Studies done abroad also reflect in the same direction. A survey done in the UK by the Work Foundation and the Future Foundation shows that Nike had the lowest trust rating amongst 30 companies. Ratings were quite low in

comparison with brands like The Body Shop or Virgin (Willmott, 2003). The major complaint by customers here is that companies are not transparent. They need more information related to the products and companies. A study done by Mahapatra, J (2007) shows that customers are carefully looking at constituents for talcum powder and deodorant. They say that they want to know what all chemicals are being used by the companies.

All these empirical evidences seem to be indicating that value based communication & practices are likely to impact our future. Value based communication requires transparency at its minimum. Companies need to look at their conscience, particularly Multi-national companies as lack of trust is more associated with those. So, it requires an introspective thinking on the part of companies. Therefore, it seems that demand for just communication shall be met only through value driven information exchange.

"*First generation communication, as we have called it was outward-facing. Second generation communication faced inward. In the values-based business world heralded by the changing patterns of work, lifestyle and social issues, and the call for an economic model more in keeping with nature than the one that's got us into the ecological mess we're in, Third generation communication will move further inward-into the very consciousness of the organization" (Youell et al. 2000)*

There is substantial evidence available in favour of investment on values and value driven corporate strategy. The values are being defined in terms of values serving common good. The major challenge for value driven strategy is conflict of values, particularly between individual & organizational values and global and local values. The challenge requires creation of plural values in a democratic manner. Openness to plurality or co-existence in itself indicates emphasis to human values. The emphasis needs to translate in all its form. Realization of this seems to be increasing and so the capitalization of these for differentiation purpose. Many a times, it is being handled in a symbolic manner. E.g. Johnson & Johnson's surgery division not only practices but communicates that for human life; lives of pigs are being 'sacrificed'. It is sacrifice on the part of pigs. Many human rituals related to funerals are performed for that. It symbolizes that everybody's voice, including of animals is of equal importance. An animal is also contributing in creation of human knowledge and understanding. So he should be recognized for the same and cognitive justice should prevail.

IMPLICATIONS OF COGNITIVE JUSTICE FOR MARKETING AND CONSUMER POLICY

It is often observed that companies are loosing their consumers because the efficiency in information exchange could not get created. Initially, many companies do not seem to bother when there is loss of few customers. However, gradually the number of lapsers increases and there is effort to create the 'Just Communication'. Just communication implies that companies are trying to communicate their true selves to consumers and in the process; they try to remove the contradictions inherent in the communication. So, in the given context, this paper tries to argue that these problems could be tackled if both the parties give substantial views to each other points at the time when the conditions of communications are being set. Through this, one assigns equal importance to the other party who is not an expert in the entire process. It also creates efficiency in the entire exchange process and so the cognitive justice prevails.

TECHNOLOGICAL CHANGES AND EVOLUTION OF ORGANIZATIONAL IDEAS

Since the advent of first technological revolution in history, relationship between technology, information and knowledge seems to have impacted the government and business organizations. Peter Drucker (1965) articulates this relationship very well when he refers to creation, organization and institutionalization of knowledge in the first irrigation city which was the first technological revolution in history. However, the focus on relationship has been shifting with time. For organizations, role of these relations for development and maintenance of competitive edge has changed over time. Laszlo and Laszlo (2002) argue that there was greater focus on internal processes aiming at production and managerial efficiency during the first half of the twentieth century. Scientific management of Taylor dominated that era. Then competition and economic expansions brought change in focus and it shifted to market and consumers. Michael Porter's notion of the competitive knowledge dominated business thought during this era. These two types of knowledge have been referred as Atomistic Business Knowledge and Ecological Business Knowledge respectively by Laszlo and Laszlo (1997). These business knowledge paradigms led to the usage of metaphors where business was referred as jungle, warfare and machine (Solomon and Handon as referred in Laszlo and Laszlo, 2002). The above metaphors seem to be derivatives of reductionist scientific paradigm, where the focus was reduced to specific aspects of business - either production or market .However, business challenges of 21st century seem to be more holistic. They require understanding of the socio-cultural and

