Social Intermediation and Women's Market Access: An Operational and Performance Profile of the Home Shop Model under Kudumbashree

Ajith Chacko

Principal Consultant, Centre for Management Development (CMD), Keralam

DOI: https://doi.org/10.47772/IJRISS.2026.100900353

Received: 21 September 2026; Accepted: 26 September 2026; Published: 10 October 2026

ABSTRACT

Women-led micro-enterprises promoted through self-help group platforms have expanded rapidly in India, however, sustained market access remains a persistent constraint. In Kerala, Kudumbashree's Home Shop model was introduced to address this 'marketing trap' by separating production from marketing through a community-based distribution system. This paper examines the Home Shop model as a form of social intermediation. The study draws on Kudumbashree administrative and programme records, and district-level sales data for 2025 covering eight districts where the Home Shop model was fully functional and sufficiently mature for evaluation. The quantitative analysis uses descriptive statistics, comparative district profiling, concentration measures and exploratory rank-order correlations. Qualitative evidence was obtained through key informant interviews and focus group discussions. These inputs are used to document the evolution of the model, operational processes, and consumer experience. The findings show that the Home Shop model represents a practical form of social intermediation for strengthening women's market access. The model operates at a substantial scale, but performance varies widely across districts. Kozhikode and Malappuram together accounted for 68.3% of the combined turnover. Estimates also show considerable variation in retail-margin dispersion and procurement concentration. Rank-order analysis shows a high positive association between turnover and the density of the last-mile retail network ($\rho = 0.93$), while no significant association is observed with the number of participating micro-enterprises or the size of the product basket. Consumer discussions indicate that trust, regular seller contact, product availability and consistent quality influence repeat purchases. Overall, observed district performance is more closely associated with retail reach, seller activation and intermediary coordination than with expansion of the producer base alone.

Keywords: social intermediation; women-led micro-enterprises; community-based marketing; Kudumbashree; Home Shop.

INTRODUCTION

Women's micro-enterprises have become an important component of the local economic development in India. Built around self-help groups (SHGs), this initiative has enabled many women from low-income households to engage in micro-enterprise activities, including food processing, handicrafts, fabrics and household products (Deininger & Liu, 2013).

In Kerala, the Kudumbashree Mission[1] has played a significant role in supporting such initiatives by providing organisational platforms, entrepreneurial training and access to start-up capital (Devika & Thampi, 2007). While many women have been able to initiate micro-enterprises through these efforts, securing regular market access remains a major challenge. This results in limited market access and confined sales to immediate local circles (John, 2009; Chandrasekar, 2014; Sulaiman, 2014).

Recognising this gap between production and marketing, Kudumbashree introduced the 'Home Shop model'

[1] Kudumbashree' means 'prosperity of the family' in Malayalam. 'Kudumbashree' is the 'State Poverty Eradication Mission' (SPEM) of Government of Kerala and the State's flagship programme for women's social and economic empowerment.

as an alternative distribution arrangement (Kudumbashree Mission, n.d-a, n.d-b). This creates a structured link between female producers and consumers, through a community-based retail network, rather than expecting each producer to market independently.

This paper presents an evaluative case study of the 'Home Shop' under Kudumbashree. This study examines the distribution system, the scale of sales facilitated through the network, and value and income opportunities shared within the producer–retail system. Overall, the study highlights the role that community-based intermediary systems can play in strengthening market linkages for women-led micro-enterprises.

LITERATURE REVIEW

The literature on SHG-linked women's entrepreneurship notes that enterprise sustainability depends on systems that connect small producers to markets. Research on small-scale entrepreneurship frequently points out that production capabilities alone are insufficient; access to markets, reliable distribution channels and stable consumer demand are equally critical in determining whether micro-enterprises survive beyond their initial stages (Alvarez & Barney, 2014). Evidence from Kerala also suggests that enterprise sustainability is shaped not only by production capability, but also by market connections and competitiveness-related practices such as customer retention and branding (Chacko et al., 2024).

Marketing requires time, mobility and social networks, which are not always easily available to women operating home-based or neighbourhood units. For women, this means balancing production activities, procurement of raw materials and household responsibilities with the task of finding customers. Producers are expected to handle sales and marketing in micro-scale production settings. This constraint is commonly discussed in the literature as a 'marketing trap'. The marketing trap refers to a situation where small producers, operating with limited capital and managerial bandwidth, are forced to handle sales, marketing and distribution to sustain their business (Ministry of Micro, Small and Medium Enterprises, 2017). As a result, products are often sold only within limited local circles, during occasional exhibitions, or through irregular orders (Minniti, 2010; Kannan & Raveendran, 2026).

Studies have also discussed these constraints in terms of value chains and market linkages. Studies on value chains argue that dispersed small producers face high transaction costs when attempting to access markets individually. Producers face limited market reach, unpredictable demand and weak bargaining power (Kaplinsky & Morris, 2001).

Scholarships of producer-market linkages similarly note that marketing systems and distribution infrastructure are central to enabling small producers to reach stable consumer markets, especially when enterprises are geographically scattered (Shepherd, 2007). This indicates that the key gap is the lack of coordinated distribution systems that connect producers and consumers.

Many scholars have pointed to 'social intermediation' as a way to address these gaps. Emerging from the micro-finance field, the term refers to investments in institutional capacity, skills and collective organisation that help marginalised groups participate more effectively in economic systems (Bennett, 1996; Edgcomb & Barton, 1998). In market and enterprise settings, this idea is used to explain how intermediary institutions can connect dispersed producers to markets by coordinating transactions and easing the marketing burden of individual entrepreneurs (Kistruck et al., 2013). Such intermediary institutions act as a bridge between small producers and markets through coordination, aggregation and marketing support. They also reduce transaction costs and manage key logistical functions on behalf of the producers.

While themes such as social intermediation, and operational models that separate production from marketing are well discussed in global literature, there is limited case-based evidence from India. Studies on women's entrepreneurship in Kerala, particularly within the Kudumbashree framework, focus mainly on institutional mechanisms and broader empowerment outcomes. Much of this literature highlights Kudumbashree's strengths in social mobilisation, credit access and group-based enterprise promotion. However, the role of community-based distribution networks in strengthening market linkages and sustaining women-led micro-

enterprises remains underexplored. This study responds to this gap by examining the 'Home Shop model' as a practical form of social intermediation for women's market access.

