



Pavitha
SAPM, Marketing

Nano Markets

Kudumbashree

Kudumbashree is the poverty eradication and women empowerment programme implemented by the State Poverty Eradication Mission (SPEM) of the Government of Kerala. The name Kudumbashree in Malayalam language means 'prosperity of the family'. The name represents 'Kudumbashree Mission' or SPEM as well as the Kudumbashree Community Network.

Kudumbashree Community Network

Kudumbashree is a community network that covers the entire State of Kerala. It consists of a three tier structure with Neighbourhood Groups (NHGs) as primary level units, Area Development Societies (ADS) at the ward level, and Community Development Societies (CDS) at the local government level. It is arguably one of the largest women's networks in the world. While the community network is formed around the central themes of poverty eradication and women empowerment, its main features include democratic leadership, and support structures formed from the 'Kudumbashree family'.

Kudumbashree, with its central objectives of poverty eradication and women empowerment, has three strategic domains in which programmes are formulated and rolled out through the community network. The three programme domains are:

- Economic Empowerment
- Social Empowerment
- Women Empowerment
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Programmes on the economic Empowerment domain envisage helping the women members and group start and run enterprises. Kudumbashree believes that the spread and growth of such enterprises are critical for local economic development. The major key programmes

in Economic Empowerment are Micro Enterprise and Market Development.

Market Development

With the customer as the focus of its activities, it can be concluded that Marketing is one of the premier components of Business Management - the other being Innovation. Marketing is the key component for the success of any enterprise. Only through proper marketing and clear monitoring any enterprise might be able to bring in desired results.

As the brand image of Kudumbashree has created a good feeling in the minds of common consumers that the products from Kudumbashree are of good quality, Kudumbashree need to focus on market development to increase the sales as demand is already there for Kudumbashree products.

Marketing of products has always been an overriding concern in micro enterprise promotion. In the initial period, the predominant method to promote sales of products made by Kudumbashree micro enterprises was to encourage and support local governments and CDSs to organize local fairs. Later these fairs became regular, and paved way for many marketing technology platforms. The successful experience of substantial number of Micro Enterprises that sell their products mainly through Trade Fairs shows that the customers are attracted to

Kudumbashree products and there is scope for climbing up in the marketing ladder from trade fairs to permanent or retail markets. Since, Kudumbashree has its limitations in supplying products to all existing super markets or to retailers, it necessitates establishment of Kudumbashree's own market space or shelf space at conventional selling points. Getting into supermarket aisles significantly widens Kudumbashree brand's potential, consumer base and exponentially increases its potential revenue haul. But as far as Kudumbashree is concerned, there is more to earning that coveted shelf space as general trading leaves many woefully unprepared when it comes time to make a pitch to super stores about their product

Challenges in Marketing of Kudumbashree products:

- Low market penetration/tough competition from products and sales or marketing strategies of large scale enterprises.
- Lack of quality assurance/certification, Standardization of products and proper marketing channels to penetrate new markets.
- Lack of sufficient Market Places, Unaware of customer base/segmentation,
- Absence of Distribution Network as dependence on external agencies increases the cost.
- Unaware of the modern marketing and business strategies, unable to cope quickly with changing market scenarios though the products has market potential, unable to opt for efficient marketing techniques.
- Lack of effective sales promotion, market research, advertising etc. because of insufficient resources.
- Difficulty to sell the output at a profit because of higher cost of production due to low, unindustrialized production.

Apart from creating more market places, creating a B2C ecosystem, retaining the existing customers and creating a customer base in the state, strengthening the entrepreneurs and piloting certain alternative institutional mechanisms are the overall aim. Developing appropriate platforms for Kudumbashree for going beyond the generic marketing applications, creating greater acceptance for Kudumbashree products, strengthening the brand or developing a corporate brand image for Kudumbashree, devising a focused approach and competing nationally is the need of the hour. Creating a strong alternative distribution system for demand creation and building word-of-mouth advocates and then pivoting to general trade once a sizeable consumer base is generated will be an ideal strategy for Kudumbashree. In order to overcome the marketing challenges, different techniques/ strategies were introduced by Kudumbashree.

