

E-Commerce Enablement and Growth of Home-Based Businesses: A Case Study

Approach from Kerala

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Abstract

The surge of digital commerce has opened new avenues for entrepreneurial growth, particularly among home-based businesses in emerging economies. This study investigates how e-commerce platforms have enabled the growth and sustainability of home-based enterprises in Kerala, India. Employing a qualitative case study design, purposive sampling was used to select five home-based entrepreneurs across urban and semi-urban regions. Data were collected through in-depth interviews and analyzed using thematic analysis to uncover common patterns and insights. The findings reveal that access to digital marketplaces, social media, and logistics infrastructure significantly accelerated business outreach and customer acquisition. However, participants also faced challenges related to platform algorithms, payment systems, and digital literacy. The study underscores the transformative potential of e-commerce in empowering grassroots entrepreneurship while highlighting the need for localized digital support systems. These insights contribute to the broader discourse on inclusive digital economies and offer practical recommendations for policymakers and platform providers aiming to foster micro-entrepreneurial ecosystems in similar contexts.

Keywords E-commerce, Home-based businesses, Digital entrepreneurship, Micro-entrepreneurs, Platform economy

Introduction

In recent years, the rise of digital infrastructure, smartphone accessibility, and affordable internet has catalyzed a transformation in how small businesses operate, particularly in emerging economies like India. E-commerce platforms have not only enabled formal enterprises to scale but have also created a viable avenue for informal and home-based businesses to access wider markets, streamline operations, and engage with customers beyond local boundaries. This shift has been especially significant for individuals operating from home, who now find themselves equipped with tools once reserved for larger firms—from digital storefronts to integrated logistics solutions. These changes underscore the growing relevance of e-commerce as a democratizing force in entrepreneurship.

Despite this momentum, there remains a critical need to understand how home-based businesses actually experience and navigate e-commerce adoption—especially in regionally specific contexts such as Kerala. While the state boasts strong digital literacy and infrastructure, many homepreneurs still face unique challenges in areas like digital marketing, platform integration, customer retention, and scaling operations. This study adopts a qualitative case study approach to explore how e-commerce enables growth for home-based entrepreneurs in Kerala. It examines the strategies they employ, the hurdles they encounter, and the transformative impact digital platforms have on their business journeys—offering insights that are valuable for academics, practitioners, and policymakers alike.

Objectives

1. To examine how home-based businesses utilize e-commerce platforms to enhance their visibility and growth.
2. To identify the key challenges and opportunities experienced by micro-entrepreneurs operating in digital marketplaces.

Statement of the Problem

While e-commerce has transformed business accessibility and growth opportunities, the role it plays in enabling home-based businesses—particularly in regional contexts—remains underexplored. Existing studies often prioritize urban or formal enterprises, leaving a gap in understanding how micro-entrepreneurs navigate digital platforms for visibility, scalability, and sustainability. This study addresses that gap by investigating the adoption of e-commerce tools among home-based businesses, offering fresh insights into the opportunities and barriers shaping their digital journey.

Need and Significance of the Study

In the evolving landscape of digital commerce, home-based businesses are increasingly turning to e-commerce platforms to access broader markets and enhance operational efficiency. However, despite their growing presence, there is a notable lack of scholarly research that explores the real-world experiences of micro-entrepreneurs in adopting digital tools, especially outside metropolitan centers. Existing studies tend to focus on startups or formally structured enterprises, overlooking the informal yet economically significant role of home-based businesses. This study addresses that gap by offering

qualitative insights into how such enterprises leverage e-commerce for visibility, customer engagement, and growth. The findings hold practical significance for policymakers aiming to support inclusive entrepreneurship, as well as for digital platform developers and researchers interested in understanding the nuances of informal business digitalization in emerging economies.

Review of Literature

Home-Based Businesses and Informal Entrepreneurship

Gang Natarajan & Sen (2022) This peer-reviewed article analyzes data from India's National Sample Survey Office (2010–2016) to examine how financial inclusion impacts informal entrepreneurship. The authors find that improved access to finance significantly boosts entrepreneurial activity among informal sector firms, though gender disparities persist. Their work highlights the structural constraints and opportunities within India's informal economy, offering a macro-level lens on micro-enterprise development.

Hazarika & Goswami (2018) Focusing on tribal women in Assam's handloom sector, this empirical review explores the socio-cultural and economic dimensions of micro-entrepreneurship. The authors emphasize the role of informal networks, traditional knowledge, and gendered motivations in shaping entrepreneurial outcomes. Their findings underscore the importance of regionally grounded, gender-sensitive approaches to understanding home-based enterprise development in India.

Idris (2017) writing in the *International Journal of Marketing Research Innovation*, explored performance factors for small-scale HBBs. The review identified key influences such as access to finance, ICT usage, managerial know-how, and family support. The study concluded that while HBBs have strong growth potential, they require targeted support to transition into sustainable enterprises.

E-Commerce as an Enabler for Small Enterprises

According to Laudon and Traver (2023), e-commerce has significantly lowered entry barriers for small and micro-enterprises by offering cost-effective access to digital storefronts, payment systems, and logistics networks. Their work in *E-Commerce: Business, Technology, Society* emphasizes how digital platforms democratize market access, allowing even informal businesses to reach national and global consumers.