bio-physical dynamics of the global environment. It is argued that this kind of understanding is grounded in most recent scientific thoughts on complexity like systems theory, chaos theory, and dynamical systems theory. It provides an understanding of evolution of complex systems and is referred to as Evolutionary Knowledge. The evolutionary perspective seems to be more holistic than the earlier reductionist paradigms. However, this evolution has to be seen in the context of pluralism and has to appreciate the evolution of the local knowledge as well. Therefore, no specific process can be assigned to this evolution. It needs to be sensitive towards external environment and to accept the pluralist thought. It seems that in an era where consumers are an integral part of the production system ; 'Holistic Business ', 'Pluralism', 'Alternative Paradigms', 'Local Knowledge', 'Diverse Knowledge' are likely to dominate the list of metaphors. However, we need to look at these metaphors very carefully as they may mean differently to different stake holders. For anti-globalization movements and civil society, it may mean assertion of the rights and struggle for survival, freedom, and dignity; for World Bank and government it may mean how to pacify the movements. For corporates, it may have instrumental value in its own way and represent the strategy. Irrespective of differences in assigned meaning, these metaphors are representations of various social forces operating upon us.

The debate between reductionist and holistic thoughts is not new. However, in recent past, ICT revolution has given different meaning to the debate. At one level, this debate is on information and knowledge, at another level between western scientific knowledge and local knowledge. In this system, referring to Castells, Visvanathan (2001) differentiates between knowledge and information in the context of network society. He argues that there is no single form of knowledge, but a variety of knowledge existing across the world. It has been argued by many authors that western notion of science has not allowed other forms of knowledge in their system (Visvanathan,2001; Shiva quoted in Van der Velden,2005 Jackson as quoted in Visvanthan, 2001,Van der Velden, 2005). Visvanathan (1998) articulates notions of democratic science very well when he says that Gandhi had a vision of every man as a scientist and every village as a science academy. So notion of evolutionary perspective grounded in theory of complexity has to accommodate science of common man as well. Knowledge need not necessarily have to come only from the Agricultural Research Centres funded by Government or Corporate Houses. It may emerge from an interaction among individual knowledge systems, collective wisdom and global information at agri-centres.

Maja Van der Velden (2005) argues that today, Gandhi's notion of technology has been replaced by dominant technological rationality that obscures the fact that all technology is socially and culturally constructed. Therefore, it becomes critical to assess how information technology affects the conceptualisation of knowledge and its diversity and how concepts of knowledge influence technological designs. This need for diversity is reflected in the Open Knowledge Network (OKN), an ICT system created by World Bank. It is a system that provides 'a flexible framework or dynamics to link and support information initiatives among poor and marginalized communities through shared standards and values: local content, local people, local languages' (OKN, 2003 as quoted in van der velden, 2005). Independent hubs intermediaries with Internet access and local communities, organisations, grassroots, and individuals with or without Internet access, can share the information. In the absence of a central database, control is decentralised, the system is highly flexible. The network focuses on the type of access of the users, providing files via different kinds of connections (Internet, radio, mobile, as well as offline access to users with expensive or slow Internet connectivity) and on the diversity of the users. OKN focuses on local knowledge sharing rather than global knowledge.

Building forth on Gandhi's ideas, Shiva (1997) argues self-organisation supports diversity through self-regulation, decentralisation and local control, while a diverse system, in turn, facilitates self-organisation through symbiosis and reciprocity. However, self-organisation is closely connected with the capacity of a system for local control and to interact with its environment in order to adapt, heal and renew (Shiva as quoted in Van der velden, 2005). Van der velden (2005) further argues that designs that strengthen a community's capacity for self-organisation help to cultivate the diversity of the knowledge found in that community. ICT designs are required to strengthen this capacity for development. Centralised systems provide efficient consistency and quality control in the global context, but lack effectiveness when it comes to adaptation to local contexts. Centralized systems lack sharing of information in local formats and languages or connectivity with existing local media such as radio. The problem with centralised knowledge-sharing systems is that they are designed for the discussion and transfer of codified explicit knowledge or information (Wilson, 2002 as quoted in Van der Velden, 2005). Diversity does not

just refer only to plurality of expressions of explicit knowledge; but more importantly to different ways of knowing. ICT-based systems for knowledge sharing both for corporate as well as development programmes need to embed diversity, self-organisation, and the understanding of knowledge as situated and gendered, in order to support the cultivation of diversity and the self-organising capacity of knower (Van der Velden, 2005).