A collection of homemade products in a common platform, be it physical (nano markets/basars) or virtual (online), will definitely satisfy the customers who value quality, ethnicity and purity.

NANO MARKET – INTRODUCTION

Marketing intervention supported by Kudumbashree mission always focused on providing appropriate avenues for the entrepreneurs in and out of their locality. By providing these avenues, the intervention strategy tends to solve the 'PLACE' aspect of marketing the products developed by Kudumbashree women. This intervention largely sought the idea of bringing in steady revenue for the entrepreneurs, introducing the products to customers even outside local markets and creating steady local demand for the local produce. As the scope and scale of Kudumbashree enterprises grew, the conventional market avenues supported by the mission often failed to contain the entrepreneurial and scaling up needs of the entrepreneurs and to cater the continuous demand from the customers, as they were required to wait for next market to be organized nearby.

To promote the market opportunities of Kudumbashree products and to provide a steady and stable income for Kudumbashree entrepreneurs, Nano Markets were introduced in the year 2017.

To cater the local demand, facilitate permanent product outlets to suit the buying pattern of loyal customers, increase the market visibility of Kudumbashree products and to reinforce the brand of Kudumbashree in the minds of Customers thereby expanding the marketing prospects of Kudumbashree entrepreneurs, Kudumbashree mission incubated the idea of facilitating Nano Markets all across Kerala.

Nano Markets are either exclusive Kudumbashree product shelves or racks installed at various institutions like Office of Local Self Government Bodies, Community Development Societies, District Headquarters, Permanent shopping Outlets of HortiCorp, Supply Co, Outlets of Government Marketing agencies, Private Shopping Malls and Super Markets etc.

Exclusive Kudumbashree product stands at the above mentioned areas would ensure that Kudumbashree products are available to the end customer at their reach and readily available for purchase at these places of convenience. These stands would reinforce the brand image of Kudumbashree products and would seek the requirement of permanent market spaces where Kudumbashree products are easily available. The strategy adopted to create such marketing spaces at points of crowd is through convergence and association.

To ensure the steady supply of the products to these points of Kudumbashree Nano Markets, Mission is also in the workhouse to develop a pool of barefoot technicians or Community Marketing Facilitators to bridge the logistics component of Nano Markets.

Aim/Overall Objective of Nano Market for 2018-19

Set up 500 exclusive shelf space for Kudumbashree products in leading super markets or place marketing



kiosks in public places/offices for sales of Kudumbashree products and generate an income Rs. 3 crores for entrepreneurs. Products in Nano market can be farm and non farm products.

The idea of Nano market was first started in Palakkad district. In Palakkad, it was started at vadakkanchery cds and due to its success at cds level the concept got evolved into next phase .

The following SOP was followed in the district .

Standard Operating Procedure for Nano Market followed in Palakkad District

- Entrepreneur can place their product at any nano market in district.
- Stock register and sales register will be maintained separately
- Stock register will be maintained by CDS and Block Co-ordinator,
- Sales register will be maintained by CDS chairperson and Block Co-ordinator.
- Entrepreneurs will get payment only after sale of the product. Payment will be done on 15 days cycle.
- Ideal time for stock replacement will be 15 days.
- At first phase products with more than 3 months shelf life will be selected.
- Products will be sold at MRP only, and MRP will be

same in all nano markets.

- After every month sales analysis products which are not moving will be shifted to another nano market in the district.
- Master Analysis dumb will be kept on district mission for all nano markets in district
- Products should have licenses (FSSAI for food products), Kudumbashree logo, manufacturing date, expiry date, net weight, contact number, if required ingredients.
- A commission of 10% will be given to supermarkets, CDS will get 5 – 10% commission on basis of sales.
- On non resolution of customer or vendor or cds, complaint products will be removed from nano markets.
- Final decision on product removal, addition, commission will be taken by DMC and ADMC of the district.
- Nano market will start only after entrepreneur meet in cds with stock verification in CDS & supermarket.
- Block Co-ordinators are supposed to check every week the progress of nano market, its sales & stock and inform entrepreneurs regarding product placement.
- Damage of the product will be the responsibility of the entrepreneur and shortage will be the responsibility of CDS and BC.