CONCEPTUAL FRAMEWORK

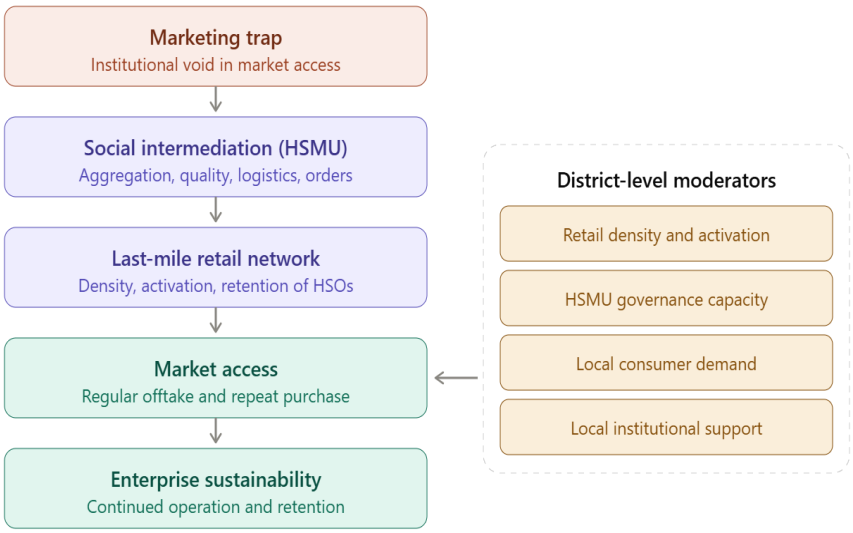
This study understands the Home Shop model as a form of social intermediation that connects dispersed women-led micro-enterprises with local consumer markets. Individual producers often have limited time, mobility, working capital and market contacts. When they must manage production, marketing, distribution and customer relations on their own, market reach remains limited and sales are irregular. This is viewed not as a weakness in producer capability, but as an institutional gap, the absence of a market system through which small producers can reach consumers (Mair et al., 2012).

Social intermediation refers to organisations that incur transaction costs that individual producers cannot manage independently (Kistruck et al., 2013). The model operates through three layers - women-led micro-enterprises, home shop management unit (HSMU) and home shop Owners. The first two layers reshape the market structure available to small producers (Mair et al., 2012). The third gives home shop owners legitimacy through registration, training and the Kudumbashree identity. Their sales are rooted in existing social relationships and often include informal credit, reflecting the economic activity embedded in social relations (Granovetter, 1985). This extends market reach without conventional retail infrastructure, but also makes performance dependent on sellers remaining active.

This framework suggests that productive capacity does not guarantee overall market performance. Once aggregation is organised through the HSMU, the main constraint may move from production to distribution. In that case, the reach and continued activity of home shop owners may be more closely linked to turnover than the number of producers or products. This adds an important qualification to collective action studies, which identify producer aggregation as the main route to market access (Barrett, 2008; Markelova et al., 2009). Market access may support enterprise sustainability only when sales grow within the network; otherwise, wider coverage can reduce margins per seller and weaken retention.

Because HSMUs operate in all the districts studied, the main variation lies in the extent of market access they generate. Therefore the conceptual framework identifies four moderating conditions: retail density and seller activation, HSMU governance capacity, local consumer orientation, and institutional support from local governments and community organisations. These guide the analysis. The framework does not assume a causal relationship between network structure and turnover. It is used to organise the analysis and assess whether the observed patterns are consistent with the central propositions.

Figure 1. Conceptual Framework of the Home Shop Model



Objectives of the Study

This paper examines the 'Home Shop model' under Kudumbashree as a community-based distribution mechanism addressing the 'marketing trap' faced by women-led micro-enterprises. The specific objectives are:

1) To document the evolution and operational functioning of the Home Shop model under Kudumbashree.
2) To examine the scale and performance of the home shop network across the eight districts in Kerala where the model was fully functional and sufficiently mature for evaluation.
3) To understand how the 'Home Shop model' facilitates market access for women-led micro-enterprises and livelihood opportunities for home shop owners.

METHODOLOGY

This study adopts an evaluative case study approach to examine the 'Home Shop model'. The analysis is descriptive and focuses on how the community-based distribution network functions and its economic scale. The study covers eight districts in Kerala, namely, Thiruvananthapuram, Kollam, Kottayam, Idukki, Thrissur, Malappuram, Kozhikode and Kannur, where the Home Shop model was fully functional and had reached a sufficient level of operational maturity for evaluation. The remaining districts were at earlier or less established stages of implementation and did not have comparable programme and sales data. The eight districts therefore represent the mature operational segment of the Home Shop network during the study period rather than a sample drawn from all fourteen districts.

On the quantitative side, data were extracted from Kudumbashree's administrative records, programme management information systems (MIS) and district-level sales data available from Kudumbashree district missions for the year 2025. The dataset includes indicators such as blocks covered, number of women micro-enterprises linked to the network, number of products marketed, number of home shop owners engaged, and average monthly sales turnover. The analysis used simple descriptive statistics and comparative profiling to examine district-wise variations.

The analysis was performed in two stages. First, descriptive statistics and district-level comparisons were used to examine the differences in network size, turnover and value distribution. The second stage explored whether variations in turnover were associated with differences in network structure. Because the analysis covers only eight districts, multivariate estimation was not considered appropriate and was therefore not attempted. Instead, non-parametric rank correlations were used. Spearman's ρ was the main measure, whereas Kendall's τ was used to confirm the pattern. Turnover concentration was assessed using the Herfindahl–Hirschman Index (HHI), Gini coefficient, and coefficient of variation (CV). Rank-based methods were chosen because district turnover varies by approximately 33:1, and these methods are less affected by unusually large values. Given the small number of observations, exact p-values were calculated by testing all 8! or 40,320 possible rank orderings, rather than relying on large-sample approximations. The stability of the results was also verified through leave-one-out re-estimation. These analyses were exploratory in nature. They identified possible relationships for further testing but did not establish causation. The analysis is cross-sectional and does not attempt to estimate the independent effect of duration of operation or other district-level contextual factors.