OBJECTIVE

Technology has been changing its role. In the 1960s, organizations used to think IT as an overhead and spending on IT was critically appraised before getting the go ahead for investment. In the later stages, IT took an enabler role and helped the organizations to achieve their corporate objectives. In this decade, however, IT has become a competitive tool and organizations have used IT to make strategic moves while introducing new products and services. In fact, in many industries, IT has made the organization to get competitive advantage over its competitors by simplifying the processes, re-engineering the entire business processes, introducing new business models and modifying the existing business models so that the customer is delighted. Through automation of business processes, IT has helped to increase productivity with consistency which is sustainable and scalable resulting in satisfaction for all the stakeholders. Increasingly, the environment is becoming an important stakeholder in any business model and it becomes a critical factor that all the major players in the environment are satisfied. In an agrarian society, rural citizens are important players as 'environment' stakeholders. However, due to various historical reasons, large numbers of rural citizens are economically backward and improvement of their living standard is necessary to improve the quality of various produce from rural areas and their purchase power. To ensure economic growth rate and market sustainability of produce, this player among other environment stakeholders needs to be integrated into the mainstream of development. In this research, IT has been used to arrive at a sustainable and scalable model for helping farmers to improve their standard of living and purchase power.

In the above mentioned context, this research has been done to arrive at a sustainable and scalable business model for improving living standards of farmers and thus, provide justice to them, bring in transparency into the business transactions which would improve credibility of the model and have better control in project management which would help in consistency and predictability in all the projects.

METHODOLOGY

The broad methodology adopted for this research is conceptual analysis of available literature and scenario building analysis. Specifically, to understand the role of ICT in business, case of ITC e-choupal has been analyzed in detail. The analysis of related literature is done to integrate it with changing business paradigms. Post that, the case has been analyzed on its ability to meet the developmental objectives. Then the scenario building analysis is done to simulate the business situation when it tries to integrate the resource poor farmers in its value chain. Scenario building analysis here refers to qualitative procedure also known as scenario writing consisting of developing a conceptual scenario of the future based on a well defined set of assumptions (Anderson et al, 2002).

SCENARIO BUILDING ANALYSIS

There lies a huge gap between the demand and supply of microfinance services in many countries. Successful microfinance operations in many countries have proved that lending in rural India can be remunerative to the commercial banks, developmental banks and other financial institutions. Two broad types of lending strategies can be useful in the Indian context, asset based lending and cash flow based lending. Examples of asset based lending include advances against inventory, accounts receivable, saving deposits or shares of stock. The size of an asset based loan is determined by the value of the asset pledged as collateral. Cash flow loans are not based on collateral, although they are often secured to prevent the borrower from pledging assets to other creditors and as a test of the borrower's commitment to repayment. The size of cash flow loans is determined by the projected cash flow generated by the loan usage. The repayment capacity of the farmers is quite low. This poses a major threat for financial interventions in the rural India. There are two distinct ways to deal with the problem of low repayment capacity: First, is to devise instruments for which the - repayment capacity is not prohibitively high and second more productive way is to enhance repayment capacity at the frontier. Grameen bank is an example of the first approach whereby it is providing credit to borrowers with very small capacity. Financial initiatives create debt capacity by lengthening term structures, by reducing transaction costs, by refining valuation process and by increasing the supply of loanable funds by mobilizing local resources. In the given scenario, there is likelihood of

'e' (Information Communication Technology) further penetrating in rural India. In this context, e-microfinance business model can be considered as a strong business model, which a company like ITC can take forward and use for the development. Here, e- hub can be used for interacting with farmers on SHG issues. At the e-hub, SHG members as well as field workers can come and avail the information available on health, education, technical knows of the product/services of their interest. e-hub again can act as the procurement centre of various products which can be further packaged and sold in various domestic retail chains. Saving which is the forgotten part of microfinance can be taken care of by this initiative. A mobile handset can be provided for each SHG. This mobile can be used to get quotes and information from the e-hub; the quotes and information related to stock demand, rates at which the commodities are being sold, prices quoted by different buyers can be obtained through mobile. The updated information will help the SHG members to select the buyers for their produce and they can decide on the most profitable market players. This way, the SHG cannot only do away with the CAs (Commissioning Agents), but also will not be dictated by one buyer alone. However, the paper suggests an approach called 'opinion leader' based approach which will ensure acceptability of the business practices through mobile based trading.

