

# An Assessment of Marketing Strategies and Digital Adoption Among Kudumbashree Self-Help Group Micro-Enterprises

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## Abstract

This article dives into the real-world marketing struggles Kudumbashree's women-led micro-enterprises face in Kerala. These businesses sit at the crossroads of old-school methods and new digital hopes — but honestly, most are still leaning hard on what they know best: word-of-mouth, local festivals, and neighborhood sales. Digital marketing is mostly an afterthought, and when it does show up, it's hesitant and patchy. Talking to 50 Kudumbashree businesses in Kollam shows what's really happening. The classic ways still dominate. Nearly everyone relies on personal networks. Taking the business online is slow, mostly because most of these women don't feel comfortable with social media or don't have extra cash to hire help. Simple problems, like basic packaging and blurry branding, keep these businesses stuck. They just aren't reaching big enough markets to grow faster. Government efforts that make a real difference think hands-on digital training, micro-loans that are easy to get, and better market links. If these women are given right support, and Kudumbashree could drive real economic change for women all across Kerala.

**Keywords:** Kudumbashree, women empowerment, microenterprises, marketing strategies, digital adoption, branding challenges

## Introduction

The program called Kudumbashree assists women in Kerala. It was established by the Kerala government to aid the extremely impoverished. The Malayalam word for "prosperity of the family" is Kudumbashree. The primary objective of Kudumbashree is to assist women from households. It gives them those loans and teaches them new skills, and helps them find work. Kudumbashree has a way of working. It has three levels: Neighborhood Groups, Area Development Societies and Community Development Societies. At the base level, there are Neighborhood Groups. These groups have 10 to 20 women from families. They save money together, learn about money, and start businesses. The next level is Area Development Societies. They help the Neighborhood Groups and work with the local government. At the third

level are Community Development Societies that check the work of Kudumbashree in each area. The program is active across all 14 districts of Kerala. While the highest concentration of groups is found in Ernakulam home to 2,682 NHGs, approximately 19% of all groups statewide. Kudumbashree started out in 1998 as Kerala's big move to fight poverty from the ground up. Over time it has become more than just a program to help the poor but rather evolved into a network of women who work together to help their communities thrive. Kudumbashree empowers women to launch their own businesses and secures those jobs across diverse fields, including the service industry, small-scale enterprises, and agriculture. Kudumbashree is a game-changer for women in Kerala, empowering them to become more resilient and financially independent. In 2012, Kudumbashree was selected as a National Resource Organization, this meant it helps states in India to start similar programs. Kudumbashree has worked with 24 states and one Union Territory. It has helped them start programs to help people and women. The Governments of India and Kerala support Kudumbashree by providing financial and legal assistance. Kudumbashree is an example of how self-help programs can be beneficial to the people having drastic impacts on their life. It has helped thousands of women start their businesses. It has also helped them get jobs. Become financially independent. Kudumbashree is a program that really works. It has made a difference in the lives of many women in Kerala. In short Kudumbashree is a program that helps people, especially women. It gives them loans, teaches them skills and helps them find work. It has three levels. Works in all 14 districts of Kerala. Kudumbashree is a network of women who work together to make their communities better. It has been working for a time and has made a big difference, in the lives of many women.

### **Purpose of the Study**

This study looks at how Kudumbashree women actually market their products both the way it's always been done, and the new digital world. We did surveys and interviews in Kollam to understand what people know, what's actually used, and where things are stuck. Apps like WhatsApp Business, Facebook Marketplace, and Google My Business

are out there, but are they really getting used? We looked at how traditional selling compares to digital and tried to pull out real takeaways on what works, what needs fixing, and how these women can make their businesses stronger.