All value-share figures in this study are estimated using fixed proportions drawn from operational guidelines rather than observed transaction records. The Kudumbashree guidelines allow 5-10% for HSMU retention, 20-30% for the home shop owner margin, and 60-70% for the micro-enterprise share. For a consistent district-level comparison, the study applied 5%, 30%, and 65%, respectively. Because the same proportions are used for every district, the estimated shares are direct rescalings of turnover and do not provide information independent of it. They are presented only to indicate the approximate structure of the value distribution within the model and not to measure the actual income realised by participants. In practice, the shares may vary by product category and local operating conditions, however these variations are not recorded separately in the MIS.

The paper also draws on key informant interviews (KIIs) and focus group discussions (FGDs) with home shop management unit members, home shop owners, women micro-enterprises, consumer households and Kudumbashree officials, undertaken between December 2025 and February, 2026. It included three key informant interviews (KIIs): one with a state-level Kudumbashree official, one with a district-level Kudumbashree official (Kannur), and one with Home Shop Management Unit (HSMU) representatives (Kozhikode). In addition, three focus group discussions (FGDs) were conducted involving Home Shop Owners, women micro-entrepreneurs and consumer households. Consumer participation was included specifiically to understand purchasing experience, product satisfaction, repeat-purchase behaviour and perceptions of the Home Shop distribution system. These qualitative inputs are used mainly to document the evolution of the model and to clarify the operational processes. Given the nature of available information, this study offers a case study of the Home Shop model as a community-based intermediary system for strengthening market access for women-led micro-enterprises.

FINDINGS

Evolution and Functioning of the Home Shop Model

This sub-section summarises the qualitative findings from the KIIs and FGDs, focusing on the model's evolution and operational functioning.

Origin and Evolution

From the KIIs and FGDs, a fairly clear story emerged about why the Home Shop model was adopted. In the early years, Kudumbashree relied heavily on event-based marketing such as monthly markets, fairs, and festival exhibitions, to help women-led micro-enterprises sell their products. These platforms create visibility and help producers gain confidence. However, many respondents pointed out a basic limitation that exhibitions are temporary. They do not solve the everyday problem of consistently selling products. Several producers recalled that sales often dropped sharply once the exhibition or festival season ended, leading to irregular cash flows and production uncertainty.

Against this backdrop, Kudumbashree moved towards building more regular distribution channels. Stakeholders noted that the Kerala already had practical community marketing experiences, especially doorstep selling and local consumer networks, which showed that local demand could be organised if there was a reliable system. Kudumbashree formalised this approach through the 'Home Shop model' and initiated it in Kozhikode in 2010, later replicating it in Kannur and expanding it further to all districts.

Respondents also linked this idea to the wider context of local development in the State. After the 'People's Plan Campaign'[2], Gram Panchayats and Kudumbashree began experimenting more actively with local economic development. During the period, local movements that encouraged people to use locally produced goods, supported by organisations such as the 'Kerala Sasthra Sahithya Parishad', helped strengthen the wider acceptance of 'local products for local consumption'. The 'Home Shop model' fits into this context because it offers a routine channel for local products, rather than relying on fairs, festivals, and occasional bulk orders.

A key informant interview also referred to the early experience of Koyilandy in Kozhikode District, where regular doorstep selling reportedly resulted in repeat purchases from the same neighbourhood households. The informant noted that this trust-based selling approach encouraged replication and later scale up, including expansion to Kannur and other districts (Kaithakkal, KII/personal communication, January, 2026). (The interview also highlighted Mr. Prasad Kaithakkal's role in conceptualising and operationalising the 'Home Shop model' in Kozhikode and in supporting orientation and replication in other districts.

Operational Structure and Role Clarity

[2] The People's Plan Campaign (1996) refers to Kerala's pioneering decentralisation movement which shifted the focus of planning from the state level to local bodies.

Participants described the home shop system as a distribution arrangement that separates production from retail outreach. In simple terms, it operates in three linked roles.

Production layer (women-led micro-enterprises): micro-enterprises supply products. Producers emphasised that a key advantage of the model is that they are not required to spend their time travelling or selling. This allows them to focus on production continuity, procurement planning, and product quality.

Intermediary layer (Home Shop Management Unit - HSMU): The HSMU is described as the unit that makes the system run on a day-to-day basis. In most districts, it functions as a small team (often around five members) that coordinates procurement, aggregates products from multiple units, supports basic quality checks, facilitates packaging improvements where needed, manages storage and transport, and ensures products reach the retail network on time.

Retail layer (Home Shop Owners/Home Shoppers): Home Shop Owners sell products within their neighbourhoods. They typically rely on household visits, local contacts and Kudumbashree platforms such as NHG meetings. Many also keep small stocks at home so that nearby households can easily purchase items when needed.

Selection of Micro-Enterprises and Supply Readiness

The respondents explained that micro-enterprises were not randomly selected. The selection of enterprises was undertaken by the HSMU in consultation with the district mission, following a transparent process. KIIs indicate that supply readiness matters, especially product quality, consistency of production and ability to meet regular demand cycles. This is important because consumer trust depends on the reliability of supply as much as on product quality. The micro-enterprises thus selected include both individual and group enterprises.

Value Addition and Logistics at the HSMU Level

A recurring point from the qualitative discussions was that HSMU adds value by taking on functions that are difficult for individual enterprises to manage otherwise. This includes coordinating the supply from multiple producers, storage, arranging transportation and maintaining basic quality assurance. Stakeholders repeatedly mentioned that consistent packaging, proper labelling and routine quality checks matter because many products are repeat-purchase items. Households are more likely to buy regularly when they feel confident about their quality and presentations. Interviewees referred to the use of dedicated storage space (including warehouse facilities) and goods carrier vehicles to maintain the supply across the district. In some districts, community facilitators were also described as field-level links that support stock points, help consolidate orders, and assist home shop owners during routine operations.

Sales through Home Shop Owners and Relationship Marketing

FGDs with home shop owners highlighted that selling is closely tied to local relationships. Buyers often prefer to purchase from familiar women in the neighbourhood, and doorstep access makes routine buying easier. The respondents also reported that informal credit is common in some localities, especially where transactions are trust-based and repeated.

