

## A Study On Kudumbashree – Traditional Marketing Versus Online Marketing

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**Abstract:** Kudumbashree tells us success stories of Women entrepreneurship and empowerment. Today, world attention is focused on online marketing even though Kudumbashree is marketing their products in local markets. Main aim of this paper is to find out the reasons why the Kudumbashree Units are not going for online marketing. Production and manufacturing activities are based on traditional ways only and facing problems like lack of storage facility, infra-structure, technical know-how, etc. exist

**Keywords:** Empowerment, Kudumbashree, Online marketing, Technical know-how, Women entrepreneurship.

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### I. Introduction

Kudumbashree as a joint programme was established by the Government of Kerala and NABARD in the year 1998. It is implemented through Community Development Societies (CDSs) of Poor Women, serving as the community wing of Local Governments. Micro credit, entrepreneurship and empowerment are the three basic components of Kudumbashree. Over the years Kudumbashree has grown into a successful arm of the Government of Kerala in alleviating poverty. It has open up new vistas for poor women in civil society and ensured participation in developmental activities in local areas in many ways. Thus, Kudumbashree tells us success stories and countries from Africa and other states in India wants to adopt many of their schemes for implementation<sup>[1]</sup>

Traditionally marketing of Products and Services are done locally. For this purpose newspapers, magazines, printed materials, post cards, catalogues and TV & Radio advertisements etc., are being used. Digital/Internet marketing products/services are marketed beyond the geographical areas or boundaries. It make use of the electronics media such as web sites, social networking sites, video marketing, banner advertisement, content marketing etc.<sup>[2]</sup>

Digital marketing is found to be cost effective method of marketing. It can reach customers globally and attract direct response from the customers. It will do the job of advertising and creates an image in the minds of the customers, attract and force them to buy the product/services. A good customer relationship is established by means of online communications and the transactions become quicker and accurate. Digital marketing makes it possible instant feedback and answering customer queries immediately. Depending upon the demand of the product/services, online business can expand their market and/or re-design their market and add new products/services.<sup>[3] [4]</sup> Even though there are so many advantages in online marketing some of the business units/groups under Kudumbashree still hesitate to switch on to online marketing. Most of these units use traditional methods for marketing of their products.<sup>[5] [6]</sup>

In the light of the above, a study was conducted in a unit at Thaikav in Ernakulam District of Kerala consisting of 19 members to find out the possibilities of marketing via digital/internet and how far it will be effective and beneficial to unit members.

### II. Statement of the problem

Kudumbashree has already established its name with a fame worldwide. Its products and services are known to many people across the globe. At present most of the products manufactured by the Kudumbashree units are sold out locally through their own outlets and through shopping festivals organized by the local government bodies. As part of the developmental scheme many Kudumbashree units have also undertaken manufacturing of handicrafts from locally available raw materials, food production, vegetable and fruit production, offering medical care, farming, taxi services, data processing etc., with necessary financial help from local government bodies and banks. India is still a developing country. Its strength lies in qualified manpower. If Kudumbashree units go in for online marketing it will create dramatic changes overall. They will get wide acceptance for their products/services and it will lead to maximum profit and people's standard of living will increase. It will contribute to the growth of the economy. Most of the Kudumbashree units still stick

on to traditional ways of marketing. Reasons for this has to be found out and therefore conducting this study is important.

### **III. Objective of the Study**

- To find out the reasons why the Kudumbashree Units are not going for online marketing.

### **IV. Research Methodology**

Primary and secondary data was used for conducting this study. Primary data was collected by personal contacts and secondary data was collected from websites, books, etc. For conducting the study a Kudumbashree unit at Taikav in Ernakulam District of Kerala consisting of 19 members is selected.

### **V. Case Study**

For this study, Aiswarya SHG functioning on behalf of Kudumbashree is selected. Their area of operation is limited only to Thaikav in Ernakulam District. At present there are 19 members in this unit. Most of the members are housewives and their educational level is below matriculation. Members have undergone a 3 (three) months course in computer operations. Unit members belong to APL & BPL category. Under the Kudumbashree programme they manufacture products like Soap Powder, Dish Wash Liquids, Whitening fluids (Substitutes to Ujala and Stiff& Shine), Phenol, Grape Wine, and Food Products like Pickles, Uluva Unda, Rice Porridge (Karkitaka Kanjhi), etc. These works are being carried out by a loan of Rs.3,00,000/- sanctioned by Kerala Gramin Bank.

Unit members on their own carry out the marketing of their products. The price range of the above products falls between Rs.10/- to Rs.100/-. All the products manufactured by the unit members are sold out in their area/locality only. They are focusing on personal selling. They are unaware about online marketing. Products are also sold to unit members and they are given a discount of Rs.5/- in the price. There is adequate demand for the products in their area. To this effect, they point out repeat buying of their products by the customers/users.