### **Empowering Women through Self-Help Groups**

The Neighborhood Group is the engine of Kudumbashree, in these groups, women pool monthly contributions into a shared fund that provides them with access to credit which often is the first formal financial resource available to members who would otherwise be shut out of the banking system. These internal loans help members manage household emergencies, invest in small businesses, and cover other productive expenses. The women in these groups meet often. Make decisions together. They help each other. Learn new skills like leadership and communication. This helps the women to become strong and make their decisions. They are not just depending on others for help. Kudumbashree helps these groups to work with the government. This means that the women have a say in what happens in their community. Many studies have shown that these groups are very helpful for women. They help women to save money, get assets and become more independent. The groups also help to make things fairer for women. They can now do things that were deemed impossible for women. But still there are some problems. Some do not have access to markets to sell their products in addition to brutal market competition, alongside the lack of skills to run a business. This means that some still face economic disparity. Admits these problems Kudumbashree is an effective model for helping women. But NHGs are more than money women lean on each other, swap ideas, and pick up new skills. Over time, the quiet ones step up, lead projects, and speak for their neighborhoods. Studies back this up. Income grows, confidence follows, and women start playing bigger roles both at home and in the community. Results aren't the same everywhere strong leadership helps, and the local economy matters a lot. In Kollam, more women are tiptoeing into the digital space. WhatsApp, Facebook, and delivery tech are helping them expand past their familiar circles. If this keeps up with the right tools and training the blend of tradition and tech could open big doors.

## Review of Literature

Xinrui Liang et al. (2025) traced the evolution of social media marketing in China between 2015 and 2025, documenting how AI-driven personalization, influencer partnerships, and platform-specific features have reshaped the commercial landscape. Their work underscores how digital channels have become central to consumer-facing marketing strategies at virtually every market level. Celestin Mayombe (2023) examined social marketing strategies in a South African context, arguing that entrepreneurship education alone is insufficient to reduce poverty. Structural interventions access to capital, infrastructure, and markets are equally essential for enabling genuine economic mobility. This finding resonates strongly with the challenges facing Kudumbashree units. Pantea (2016) framed entrepreneurship education as a tool for poverty reduction, emphasizing that its purpose extends beyond individual skill-building toward systemic change. Srivastava et al. (2024) similarly found that financial independence among women in self-help groups is contingent on both access to resources and a supportive macroeconomic environment. Heba Shaheen (2025) charted the growing centrality of social media in marketing, finding that digital platforms now play an increasingly non-negotiable role in brand visibility. Payman Al Barwari (2025) studied how small and medium enterprises in Iraq differentiate themselves through customer-centered pricing, relationship-based communication, and environmentally conscious branding strategies that may offer transferable lessons for Kudumbashree units seeking to formalize their market identity. In a 2024 study, Madhu Viswanathan and colleagues explored the shopping habits of low-income consumers. They found that because these individuals have limited financial resources, they must be highly strategic and resourceful in how they manage their purchases.. Samira Farivar A did a study in 2022 that explored how influencers used marketing. The study concluded that story telling is an effective marketing strategy. Seema Ghosh and

others did a study in 2023. This study was about how self-help groups help women in India. The study found that these groups help women become more independent and confident. Chih-Wen Wu and others did a study in 2022 on how artificial intelligence is used in marketing. They found artificial intelligence impactful in marketing. Bharath Rajan and Philip Kotler explores the escalating role of Generative AI in the marketing sector in their research highlighting that this technology is no longer just an optional tool but a fundamental driver of modern marketing strategy. Studies specific to Kudumbashree — including work by Arun, Arun, and Devi (2011) have documented the Mission's effectiveness in providing women with resources and institutional support for entrepreneurship. The studies by Xinrui Liang and Heba Shaheen further emphasizes that digital marketing is very important. They concluded that artificial intelligence, influencer partnerships and social media platforms are very crucial for marketing.

Kudumbashree has always abstained from these digitals and modern spaces. The program relies heavily on community networks and face-to-face interactions. These are ineffective marketing strategies. Therefore Kudumbashree needs to modernise its marketing. This will contribute to the success of the program and the people, aiding women who are part of the program to become successful entrepreneurs.