Another point that came through strongly is that customer-base building takes time. Home Shop Owners noted that sales improve when fast-moving essentials were consistently available. Once households begin depending on the system for routine items, they shift from occasional purchases to repeat consumption-based buying.

Stakeholders also noted that some early-performing districts such as Kozhikode and Kannur used additional support measures to strengthen the motivation and retention of Home Shoppers. Respondents referred to support such as uniforms, group insurance, facilitation of two-wheeler loans, educational scholarships for children and festival allowances as part of the HSMU's efforts to keep the retail network active.

Order Cycles, Feedback Loop, and Performance Drivers

Operationally, respondents described the home shop system as working through periodic order and replenishment cycles. Demand signals gathered by home shop owners are consolidated by the home shop management unit to plan procurement from enterprises and distribution to home shop owners. Home Shop Owners convey customer preferences and complaints during review meetings or routine interactions, and this information is used to adjust product mix, packaging and quality.

Participants also pointed out that district performance depends on the number of home shop owners remaining active. Even in districts with large registered networks, sales may be concentrated in a smaller active segment, which affects the average per-seller outcomes. Respondents also highlighted the importance of local institutional support from the Kudumbashree community-based self-help group network, and in some cases, support from local governments in sustaining mobilisation, coordination and trust in the system.

Revenue-Sharing Arrangement and Product Basket

Respondents repeatedly referred to the revenue-sharing arrangement as an important part of the model's functioning. According to operational guidelines, a small share of turnover is retained by the HSMU for coordination and distribution costs. Home Shop Owners receive a retail margin for last-mile selling and customer service, while the largest share accrues to the supplying micro-enterprises as producer realisation.

The guideline framework specifies 5% to 10% retention for the HSMU, a micro-enterprise share of 60% to 70%, and a home shop owner margin in the range of 20-30%, depending on product categories and local operational conditions. (For district-level comparability, this study uses 5% for HSMU retention, 30% for the home shop owner margin, and 65% as the micro-enterprise share, based on guidelines ranges, midpoint values and local practices).

The product basket described by stakeholders covers routine household essentials and non-farm products, including bathing soap, detergent powder, washing soap, floor cleaners, curry powders, spice powders, pickles, flours, snacks, dental and health care products, fabrics, and beauty products.

Several participants expressed a wider intent behind the home shop approach. They framed it as a way to strengthen local production-consumption linkages by promoting Kudumbashree products as viable alternatives to corporate FMCG brands. They also stressed that the model performs best when there is a supportive consumer culture for local products and when households begin to treat locally produced items as part of everyday consumption.

Consumer Experience and Satisfaction

Consumer discussions provided a demand-side perspective on how households experience the Home Shop system. Participants valued the convenience of purchasing products through familiar women within the neighbourhood. Trust in the home shop owner was linked to willingness to try products and make repeat purchases. Consumers also referred to support for locally produced goods and women-led enterprises as an additional reason for buying through the network.

Differences were also observed. Some participants reported greater familiarity, more regular purchasing and wider product availability. Certain participants reported less frequent contact and irregular product availability. Participants indicated that repeat purchases depend on reliable quality, regular supply and continued contact with home shop owners. These responses suggest that consumer experience is influenced not only by product quality, but also by the regularity and visibility of the retail network.

District-Level Performance Patterns

This section presents the key findings from district-level administrative and sales data for 2025 across the eight fully functional Home Shop districts included in the evaluation.

District-Level Coverage and Network Scale

The home shop network shows wide variation in scale across districts, both on the producer side (micro-enterprises) and the retail side (home shop owners). District-level coverage and network scale are given below.

Table 1

District-level coverage and network scale

District	Blocks covered	No. of MEs	Products marketed	No. of HSOs	HSOs per block
Thiruvananthapuram	10	66	91	54	5
Kollam	4	28	66	36	9
Kottayam	10	104	188	446	45
Idukki	5	78	238	176	35
Thrissur	6	36	65	156	26
Malappuram	11	71	86	1,059	96
Kozhikode	12	46	124	888	74
Kannur	11	22	69	440	40

Source: Compiled from MIS

Note : ME = Micro-enterprise; HSO = Home Shop Owner

Kottayam has the largest ME base (104), indicating relatively broad producer participation compared to other districts. In contrast, Malappuram and Kozhikode have the largest home shop owner networks (1,059 and 888, respectively), suggesting deeper retail outreach. Idukki recorded the widest product basket (238), indicating stronger product diversity within the network.

Retail density, expressed as home shop owners per block, varies by a factor of nearly 20 across the eight districts, from 5 in Thiruvananthapuram to 96 in Malappuram. This indicator was used in the analysis because the absolute network size conflates retail penetration with the administrative extent of the district.

Overall, the district profile suggests that network strength is shaped by a mix of coverage, product basket, and retail intensity rather than any single factor. Notably, a large retail network does not necessarily require a proportionally large producer base: Kozhikode supports 888 retailers with only 46 micro-enterprises, pointing to concentrated, high-volume production at the enterprise level.

Economic scale of the Home Shop network

The network operates on a meaningful economic scale, but the turnover is highly concentrated across districts. The economic scale of the home shop network is given in Table 2.

Table 2

Economic scale of the Home Shop network

Rank	District	Grouping	Avg. monthly turnover 2025 (Rs.)	Share of total (%)	Cumulative share (%)
1	Kozhikode	High	6,05,13,312	45.14	45.14
2	Malappuram	High	3,10,49,923	23.16	68.29
3	Kannur	Medium	1,44,23,694	10.76	79.05
4	Kottayam	Medium	1,05,00,062	7.83	86.88
5	Idukki	Medium	79,23,747	5.91	92.79
6	Kollam	Medium	54,94,030	4.1	96.89
7	Thrissur	Emerging	23,33,326	1.74	98.63
8	Thiruvananthapuram	Emerging	18,33,647	1.37	100

Source: Compiled from MIS and sales data

Kozhikode (Rs.6.05 crore) and Malappuram (Rs.3.10 crore) together contributed approximately 68% of the combined turnover across the eight districts, indicating two mature, high-volume ecosystems. The next tier - Kannur, Kottayam, Idukki, and Kollam forms a ‘medium’ group and accounts for much of the remaining turnover. Thrissur and Thiruvananthapuram fall into an emerging category, showing comparatively low turnover despite the presence of the network. Overall, the model appears highly adaptable, scaling from emerging operations generating roughly Rs.18 lakh per month (Thiruvananthapuram) to high-performing ecosystems generating over Rs.6 crore per month (Kozhikode).