It can be inferred from the analysis that each SHG appoints an opinion leader among them. The opinion leader is to be selected based on a combination of factors, viz. experience, level of education, age, social standing. The process of selecting the opinion leader is to be completely decided by the SHG so that higher level of compliance to decision making process within the SHG can be found.

The SHG will also appoint one 'mobile leader' who will be the person responsible for getting information related to demand for commodities, prices at which the commodities are being sold in different markets. This information is fed to the opinion leader for final decision making. The mobile leader is however not a fixed position and is rotated among each SHG member every week; this not only results in participation among each SHG member, each member is trained in usage of mobile, gets a feel of market and the prices, sees the bigger picture as to where his or her produce fits in. This way, the member can also give his or her suggestion related to the product mix that can be sold in that week. Using this information and knowledge, the opinion leader will interact with outside agencies and would decide for the entire SHG as to the buyer to whom they would sell the entire produce, their credit policy. He can also take decision regarding the investment required for furthering their business and improve their lifestyle.

The mobile handset will be provided by ITC at a subsidized rate and can be used for only receiving quotes and market related information thus reducing any chances of misuse and high monthly running cost. The quotes can be obtained from e-hub through SMS which has already been set up in e-choupal. However, proper training on usage of mobiles should be provided by ISPs (which provides the network services to e-choupal); this will facilitate ease of use for mobiles for each SHG and can ensure effective utilization of mobiles for information gathering.

MICRO FINANCING AND LINKAGE WITH FARMERS

In micro financing, the loan size is not very big for SHG (Self Help Group) members, on an average it comes out to be Rs. 2000/- per SHG members. Here, the main issues to be handled are financial viability of this business, ensuring quality of products/services by SHG members, training of e-users and interest in ethnic products- mainly foods and apparels. It is inferred here that this scenario has the potential to meet the daily needs of livelihood earnings as well as meet the need to improve lifestyle of the SHG members. Even though the actual business output may vary, depending on different factors such as demand and supply, quality of output, still economies of scale show that this approach is sustainable in the long run. Economy of scale has been calculated based on simple assumption of normal business transactions and any exception to this assumption can affect the profitability (for example failure of crops and other natural calamities). The mobile hand set can be procured in a mass scale; a conservative estimate indicates that mobiles can be procured at Rs. 1200 per set per SHG. Rs. 1600 can be spent for investment in business out of the loan sanctioned for each SHG (loan amount sanctioned for each SHG member is Rs. 2000). Assuming 5% subsidized interest charged for the loan amount and assuming a conservative figure for average business life cycle of 30 days for the complete product mix and a return of 20% for each business life cycle, the net income for each SHG member turns out to be Rs. 1875 per month. The detailed calculation is shown here: the loan amount for each SHG member is Rs. 2000/-; the amount to be spent for business is Rs. 1600. For each member, the interest cost per annum (assuming subsidized rate of interest at 5%) comes out to be Rs.100. The cost of mobile hand set has been assumed to be at Rs. 1200 per SHG (typically one

SHG will have 8 members). Considering the life span of mobile handset to be 3 years, the cost of mobile handset when apportioned over each member turns out to be (Rs. 1200/ (3x8)) = Rs.50 per annum. The cost of using mobile (that is the subscription cost per mobile) is assumed at Rs 250 per month. So the cost of mobile subscription per member per annum is calculated as (Rs. 250/8) x 12 = Rs.375. Hence total cost comes out to be Rs.100 (interest cost) + Rs.50 (mobile handset cost) + Rs.375 (mobile subscription cost) = Rs.525 per annum.

The average business cycle for the product mix has been observed to be one month cycle. The SHG members sell papad, Soya, candles, incense sticks , and bakery products, tribal arts & paintings, traditional sarees / apparels which when averaged, can rotate the business every month. Hence in a year, the business can be turned over 12 times. In practice, this could turn out to be a conservative estimate; however the purpose of the calculation of this economics is to show the viability of the model in the worst of business scenarios. Considering this situation, the business turn over of 12 times per annum with 20% return has been calculated as Rs. 1600 x 1.2 x 12 = Rs.23040 per annum.