Seeing the success of nano market in Palakkad, the thought arised to establish Nano markets in all districts of the state.

Guidelines for establishing Nano Market

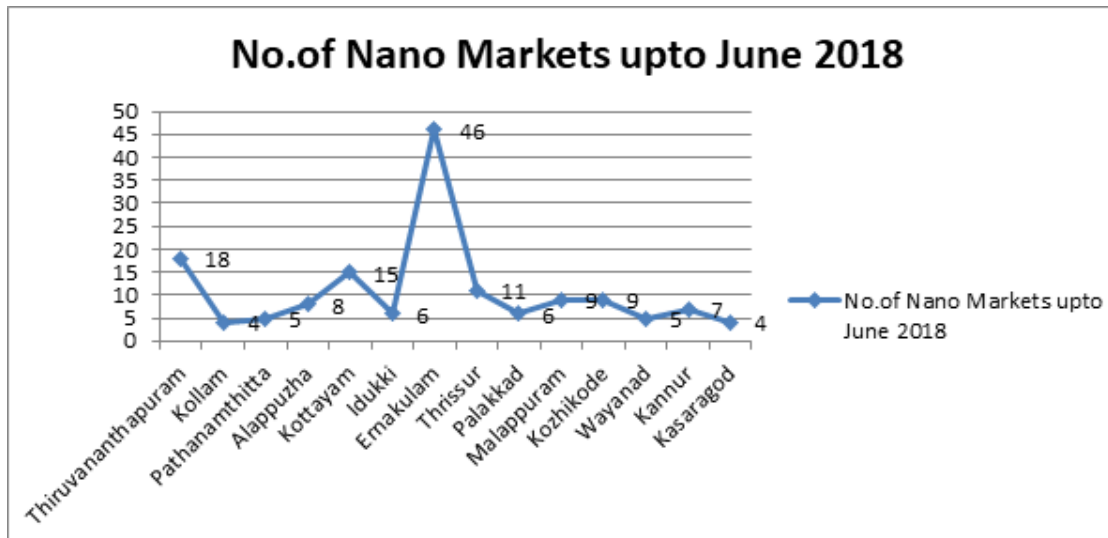
- 1) It is to establish atleast 500 nano markets in the state in 2018-19. For that it is the responsibility of the Block coordinator and community resource person to collect the details of the products of the entrepreneurs of the respective block. Preference will be given to those entrepreneurs products who struggle to get a business/ income from their products.
- 2) Importance of displaying products in an attractive manner should also be equally given preference.
- 3) It is to be noted that proper packing, labeling, Kudumbashree logo, manufacturing date, expiry date, net weight, contact number, if required ingredients are displayed.
- 4) Stock register and sales register will be maintained separately. Stock register will be maintained by CDS register and Block Co-ordinator, Sales register will be maintained by CDS chairperson and Block Co-ordinator.
- 5) The products of Kudumbashree enterprises of a particular locality or block will be pooled in to nearby Nano Markets by the Community Marketing Facilitators and the activity will be monitored by Block Coordinators.
- 6) It will be the responsibility of Community Marketing Facilitators to replenish the stock in the Nano Markets regularly.
- 7) An amount of Rs. 5000/- per Nano Market is allocated as setting up cost.