The concentration was then quantified. The Herfindahl-Hirschman Index for district turnover shares is 2,807, well above the conventional 2,500 threshold for high concentration, and the Gini coefficient for turnover across districts is 0.544. The four lowest-performing districts together accounted for 13.1% of the combined turnover, while the two highest accounted for 68.3%. The coefficient of variation is 1.19 for turnover and 1.22 for imputed per-enterprise realisation, but falls to 0.89 for imputed per-seller margin - indicating that dispersion is considerably wider at the level of aggregate district performance and producer realisation than at the level of individual seller returns. Therefore the Home Shop model does not scale uniformly. Its aggregate footprint is generated by a small number of mature district ecosystems, whereas the majority of districts operate at a substantially lower level of market penetration. This asymmetry is central to interpreting the model’s replication potential, since state-level turnover figures reflect the performance of Kozhikode and Malappuram far more than that of the network as a whole.

Product Diversity and Turnover

Further comparison of Tables 1 and 2 shows that product diversity does not necessarily lead to higher overall sales. Idukki and Kottayam had the largest product baskets, with 238 and 188 items respectively (Table 1), but their average monthly turnover remained well below that of the leading districts (Table 2). Kozhikode records Rs.6.05 crore in monthly turnover with 124 products, while Malappuram records Rs.3.10 crore with only 86 products. This pattern is confirmed in Section 5.2.7, where product count shows no significant rank association with turnover ($\rho = 0.286$, $p = .501$). Stronger-performing districts appear to be distinguished less by catalogue size than by the reach of their retail network.

Key informants in these districts consistently linked higher sales to a focused range of fast-moving daily-use products, particularly curry powders, milled flours and cleaning products. They also noted that slower-moving niche items could increase inventory and working-capital burdens for home shop owners without generating comparable returns. Since the MIS does not provide product-level sales data, it should be treated as a consistent practitioner perspective drawn from interviews and focus group discussions, rather than as a statistically tested finding.

6.2.4 Dispersion of the retail margin pool

The retail margin pool generated in each district is distributed across the registered home shop owner network. The resulting per-seller value ranges from approximately Rs. 4,500/month to Rs. 45,800/month.

Table 3

Imputed retail margin pool per registered Home Shop Owner, by district

District	Avg. monthly turnover (Rs.)	No. of registered HSOs	HSOs per block	Imputed margin pool per registered HSO (Rs.)
Kozhikode	6,05,13,312	888	74	20,444
Malappuram	3,10,49,923	1,059	96	8,796
Kannur	1,44,23,694	440	40	9,834
Kottayam	1,05,00,062	446	45	7,063
Idukki	79,23,747	176	35	13,506
Kollam	54,94,030	36	9	45,784[a]
Thrissur	23,33,326	156	26	4,487
Thiruvananthapuram	18,33,647	54	5	10,187[a]

Note. districts are ordered by their turnover. The final column is turnover × 0.30 ÷ registered HSOs and is sensitive to the denominator; it is not a measure of seller income. [a] Value elevated by an unusually small registered seller base relative to district coverage. Not interpreted as evidence of higher seller performance.

This variation in per-seller value requires careful interpretation for three reasons. First, the measure is a ratio in which the denominator varies more than the numerator does. Across the eight districts, the variance in the logarithm of registered seller numbers is slightly greater than that of the turnover. Therefore, the result is influenced at least as much by the number of registered sellers as a function of the volume of district sales.

Second, the measure does not reflect the overall district performance. The rank correlation with turnover was 0.095 ($p = .823$), indicating virtually no association. Kollam and Thiruvananthapuram, which have the smallest seller networks relative to their coverage, have nine and five registered sellers per block, respectively record among the highest per-seller values. Malappuram, with its highest network density of 96 sellers per block, was one of the lowest. Therefore, the measure shows how concentrated the district margin pool is, rather than the productivity of individual sellers. Kollam clearly illustrates this. Its per-seller value of Rs. 45,784/- results from a registered base of only 36 sellers, although the district ranks sixth among the eight districts in turnover. With a seller network that is more typical of its coverage, the same turnover would produce a per-seller value closer to the median.

Third, the denominator includes registered sellers rather than active sellers. As noted in Section 5.1.6, sales in several districts are concentrated among a smaller group of actively selling home shop owners. Applying

the same activity-rate adjustment across all districts would change the values but not their ranking. Differences in activity rates between districts would alter the pattern, and these were not captured in the MIS.

For these reasons, districts are not ranked using this measure, and are not included in the typology presented in Section 5.3. Nevertheless, the measure highlights the sensitivity of the model to the network design. Expanding the registered seller base without a corresponding increase in sales reduces the margin available per seller, which respondents identified as a factor contributing to attrition. Therefore, the operational priority should be seller activation and retention rather than recruitment alone.

Procurement Value Per Linked Supplier Unit

Producer-side intensity differs sharply across districts, indicating that the Home Shop model supports market access in different ways depending on the district maturity and procurement patterns. Producer-side market access intensity is presented in Table 4.

Table 4

Imputed procurement value per linked supplier unit, by district

Rank	District	Avg. monthly turnover (Rs.)	No. of MEs	Imputed procurement value per unit (Rs.)
1	Kozhikode	6,05,13,312	46	8,55,079
2	Kannur	1,44,23,694	22	4,26,155
3	Malappuram	3,10,49,923	71	2,84,260
4	Kollam	54,94,030	28	1,27,540
5	Idukki	79,23,747	78	66,031
6	Kottayam	1,05,00,062	104	65,625
7	Thrissur	23,33,326	36	42,129
8	Thiruvananthapuram	18,33,647	66	18,059

Source: Compiled from MIS and sales data

Note : Computed as turnover × 0.65 ÷ number of linked units. Linked units include both individual and group enterprises, but their proportions are not recorded in the MIS. A unit therefore represents a contracted supplier, not a fixed number of women. The measure should be read as procurement concentration rather than income per producer or an independent measure of performance.