## Materials and Methods

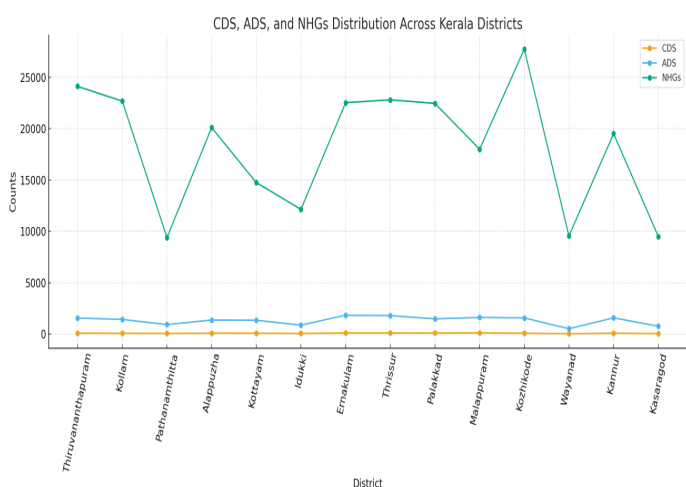
As of data from late 2024 and early 2025, the Kudumbashree Mission in Kerala oversees a vast network of 317,724 Neighbourhood Groups (NHGs), which serve as the founded national self-help groups for its nearly 48 lakh women members (Kudumbashree Official Website). The network also includes 19,470 Area Development Societies (ADS) and 1,070 Community Development Societies (CDS).

**Table 1: Distribution of Kudumbashree Community Networks Districts in Kerala**

Sl No	Districts	CDS	ADS	NHGs
1	Thiruvananthapuram	83	1546	24126
2	Kollam	74	1419	22685
3	Pathanamthitta	58	920	9381
4	Alappuzha	79	1358	20108
5	Kottayam	78	1339	14754
6	Idukki	54	861	12142
7	Ernakulam	101	1830	22534
8	Thrissur	100	1789	22810
9	Palakkad	96	1470	22468
10	Malappuram	110	1607	17998
11	Kozhikode	82	1566	27751
12	Wayanad	26	512	9550
13	Kannur	81	1569	19523
14	Kasaragod	44	765	9500

Source: Kudumbashree Mission Annual Report 2023–24.

Table 1 represents the organizational structure and distribution of Kudumbashree across 14 districts in Kerala. While Ernakulam and Malappuram having the highest number of Community and Area Development Societies, Wayanad and Kasaragod has the fewest. These Neighborhood Groups are more in Kozhikode and less in Kasaragod, showing differences in women's participation across regions.



## Marketing Strategies of Kudumbashree in Kollam:

In Kollam district of Kerala, thousands of Kudumbashree-supported small businesses operate across sectors, including food processing, tailoring, crafts, spices, coir products, beauty services, catering, and agriculture-based activities. Over time, these enterprises have transitioned from traditional marketing practices to more innovative and modern approaches. The current marketing strategies employed by these units combine community-driven networks, local demand-based promotions, festival-oriented sales, and increasing integration with digital and organized markets (Enterprise Promotions Kudumbashree NRO).

## Community-Based Marketing Networks

Kudumbashree units use community networks like Neighbourhood Groups and Area Development Societies and Community Development Societies to sell their products. These networks help them tell people in their community about the things they are selling. They have meetings. Use WhatsApp to tell people about new things

they are selling and events they are having. This way people trust them because they are selling to their neighbours and people they know. Kudumbashree units also tell people about their things by talking to them. This works well in places like Kollam where people were acquainted with each other. When people are impressed with the Kudumbashree product, they introduce it to their friends and family. They prefer to purchase food items, pickles, curry powders and clothes that are produced by Kudumbashree units. This helps these units get customers without a heavy advertising expenditure. Kudumbashree units are good, at selling their products to people they know, People also trust the Kudumbashree brand.

### Participation in Kudumbashree Fairs and Public Markets

Kudumbashree units participate in district- and state-level trade fairs tied to major festivals Onam, Vishu, Christmas, and New Year. In Kollam, events like the Saras Fair, Onam Fest, and Mega Food Fests provide significant visibility during peak buying periods. Beyond fairs, many units supply bakery items, vegetables, and food grains to Janakeeya hotels, community kitchens, and local government programs, creating a degree of institutional demand that helps stabilize revenues. Permanent outlets operated by Community Development Societies offer another channel for product distribution, one that is not seasonally dependent. In urban clusters like Kollam city, Anchal, and Alayaman, trained women also conduct door-

to-door sales a model that keeps transportation and rental costs minimal for producers while making access more convenient for buyers.