The total savings per SHG member is thus Rs.23040 – Rs.525 = Rs.22515 per annum or monthly Rs. 1875 (approx.) is available for his household consumption. It is observed that this amount can be a good situation for making a healthy livelihood and maintain the present lifestyle. With each year, this amount is bound to increase with increase in productivity, increase in business acumen of the SHG members. As the loan amount is squared off over a period of time, the SHG members can sustain on their own without any burden of debt on them.

In a recent report circulated by mobile marketing association (www.mmaglobal.com[1],), it has been found that mobile marketing is opening vast untapped potential. Interest in using mobile phones to receive content and services is steadily increasing. Most network carriers or ISPs can support mobile traffic to provide information based on a short code sent by the mobile user. The cost of sending the information can be billed directly to the mobile user through direct to account billing. By standardizing the mobile services based on short codes, the mobile users can receive information for prices for their commodities. This approach also allows customized information to be sent to mobile users. This helps in getting the right message (read right prices for exact commodities) at the right time. e-choupals will maintain e-hubs from where information can be broadcast and the same can be received through SMS. The cost of technology and providing service to the SHG members through SMS service will be low as demonstrated by Bharati Telecom and Hutch in today's Indian market. With wide usage of SMS, this cost will be still less. Thus our proposition for using mobiles to get information will be the cheapest, fastest and accurate. This improvement in technology in mobile usage can be used effectively in e-choupal transactions and increase the viability and sustainability of the business with given framework.

Herbert Simon (1968) while making observations and opinions on the future of information processing

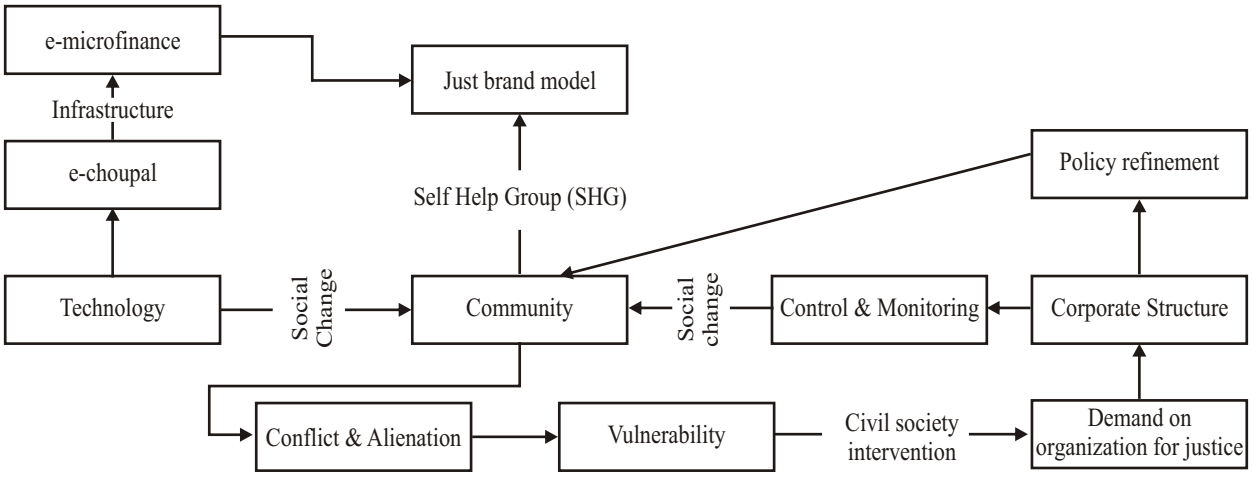

Figure 1

technology has very well put the requirements of such business model of e- Microfinance and SHG. "The design of such systems must encompass far more than the computer hardware and software, it must handle with equal care the information-processing characteristics and capabilities of human members of organization who constitute the other half of the system" (Herbert A. Simon, 1968). Therefore, human resource capacity building becomes a critical issue, however once built, it can really bring a digital revolution in the fundamental sense. Emergence of e-Microfinance and its interaction with resource poor farmers through SHG or directly is likely to bring cognitive justice in the society. The justice is expected as it is going to change the terminology like unskilled labour or semi-skilled labour of industrial phase. The same very people who were referred as labourers earlier are likely to interact with ITC e-hub directly or through field workers are likely to bring their traditional knowledge, ideas and wisdom along with them. Their traditional knowledge is very important as it brings those 'techniques' along with them from their local memory. It is likely to bring the cultural aspects of their memory. The cultural memory interacts with digital memory and that interaction is likely to strengthen the knowledge base of organizations. However, whether it becomes a policy decision to make this alternative choice which proves helpful for resource poor persons is yet to be seen.