The estimated procurement value per linked unit varies almost fifty-fold across districts, from Rs.18,059/- per month in Thiruvananthapuram to Rs. 8.55 lakh in Kozhikode. This should be interpreted as a measure of procurement concentration, rather than income per producer. Linked units include both individual and group enterprises, but MIS does not record their relative proportions or the membership size of group units. The number of women represented by the reported unit count is unknown and may differ considerably across districts.

The higher values for Kozhikode and Kannur indicate intensive procurement from a relatively small number of contracted suppliers. This may reflect high-volume individual enterprises, larger presence of group

enterprises, or both. Distinguishing between these possibilities requires enterprise-level data that are not currently available. This limitation and the need for further data are discussed in section 7.

Association between network structure and district performance

The preceding analysis shows substantial variation in district-level performance. This sub-section examines whether these differences are associated with the observable features of the Home Shop network. Six structural indicators were compared with the average monthly turnover using a rank-order correlation.

Table 5

Rank-order association between network structure and average monthly turnover (n = 8 districts)

Structural indicator	**Spearman ρ**	**Exact p**	**Kendall τ**
Home Shop Owners per block (retail density)	0.929	.002**	0.786
Number of Home Shop Owners	0.881	.007**	0.714
Home Shop Owner-to-ME ratio	0.786	.028*	0.643
Blocks covered	0.735	.045*	0.593
Number of products marketed	0.286	0.501	0.214
Number of micro-enterprises	0.071	0.882	0

Note. Exact p-values computed by permutation across all 40,320 rank order. ** significant at the Bonferroni-adjusted threshold for six tests ($p < .0083$); * significant at $p < .05$ unadjusted but not after adjustment.

Three findings emerge. Retail density showed a high positive rank association with average monthly turnover ($\rho = 0.929$, exact $p = .002$). The size of the Home Shop Owner network also showed a high positive rank association with turnover ($\rho = 0.881$, exact $p = .007$). Both relationships remained statistically significant after Bonferroni adjustment for multiple comparisons. The leave-one-out analysis further confirms the stability of the retail-density result: ρ remains between 0.893 and 0.929 regardless of which district is excluded

Second, producer-side factors did not show a clear association with turnover. The number of micro-enterprises linked to the network is almost unrelated to turnover ($\rho = 0.071$, $p = .882$; $\tau = 0.000$). Product basket size also showed no statistically significant relationship ($\rho = 0.286$, $p = .501$). This is an important finding of this study. Within the observed range, simply adding more producer units or products does not appear to result in higher sales. This pattern is illustrated by the contrast between Kozhikode and Kottayam. Kozhikode records an average monthly turnover of Rs. 6.05 crore with 46 micro-enterprises, while Kottayam, with 104 micro-enterprises and a larger product basket of 188 products compared with 124 in Kozhikode, records Rs. 1.05 crore.

Third, the ratio of home shop owners to micro-enterprises was positively associated with turnover ($\rho = 0.786$, $p = .028$). However, this relationship was not statistically significant after adjusting for multiple testing. Even so, its direction is consistent with other findings. Districts with a larger retail network relative to the producer base generally perform better than those in which the production and retail layers are more evenly balanced.

The results suggest that the main constraint within the home shop network may lie less in production capacity and more in the reach and activity of the last-mile retail network. This is consistent with the basic design of the model, in which the intermediary and retail layers connect dispersed producers with regular

household demand. It also supports the qualitative findings in Section 5.1.6, where respondents stressed that district performance depends more on the number of home shop owners who remain actively engaged in selling than on the number formally registered.

Therefore, the absence of a significant association for producer-side variables should not be interpreted as evidence that the producer base is unimportant. This indicates that no strong monotonic relationship is visible in the available data. Furthermore, when Kozhikode and Malappuram, the two highest-turnover districts, were excluded, the association between network size and turnover weakens ($\rho = 0.771$, $p = .072$). This suggests that the overall relationship is partly influenced by mature home shop systems in these two districts. The results are therefore exploratory and interpreted further in Section 6 along with the qualitative evidence.

These associations are exploratory and should not be interpreted as causal effects.

Key performance patterns and district typology

The associations reported above support the district typology presented below, which classifies districts according to turnover scale and average value realised at the seller and producer levels. Across the eight districts, the Home Shop data point to distinct operational patterns that help interpret how the model addresses the 'marketing trap' through structured social intermediation.

- Kozhikode reflects a high-turnover, high-density pattern, in which a large and densely distributed retail network is matched by concentrated, high-volume procurement from a comparatively small producer base.
- Malappuram and Kottayam represent wide-network patterns, combining large registered seller bases with thinner margin pools per seller, indicating breadth of coverage ahead of the depth of sales.
- Kannur reflects a medium-turnover, high producer-intensity pattern, with high per-ME realisation despite a smaller ME base, indicating concentrated procurement from active enterprises.
- Kollam and Thiruvananthapuram represent shallow-network patterns, with few registered sellers relative to the district coverage. Their high imputed per-seller values reflect small denominators rather than strong performance; both rank in the lower half of the turnover.

Taken together, these patterns indicate that turnover scale and retail network density, rather than per-seller value, distinguish mature district ecosystems from emerging ones.

DISCUSSION

The Home Shop Model as Social Intermediation

The framework defines the marketing trap as a situation in which producers must manage production, marketing, distribution and customer relations simultaneously. The Home Shop model addresses this by separating these functions. Producers reported that relief from direct selling allows them to focus on production continuity, procurement planning and product quality. In this setting, transaction-cost absorption takes the form of functional specialisation rather than additional resource support (Kistruck et al., 2013).

Other intermediation functions are performed with varying degrees of effectiveness. Aggregation, quality coordination, logistics and order consolidation are generally conducted across districts. The feedback loop through which home shop owners communicate consumer preferences and complaints also functions as a market-information mechanism. The weaker area is the maintenance of retail network. Registration of home shop owners is widespread, but sustained activation is uneven. This, more than aggregation, distinguishes the district performance.

Explaining District Variation

The framework identifies four moderating conditions, but the evidence supports them to different degrees.

Retail density was the only condition directly supported by the quantitative analysis. Districts with denser seller networks generally record higher turnover, while the number of linked enterprises shows no clear association with turnover.