PRESENT STATUS

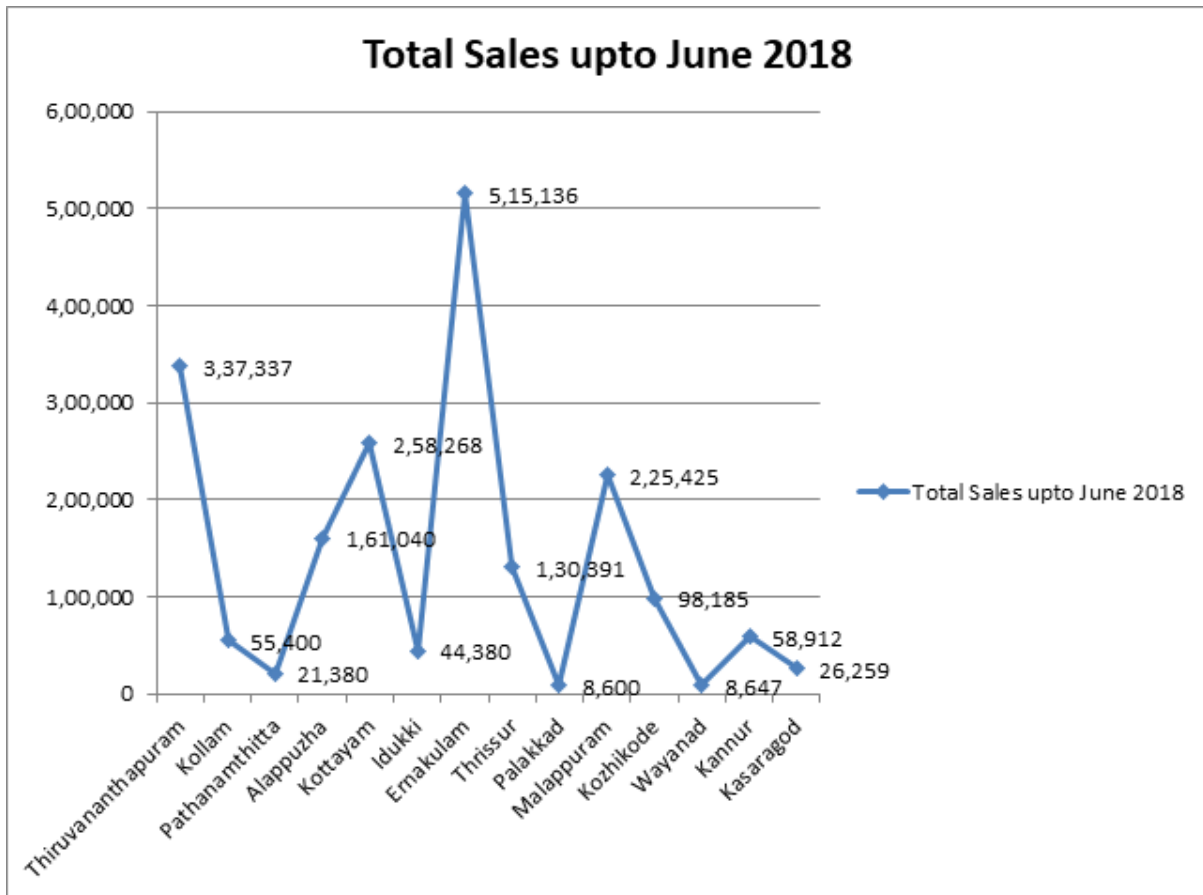
At present we have 153 nano markets in the state till June 2018. Sales turn over is nearing to Rs. 20 Lakhs from Jan – June 2018. The detailed status district wise is given in the table.

Nano Market - Status & Sales			
No	Districts	No.of Nano Markets upto June 2018	Total Sales upto June 2018
1	Thiruvananthapuram	18	3,37,337
2	Kollam	4	55,400
3	Pathanamthitta	5	21,380
4	Alappuzha	8	1,61,040
5	Kottayam	15	2,58,268
6	Idukki	6	44,380
7	Ernakulam	46	5,15,136
8	Thrissur	11	1,30,391
9	Palakkad	6	8,600
10	Malappuram	9	2,25,425
11	Kozhikode	9	98,185
12	Wayanad	5	8,647
13	Kannur	7	58,912
14	Kasaragod	4	26,259
	Total	153	19,49,360

Table: Depicting the status and sales of nano market in the state



Graph 1: Number of nano markets in districts upto June 2018



Graph 2: Sales of each district upto June 2018

FUTURE PLANS

Nano market found to be a great success platform for marketing. We have 153 nano markets in the state and our aim is to implement atleast 500 nano markets in the state and will ensure stable income for the entrepreneurs.