Emergence of e-microfinance very clearly suggests the need for a framework which could ensure the information exchange efficiency and thereby help in achieving cognitive justice. The following figure 1 explains the process.

In figure 1, we explain the model called 'Cognitive Just Rural Business model[a]' which is used for micro financing with participation from community, sponsor and government. Technologies, community participation, initiative from sponsor are the inputs to the model; the community goes through a series of social and economic changes which becomes the cause for demand for a just model. A section of community feels alienated and conflicts start because of changes happening at their socio-economic level. Through societal intervention, this vulnerability is overcome and a demand for justice and just brand is created. Sponsors (corporate) provide control and monitoring all the time that facilitates smooth transition through social change in the community. Sponsors (corporate), based on feedback from the implementation at the community level, influence Government policy. e-choupals, with the help of sponsors, would develop infrastructure (e-hubs) that provide continuous data and information to 'mobile leaders' in the community. Using these data and support from microfinance, the economy of scale (as discussed earlier) becomes viable.

In supply chain and distribution, justice needs to be given in the form of capturing consumers' concerns, by creating transparency related to product, by integrating it with other things (programs etc) so that consumer/farmers derives meaning of it . Here justice refers to cognitive justice. In this form only, there can be genesis of meta-organization where integration of consumer community happens by creating of information exchange efficiency. Genesis of meta organization, integration of consumers in the process of supply chain is likely to ensure that the voice of public is incorporated. This incorporates consumers' voice in the process of value co-creation and co-delivery (Prahalad, C.K and Ramaswamy, V. 2004). Though the need may have been created for expansion of market by incorporating bottom of the pyramid but it is likely to facilitate consumer justice by creating the need for information efficiency even through advertising (Prahalad, C K, 2004). It appears that like computer, e-choupal can also be used for programming code for consumer justice is democratic in nature (Van der Velden, M, 2005). It is likely to create meta organizations which are likely to be self regulatory in nature as it incorporates diversity of knowledge and plurality by incorporating consumers' views (Anand and Parashar, 2006, Anand, Patra and Kumar., 2007, Anand and Kumar, 2008, Anand, 2008).

BIBLIOGRAPHY

Agarwal , S. , Dikshit, S., Jena, A. Kumar, N. Mathur, M & Mansi. 2007. 'HLL's Ad Avoidance Study' .Unpublished Dissertation. XIM Bhubaneswar. March

Anand, S. 2008. Ad Avoidance in Hair Care market: Reiteration of Need for Consumer Justice. *Indian Journal of Marketing.* Vol. XXXVIII (1).

Anand S., Bala P. K., Mohapatra S. 2008. "e-microfinance: A cognitive 'just' rural business model", Institute of Management Technology Conference, Ghaziabad, ICTIM 2008.

[a]Model construction is primarily based upon the framework of Anand, S, Patra, B.P.;Kumar, I. 2007. Cognitive Justice for Consumers: Mediation through Efficiency of Information Exchanges. It has been borrowed and adapted in the context of rural business.

Anand, S., Bala, P.K. and Mohapatra, S. 2008. Chapter *'e-microfinance: A cognitive 'Just' rural brand model* in book 'Technology and Innovation in Marketing' (Ed: Gera, R.). Allied Publishers: New Delhi

Anand, S. Kumar, I. 2008. What constitutes Health Care Branding in India? An empirical exploratory study in Bhubaneswar. Fifth All India Conference of IASSH:XIMB.

Anand, S. and Parashar, V .2006. 'Integrating Local and Global Knowledge through ICT: Implications for Rural Business and Development'. IIMB Management Review, March 2006.