### Branding, Packaging, and Quality Assurance

The Kudumbashree units in Kollam have made a change. They are now using packaging and labelling for their food products. This means that the food products from Kudumbashree units in Kollam have printed labels and ingredient lists. You can also find the manufacturing dates on these labels. If it is necessary they have FSSAI certification on the labels too. This new way of packaging helps the Kudumbashree units in Kollam to sell their products in supermarkets and fairs like big commercial brands. Some Community Development Societies, in Kollam have also started using branding. This common branding helps to keep things uniform and makes people trust the Kudumbashree units in Kollam more.

### Research Methodology

This study looked at how Kudumbashree units in Kollam district do their marketing and the problems they face. We chose 50 small business units on purpose. We interacted with Kudumbashree entrepreneurs directly. Asked them questions using a set format. We used some tests like t-test and Chi-square tests to analyze the data. We also referred reports from Kudumbashree Mission, research papers, books and official websites. We presented the results in tables using numbers and percentages.

### Data Analysis

**Table 2: Types of Marketing Strategies Adopted by Kudumbashree Units**

Marketing Strategy	Frequency	Percentage (%)	t-Statistic	p-value
Direct selling/door-to-door	42	84.00%	12.97	<0.0001
Participation in fairs/exhibitions	38	76.00%	6.49	<0.0001
Social media promotion (WhatsApp, Facebook)	12	24.00%	4.26	0.0001
Local retail tie-ups	08	16.00%	-2.04	0.0466
Kudumbashree outlets/Bazaar	15	30.00%	-3.06	0.0036
Word-of-mouth promotion	47	94.00%	-4.26	0.0001
Home delivery services	18	36.00%	-6.49	<0.0001

Source: field study

Word of mouth is the most widely used Kudumbashree marketing strategy, with a 94% usage rate. Direct selling follows at 84%, and participation in fairs or exhibitions at 76%. In contrast, only 24% use social media. One-sample t-tests against a 50% benchmark show significant differences for all strategies: such as word-of-mouth ( $t=12.97$ ,  $p<0.0001$ ), direct selling ( $t=6.49$ ,  $p<0.0001$ ), fairs/exhibitions ( $t=4.26$ ,  $p=0.0001$ ), social media ( $t=-4.26$ ,  $p=0.0001$ ), retail tie-ups ( $t=-6.49$ ,  $p<0.0001$ ),

Kudumbashree outlets ( $t=-3.06$ ,  $p=0.0036$ ), and home delivery ( $t=-2.04$ ,  $p=0.0466$ ). These results confirm that traditional methods are used significantly more than digital ones. A pairwise t-test between word-of-mouth (94%) and direct selling (84%) shows no significant difference ( $t = 1.60$ ,  $p = 0.1123$ ), indicating similar levels of reliance with the suggested variables.

**Table 3: Level of Use of Product-Related Strategies**

Product Strategy	Frequency	Expected	(O-E) <sup>2</sup> /E
Focus on quality	45	10	30.25
Attractive packaging	31	10	19.6
Product diversification	38	10	13.9
Use of branding/labels	29	10	14.9
Eco-friendly packaging	25	10	11.25

Source: field study

A chi-square goodness-of-fit test was performed with equal proportions expected per strategy (20%,  $n=50$ ), yielding  $\chi^2 = 79.2$ ,  $df = 4$ ,  $p < 0.0001$ . This result rejects the hypothesis of uniformity and shows a significant preference for quality and diversification strategies. Strategies were grouped as traditional (direct selling/door-to-door 84%, fairs/exhibitions 76%, word-of-mouth 94%) and modern/digital (social media 24%, local retail tie-ups 16%, Kudumbashree outlets 30%, home delivery 36%) for a binary chi-square test of independence, which further demonstrates a predominant reliance on conventional methods.

**Table 4: Promotion Strategies Adopted**

Promotion Method	Frequency	Observed	(O-E) <sup>2</sup> /E
Word of mouth	47	10	34.9
Social media promotion	22	10	19.6
Display boards/posters	14	10	14
Kudumbashree branding	38	10	8.4
Festival promotions (Onam, Vishu)	30	10	2.4

Source: field study

Testing against equal proportions (20% expected per method,  $n=50$ ) yields  $\chi^2 = 102.8$ ,  $df=4$ ,  $p<0.0001$ , indicating rejection of uniformity and confirming a heavy reliance on word-of-mouth and branding relative to other factors. Traditional methods (word-of-mouth, branding, festivals: 70%+ average) significantly outpace modern ones (social media, posters: <45%), suggesting opportunities to boost digital promotion training.