HSMU governance capacity is supported by qualitative evidence. Kozhikode and Kannur introduced deliberate seller-retention measures, including uniforms, group insurance, two-wheeler loan facilitation, educational scholarships and festival allowances. These districts ranked first and third in turnover. Therefore, the seller retention appears to be an active management function rather than an automatic result of network size.

Respondents also emphasised consumer preference for local products and support from local governments and community networks. However, neither condition was measured at district level. Therefore, they are presented as propositions generated by the framework rather than as findings established by the data.

A further factor is the duration of Home Shop operation. The model began in Kozhikode in 2010 and was first replicated in Kannur, and some of the higher-performing districts are also those where the system has operated for longer. Duration may influence performance through the gradual expansion of seller networks, stronger HSMU practices, greater consumer familiarity and deeper institutional relationships. Because the study uses cross-sectional data, these duration effects cannot be separated from the structural features examined in the analysis. The stronger performance observed in some northern districts may therefore partly reflect the model's diffusion history rather than regional characteristics alone.

Two Viable Network Configurations

The data suggest two workable network configurations rather than a single model. Malappuram has the largest network, with 1,059 sellers and 96 sellers per block, but records the third-lowest imputed margin per seller. Kozhikode has a smaller network of 888 sellers and 74 sellers per block, yet records more than twice the per-seller value. Both districts generate substantial turnover, but distribute it differently. The breadth of coverage and depth of value per seller therefore involve a trade-off, with possible implications for seller retention.

Implications for Inclusion and Network Sustainability

Expanding the producer base does not increase sales by itself, suggesting that the model may create retail livelihood opportunities more consistently than it broadens opportunities for producers. Procurement is concentrated among a relatively small number of supply units, raising questions about the inclusiveness that the available data cannot resolve. It also remains unclear whether wide but thin seller networks can be sustained over time.

LIMITATIONS

This evaluative case study was based on the MIS, district-level administrative records, and a limited set of KIIs and FGDs. As a result, the analysis is primarily descriptive and did not attempt causal attribution or impact estimation.

The study covers the eight districts in which the Home Shop model was fully functional and sufficiently mature for evaluation during the study period. The remaining six districts were not included because the model had not reached a comparable stage of implementation and consistent programme and sales data were not available. The findings therefore represent the mature operational segment of the Home Shop system and should not be generalised to districts where the model is still emerging or only partially operational. The study also examines only one year of quantitative data and therefore cannot identify longer-term trends or establish counterfactuals. The analysis relies mainly on MIS records reported by implementing units and not independently audited, together with interviews involving programme personnel. Consumer perspectives were included only through qualitative discussions. The perspectives of non-participating producers and local retailers were not included.

The district-level analysis is limited to bivariate rank associations and cannot control for other factors that may influence performance. Retail density may also be jointly related to turnover: stronger sales can help attract and retain active sellers, while a larger active seller network can itself contribute to higher sales. The direction of this relationship cannot be established from the cross-sectional data. The cross-sectional design also does not allow the analysis to separate the effect of network maturity or duration of operation from other structural factors such as retail density and HSMU capacity. Other constraints relate to guideline-based value shares, registered rather than active sellers, and an unrecorded mix of individual and group enterprises. Future research could strengthen the demand-side analysis through structured consumer surveys and could also include non-participating producers, local retailers, enterprise-level data and longitudinal analysis.

Policy Implications

The findings suggest that enterprise promotion programmes should treat distribution architecture as a core support rather than an optional add-on. Livelihood missions across the country have traditionally emphasised credit and training, but market access often remains a binding constraint for women-led micro-enterprises. Strengthening intermediary units such as HSMU through operational funding, logistics support, and routine performance monitoring can improve the viability of community-based distribution networks. The Home Shop experience also indicates a potential pathway for replication under programmes such as DAY-NRLM particularly in states with dispersed women producers and weak last-mile channels. However, replication requires local adaptation, including product selection aligned with local demand, quality, packaging support and seller activation strategies.

CONCLUSION

This evaluative case study shows that structured community-based distribution can reduce the marketing burden faced by women-led micro-enterprises. By organising last-mile retail through an intermediary system, the Home Shop model strengthens market linkages and creates new livelihood opportunities within the producer-retail network. The Home Shop model offers a practical, adaptable approach for strengthening women's enterprise sustainability through social intermediation, with relevance for other states seeking to institutionalise market access mechanisms under livelihood missions.

ACKNOWLEDGEMENTS

The authors thank the Kudumbashree State Mission for facilitating access to programme information and field-level inputs, including administrative and MIS records used in this study. We are grateful to the officials of Kudumbashree State and District Missions, Home Shop Management Units (HSMUs), Home Shop Owners and women micro-enterprise representatives who participated in the key informant interviews and group discussions and shared their operational experiences. The author particularly acknowledge Mr. Prasad Kaithakkal for sharing his experience relating to the conceptualisation, early development and expansion of the Home Shop model.

Funding Statement

This study received no external funding.

Ethical Compliance

Participation in the key informant interviews and focus group discussions was voluntary, and informed consent was obtained from all participants. Participant identities have not been disclosed, except where an individual provided consent to be identified in recognition of his documented role in the conceptualisation and development of the Home Shop model. The information collected was used solely for academic purposes.

Data Access Statement

The study draws on Kudumbashree administrative records, programme MIS, district-level sales data and qualitative field inputs. These data are not deposited in a public repository.

Conflict of Interest Declaration

The author declares that they have no financial or other competing interests relating to the subject matter of this manuscript.