Anand, S. and Parashar, V. 2006, Emergence of e-Microfinance : Involvement of SHG (Self Help Group), Business Cognizance. http://mba.iiita.ac.in/jan06/insight.htm

Anand, S. Patra, B.P. and Kumar, I. 2007. Cognitive Justice for Consumers: Mediation through Efficiency of Information Exchanges. Indian Institute of Management Kozhikode . Conference Proceedings. International Conference on Marketing and Society.

Anderson, D.R, Sweeney D.J. and Williams T.A. 2002. Statistics for Business and Economics. Thomson South Western.

Annamalai ,K and Rao, S. 2003. Case Study Series. Released December, 2003. Michigan Business School. Department of Corporate Strategy and International Business.

Capra, F. 2003. "*The Hidden Connections"*. Flamingo, London. p69

Drucker, P.F. 1965. The First Technological Revolution and Its lessons. Presidential address to the Society for the History of Technology, presented on December 29, 1965, in San Francisco.

Hart, S.L & London, T.2005. Developing Native Capability What multinational corporations can learn from the base of the pyramid . Stanford Social Innovation Review Summer 2005.

Mahapatra, J. 2007. 'A study on Lifebuoy Talc'. Unpublished Dissertation. XIM Bhubaneswar. March

Prahalad, C K. 2004. The Fortune at the Bottom of the Pyramid: Eradicating Poverty through Profits', Wharton School Publishing.

Prahalad, C.K and Ramaswamy, V. 2004. The future of competition : Co creating Unique value with customers. Harvard Business School Press.

Rezabakhsh, B. Bornemann. D, Hansen U and Schrader, U. 2000. 'Consumer Power: A Comparison of the old Economy and the Internet Economy'. *Journal of Consumer Policy*. 29.p.3-36

Sahoo, A & Subramanian, P. 2007. 'A study of sunsilkgangofgirls.com'. Unpublished Dissertation. XIM Bhubaneswar. March

Hemp, P. 2006.'Avatar-Based Marketing'. *Harvard Buiness Review*. June

Shen, R .2005.. Expansion of ITC's *eChoupal* Initiative in ASEAN countries via FDI: An Interactive Case Study. UNITAR/SHU Series on International Economics and Finance. Foreign Direct Investment for Development Financing. Organized jointly by UNITAR and the Stillman Schools of Business at Seton Hall University (SHU). 16-19 May 2005. Hiroshima, Japan.

Schultz M, Antorini Y M, Csaba F.F.2006. Corporate Branding. Copenhagen Business School Press, USA.

Shiva, V, 1997.Biopiracy: The Plunder of Nature and Knowledge, Cambridge: South End Press.

Simon, H.A.1968. The Future of Information Processing Technology. "*Management Science"* Vol. 14, No.9, Theory Series (May, 1968), 619-624.

Upton, D. M and Fuller, V.A 2004. The ITC e-Choupal Initiative. Harvard Business School. January 15, 2004.

Van der Velden, M. 2005. Programming for cognitive justice Towards an ethical framework for democratic code. "*Interacting with Computers"* 17 (2005) 105 -120.

Visvanathan, S. 1998. A Celebration Of Difference: Science And Democracy In India *, "Science",* 0036-8075, April 3, 1998, Vol. 280, Issue 5360.

Visvanathan, S. 2001. Knowledge and Information in a Network Society, "*Seminar",* 503, July.

Visvanathan, S.2002. Transfer of Technology, "I*nternational Encyclopaedia of Social and Behavioral Sciences"*, Oxford, Elseiver Science.

Von Pischke, J.1989. "*Finance at the Frontier. Debt Capacity and the Role of Credit in Developing the Private Economy",* Economic Development Institute of the World Bank, Washington, The World Bank.

Willmott, M. 2003.Citizen brands : Corporate citizenship, trust and branding. *Journal of Brand Management*. 2003, p 362

Youell, D. Downey, Paula. 2000. Communication in a new world order. *Strategic Communication Management.* Feb/Mar2000 Vol. 4, Issue 2

Notes and Acknowledgement

[1]See http://www.mmaglobal.com

[2]The author is thankful to Dr. Rajat Gera for his editorial comments on the paper 'e-Microfinance: A cognitive 'Just' Rural Business Model'. This paper is extension of the earlier research article submitted for presentation in ICTIM 2008 Conference.

The special thanks are due to Director, XIMB for providing grant for this research programme on Just Branding.