**Table 5: Digital Marketing and Technology Challenges**

Digital/Tech Challenges	Frequency	Expected	(O-E) <sup>2</sup> /E
Lack of social media skills	28	12.5	11.04
Inability to create online catalogues	26	12.5	9.68
Poor-quality product photos	20	12.5	3.84
Difficulty using online payment systems	12	12.5	2.88

Source: field study

Chi-square test of equal proportions (25% expected per challenge; n=50) yields  $\chi^2 = 20.48$ ,  $df = 3$ ,  $p < 0.0001$ , rejecting the null hypothesis of uniformity and confirming significantly higher barriers in skills and catalogue creation than in payment systems. Primary hurdles center on content creation and digital skills (52-56%), not payments (24%), indicating training priorities should target social media proficiency and catalogue-building over technical payment support for Kudumbashree digital adoption.

### Marketing Challenges of Kudumbashree Units in Kollam

The Kudumbashree-supported microenterprises in Kollam have helped women become their bosses and contribute to the local economy. Women who have started these businesses in Kollam are doing well in areas like food, tailoring, handicrafts, farming and services. They have trouble making their products attractive and coming up with packaging, which is what customers see. Most women in Kollam sell their products in markets and rely on word of mouth advertising. This means they understand the customers wants or how much they are willing to pay. When people want things at times of the year it is hard for these women to keep up. They also lack skills to operate computers and use the internet and they do not rely on shopping much limiting their sales. These women also have to deal with competition and they lack capital which makes it hard to keep making good products. They are not aware about all the government assistance which makes it hard to grow their businesses. If we can address these problems the women who start these businesses in Kollam will be able to sell to more people and keep their businesses going for a long time. The Kudumbashree-supported microenterprises, in Kollam need help to keep growing.

### Findings

Kudumbashree units in Kollam strongly prefer traditional marketing, with word-of-mouth (94%) and direct selling (84%) far exceeding digital channels such as social media (24%), as shown by significant one-sample t-tests (all  $p < 0.0001$  vs. 50% benchmark). Product strategies mainly focus on quality (90%) and diversification (77%). The Promotion efforts emphasize branding (76%) and festivals (60%), with chi-square tests indicating significant differences across data sets (all  $\chi^2 p < 0.0001$ ).

### Digital Adoption Barriers

The main digital challenges are skill gaps in social media (56%) and catalogue creation (52%), which are substantially higher than payment-related issues (24%), according to chi-square analysis ( $\chi^2 = 20.48$ ,  $p < 0.0001$ ). This highlights the need for targeted training rather than additional technical infrastructure.

### Strategic Implications

People prefer the old ways of doing things and it makes them satisfied with the company this is what the numbers show the customer satisfaction is eighty four percent and the marketing is good too it is seventy six percent. But the old ways have some problems they do not work well when there are a lot of companies trying to do the same thing and when people want things at different times of the year. The best thing to do is to use the internet and other digital technology along with the old ways, this will help the company to keep growing and be successful in the long run this is what people call sustainable growth of the company and it is good, for the Traditional methods and the marketing effectiveness of the company

## Conclusion

This study analyzes that Kudumbashree units have done a job of selling things in their local area because people trust them and they make good products at home. They are just starting to use digital marketing. The Kudumbashree units have some problems. They need to work on making their brand known, packaging and digital marketing. Many of them do not know how to use media well which is 56 percent and they have trouble making online catalogs, which is 52 percent. They also have trouble managing their money. These issues make it hard for them to grow and sell things to people. For example not many of them use media, which is 24 percent but they do tell their friends about their products, which is 94 percent. Sometimes they do not have products to sell because people only want to buy them at certain times of the year. It is hard for them to get their products to people who live far away. The internet can help the Kudumbashree units. They can use it to reach people make their products better known and make it easy for people to pay them. If they combine their current marketing along with new digital marketing ideas with also assistance from the government they can sell their products to more people make a steady income and keep their businesses going for a long time. This will also help the women who run these businesses and make Kollam a better place.

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