Unit members have benefited under the Self Help Group. Members have learnt various ways and methods in preparing the pickles, traditional & herbal products like rice porridge and Uluva Unda etc., and goods which are of daily use by families. Any such product made by members is also used by the members and surplus is sold out to other customers. Although it has open up a new way of work and income, unit members are not satisfied with their income. The reason for this is attributed to low level of production and availability of raw material required. Cost effective goods cannot be manufactured.

### **VI. Findings**

- Unit comprises of limited number of members and availability of resources is very limited. These are main hurdles in entering into a large market segment and competing with them.
- Production and manufacturing activities are based on traditional ways and storage problems also exist.
- Educational level is below 10<sup>th</sup> standard and computer literacy is far below in entering into online marketing. Non-availability of infrastructure is another factor affecting the marketing of SHG products. So, they are unable to undertake online marketing.

### **VII. Suggestions**

- Storage problems exist. So adequate measures should be undertaken by unit members by seeking help from government and financial institutions.
- Storage facilities of perishable goods to be assured. Utmost caution should be exercised in selling away such goods at low price and the Unit head should ensure consent from all members.
- Family relations are affected where husband and wife are employed and children studies. Care for future can spoil family relations as young members especially are greedy in possessing luxury goods and jealous about other people owning such goods. Co-operation from all family members need to be assured. An Awareness Campaign to the family members of all unit members need to be conducted for the success of Kudumbashree programmes.
- Communication and transport facility to be provided. Survey be conducted in capturing and keeping the market in the nearby areas. Sales promotion activities be conducted periodically to induce the customer to buy the product/services.
- Packaging – small, medium and large – methods be adopted for the benefit of customers and effective marketing.
- Where possible, door delivery be started as at present many member families are owners of two-wheelers and auto rickshaws. Authorizing them to collect orders and delivering would be beneficial to members and

the unit. Opening up of Sales Counters at local fish/vegetable market, Panchayat/Village Offices can also be considered.

- Training on usage of computer and handling of website etc. should be given to members. Educated children of unit members be selected and given training if the unit members wants to go for online marketing of their products.

### **VIII. Conclusion**

Globalization has changed marketing of products drastically whether it is small or large. Nowadays any product is available under one roof – Supermarkets and Malls do this job. Companies are able to have their own selling points at these outlets. Kudumbashree products are not manufactured in a big way. They manufacture goods to a small section of consumers/customers in the area and therefore cannot compete with these Super Markets and Malls. Established and branded products are available plenty in the market. Kudumbashree has to establish its own brand, build-up all the infra-structure required for storage and transport and for this huge funds are necessary. Since many of the unit members do not have any knowledge on computer operations “online” marketing would be a difficult task. Production capacity to be increased as demand goes up and if the unit is not able to meet the same, the result will be a “total loss” in terms of money and market. Besides this, mergers and takeovers of big players in the market can spoil the very root aim of Kudumbashree. As such, Government and NABARD should come forward and evolve a plan of action in bringing together all the Kudumbashree units in Kerala before going in for “Digital/Online Marketing” of Kudumbashree products/services. This plan of action should contain availability of finance through banks, usage of state owned rail, road, air and water transport facilities at subsidized rates and marketing of Kudumbashree products through Ration Shops, Petrol Pumps, Post Offices, and Co-operative Societies.

Therefore researcher concludes that Kudumbashree units should not go in for “online” marketing at least for the time being. Going in for “on line” can be considered only after Kudumbashree units are able to employ educated and talented computer personnel are available in place and after working out the aforesaid action plan. The study reveals that Kudumbashree units will take up online marketing strategy only after getting enough knowledge and skills regarding computer and new emerging trends. So they need the support from the part of government to uplift them from the present situation.

Dr. Varghese Kurien, an eminent personality and the architect of “Operation Flood”, in his book “I too had a Dream” says about the people of India and government authorities. They are as follows:<sup>[7]</sup>“I look around my country and find problems that often seem overwhelming. Despite fifty years of freedom we have yet to solve the very real problem of poverty, whether rural or urban. We can feed ourselves. Instead, we need to see that it is a precarious balance – one that is achieved only because, sadly, there are all too many of our fellow country women and men who cannot afford enough to eat. Were they to enjoy the same diet as most of our privileged class does, it is questionable whether our national production would suffice.

While we can take pride in the fact that our fellow Indians can meet any challenge and achieve success in highly competitive fields abroad, we must also feel a great sadness that all of that talent – talent that was nurtured at the cost of our own country, since all our academic institutions of excellence are heavily subsidized – is being placed at the disposal of others and not our own country, which so desperately needs it.

Our country faces great challenges. There is no doubt that today, our body politic is a cause of grave concern. There is no doubt that hundreds of millions of our people do not enjoy an acceptable quality of life and nor are they able to reach their potential to contribute to our nation. And yet, there is no doubt in my mind that as a people we stand second to none. Among us are people of great intellectual ability; people of the highest moral and ethical attainment; people of great tenacity and courage. The challenge is to put our talent, morality and courage to the right purposes, in the right direction.”

The study can be concluded by focusing that the aim of Kudumbashree can be attained only when we have people of great talent, morality and courage to the right purposes and used in right direction at all levels.

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