REFERENCES

1. Alvarez, S. A., & Barney, J. B. (2014). Entrepreneurial opportunities and poverty alleviation. Entrepreneurship theory and practice, 38(1), 159-184.
2. Barrett (2008) Barrett, C. B. (2008). Smallholder market participation: Concepts and evidence from eastern and southern Africa. Food Policy, 33(4), 299–317. https://doi.org/10.1016/j.foodpol.2007.10.005
3. Bennett, L. (1996). Social Intermediation: Building systems and skills for sustainable financial intermediation with the Poor. In Washington, DC: The World Banks Sustainable Banking with the Poor project, Rural Finance Seminar: May (Vol. 1).
4. Chacko, A., Narayanan, A., & Boraian, M. P. (2024). A study on the 'Year of Enterprises 1.0' campaign of Kerala State. Humanities and Social Science Studies, 13(2), 49–54.
5. Chandrasekar, K. S. (2014). A study on the marketing effectiveness of selected successful women micro and small enterprises in Kerala. Kerala Institute of Labour and Employment, Trivandrum.
6. Deininger, K., & Liu, Y. (2013). Economic and social impacts of an innovative self-help group model in India. World Development, 43, 149-163.
7. Devika, J., & Thampi, B. V. (2007). Between 'Empowerment'and 'Liberation' The Kudumbashree Initiative in Kerala. Indian Journal of Gender Studies, 14(1), 33-60.
8. Edgcomb, E., & Barton, L. (1998). Social intermediation and microfinance programs: A literature review. Bethesda: Microenterprise Best Practices.
9. Garg, S., & Agarwal, P. (2017). Micro, small and medium enterprises in India: A review of growth and challenges in the present scenario. International Journal of Applied Business and Economic Research, 15(4), 579-590.
10. Granovetter (1985) Granovetter, M. (1985). Economic action and social structure: The problem of embeddedness. American Journal of Sociology, 91(3), 481–510. https://doi.org/10.1086/228311
11. John, J. (2009). Kudumbashree project A Poverty Eradication Programme in Kerala. New Delhi: Planning Commission of India, GOI.
12. Kannan, K. P., & Raveendran, G. (2026). Poverty, Women and Capability: A Study of the Impact of Kerala's Kudumbashree System. In Women and Work in India: Challenges, Opportunities and Perspectives for Policy (pp. 539-562). Singapore: Springer Nature Singapore.
13. Kaplinsky, R., & Morris, M. (2001). A handbook for value chain research. Brighton: University of Sussex, Institute of Development Studies.
14. Kistruck, G. M., Beamish, P. W., Qureshi, I., & Sutter, C. J. (2013). Social intermediation in base-of-the-pyramid markets. Journal of Management Studies, 50(1), 31-66.
15. Kudumbashree Mission. (n.d-a). Home shop. https://www.kudumbashree.org/pages/512
16. Kudumbashree Mission. (n.d.-b). Sales and marketing. https://kudumbashreestory.in/index.php/programmes/economic-empowerment/enterprises/sales-and-marketing
17. Local Self Government Department, Government of Kerala. (2021). Home shop project progressing with good growth. https://lsgKerala.gov.in/en/kudumbashree/news/home-shop-project-progressing-good-growth
18. Mair, Martí & Ventresca (2012) Mair, J., Martí, I., & Ventresca, M. J. (2012). Building inclusive markets in rural Bangladesh: How intermediaries work institutional voids. Academy of Management Journal, 55(4), 819–850. https://doi.org/10.5465/amj.2010.0627
19. Mair & Martí (2006) Mair, J., & Martí, I. (2006). Social entrepreneurship research: A source of

explanation, prediction, and delight. Journal of World Business, 41(1), 36–44. https://doi.org/10.1016/j.jwb.2005.09.002
20. Markelova et al. (2009) Markelova, H., Meinzen-Dick, R., Hellin, J., & Dohrn, S. (2009). Collective action for smallholder market access. Food Policy, 34(1), 1–7. https://doi.org/10.1016/j.foodpol.2008.10.001
21. Markelova, H., Meinzen-Dick, R., Hellin, J., & Dohrn, S. (2009). Collective action for smallholder market access. Food Policy, 34(1), 1–7.
22. Minniti, M. (2010). Female entrepreneurship and economic activity. The European Journal of Development Research, 22(3), 294-312.
23. Ministry of Micro, Small and Medium Enterprises. (2017). Report of the One Man Committee constituted to make recommendations for National Policy for Micro, Small and Medium Enterprises. Government of India.
24. Rajan, S., & Panicker, S. (2016). Still a long way to go: Literature review of the issues of the phenomenal struggle of women's entrepreneurs in MSMEs. IOSR Journal of Business and Management, 18(11), 1-20.
25. Shepherd, A. W. (2007). Approaches to linking producers to markets: A review of experiences to date (Agricultural Management, Marketing and Finance Occasional Paper No. 13). Food and Agriculture Organization of the United Nations (FAO).
26. Sulaiman, E. K. (2014). Women empowerment through micro-enterprises: An empirical analysis of kudumbashree units in Kerala. Journal of Rural and Industrial Development, 2(1), 1.
27. Sutter, Bruton & Chen (2019) Sutter, C., Bruton, G. D., & Chen, J. (2019). Entrepreneurship and poverty alleviation: Foundation, current status, and future directions. Journal of Business Venturing, 34(1), 197–214. https://doi.org/10.1016/j.jbusvent.2018.10.004
28. Uzzi (1997) Uzzi, B. (1997). Social structure and competition in interfirm networks: The paradox of embeddedness. Administrative Science Quarterly, 42(1), 35–67. https://doi.org/10.2307/2393808

APPENDIX A

Table 6 - Leave-one-out robustness of the association between retail density and average monthly turnover

District excluded	**Spearman ρ**	**p**
Thiruvananthapuram	0.893	0.007
Kollam	0.929	0.003
Kottayam	0.929	0.003
Idukki	0.893	0.007
Thrissur	0.929	0.003
Malappuram	0.929	0.003
Kozhikode	0.929	0.003
Kannur	0.929	0.003
Full sample (n = 8)	**0.929**	**0.002**

Not : Each row reports the Spearman rank correlation between Home Shop Owners per block and average monthly turnover when the named district is excluded (n = 7).

Annexure A

Photographic documentation of the Home Shop model

This annexure provides a small set of photographs to visually document the key operational features of the Home Shop model, including last-mile retailing by Home Shop Owners and the typical product basket marketed through the network. The photos are included as supplementary evidence to support the qualitative description of the model functioning. The photographs were sourced from Kudumbashree programme materials and public communications and are reproduced here with permission and due acknowledgement.

Figure 1. Home Shop Owner demonstrating products to neighbourhood customers (field documentation, 2026).



Figure 2. A Home Shop Owner carrying product kit for neighbourhood outreach (field documentation, 2026).