In a study published in the *Journal of Small Business and Enterprise Development*, Tiago and Veríssimo (2014) found that small businesses using e-commerce tools experienced improved customer engagement and operational efficiency. Their research highlights the role of digital marketing and social media in enhancing brand visibility and customer loyalty among micro-entrepreneurs.

Kurnia et al. (2015), writing in the *Information Systems Frontiers* journal, explored e-commerce adoption among small businesses in developing countries. They identified key enablers such as perceived usefulness, ease of use, and external support systems. Their findings support the idea that platform-based commerce can empower small enterprises—especially when supported by training and infrastructure.

Digital Entrepreneurship and the Platform Economy

Sussan and Acs (2017), in their foundational work published in *Small Business Economics*, introduced the concept of the digital entrepreneurial ecosystem (DEE), emphasizing how digital infrastructure, online labor markets, and platforms like Amazon or Facebook create new entrepreneurial pathways. Their framework suggests that access to digital tools is not enough—entrepreneurs must also navigate institutional and platform-level constraints to achieve sustainability.

Nambisan (2017), writing in the *Academy of Management Perspectives*, argues that digital entrepreneurship is shaped by the structure and affordances of digital platforms, which influence opportunity recognition, business model innovation, and customer engagement. These perspectives help contextualize how home-based entrepreneurs interact with platform logics and develop adaptive strategies.

Kenney and Zysman (2016) describe the “platform economy” as a new form of capitalism that decentralizes traditional firm structures, enabling small and even informal entrepreneurs to plug into global value chains with minimal overhead. Their insights are particularly relevant for understanding how home-based businesses participate in fragmented yet interconnected ecosystems of commerce.

Identified Gaps in Literature

Despite increasing scholarly interest in home-based and informal entrepreneurship, several critical gaps remain. Existing literature often overlooks region-specific, qualitative insights—particularly from the Indian context—limiting our understanding of the lived experiences of home-based entrepreneurs. There is inadequate exploration of how such entrepreneurs navigate the complexities of digital platforms, not just in terms of adoption but in their evolving strategic use. The role of local community networks and government-led institutional support in enabling digital transitions remains underexamined. Moreover, few studies capture how home-based businesses negotiate platform dependency, adapt over time, and sustain growth in informal settings. These gaps underscore the need for contextually grounded, nuanced research that centers local agency and ecosystem dynamics.

Methodology

This study adopts a qualitative research design to explore how home-based businesses leverage e-commerce platforms for growth and visibility. A case study approach was chosen to allow for in-depth, contextualized understanding of individual entrepreneurial experiences within real-life settings. This methodology aligns with the research objective of uncovering nuanced insights into the strategies, challenges, and perceived benefits of digital engagement among micro-entrepreneurs.

Primary data were collected through semi-structured interviews with a purposively selected sample of home-based entrepreneurs who actively use e-commerce platforms. Participants were selected based on criteria such as duration of online business activity, diversity in product categories, and varying levels of digital literacy. Interviews were transcribed verbatim and analyzed thematically, following Braun and Clarke’s (2006) six-phase framework. This approach facilitated the identification of recurring patterns, variations, and contextual influences shaping digital entrepreneurial behavior.

To ensure trustworthiness, steps such as triangulation, member checking, and reflexive note-taking were employed throughout the research process.

Case Profiles

Case 1: Kudumbashree Micro-Entrepreneurs – Thrissur District

In the culturally vibrant district of Thrissur, several women-led micro-enterprises operating under the Kudumbashree Mission have successfully ventured into digital commerce. One such entrepreneur, operating a home-based snack unit in Peringottukara, began her business with minimal capital and primarily sold locally through word-of-mouth. With the onset of the COVID-19 pandemic and the simultaneous rise in smartphone usage, she was encouraged by her neighborhood group to explore digital platforms. Initially using WhatsApp Business and Facebook Marketplace, she gradually built an online customer base for her banana chips, murukku, and pickles.

Her digital journey was not without challenges. She faced initial hurdles in taking good product photos, understanding packaging requirements for delivery, and responding to online inquiries in real time. However, after attending a digital marketing workshop organized by the local Kudumbashree CDS (Community Development Society), she learned to create basic promotional videos and share regular updates on social media. Her visibility improved, and she even began receiving bulk orders during local festivals. Eventually, she collaborated with a third-party hyperlocal delivery partner, enabling her to expand her service area to nearby Panchayats.

This case illustrates how even informal, home-based businesses with limited technological exposure can adapt e-commerce tools incrementally, especially when supported by peer networks and grassroots institutions. Her success demonstrates the compound value of digital training, community support, and platform accessibility in unlocking local entrepreneurial potential.

Case 2: FarmersFZ Partnership with Home-Based Producers – Kochi, Ernakulam District, Kerala

In the suburban pockets of Kochi and nearby areas in Ernakulam, a number of home-based food processors have found a growth pathway through FarmersFZ, a farm-to-fork e-commerce platform connecting small-scale producers directly with urban consumers. One such entrepreneur, a homemaker from Vyttila, began selling homemade turmeric powder, pickles, and cold-pressed oils using informal networks and local buyers. Initially operating through word-of-mouth referrals, her visibility was limited and seasonal.

Her inclusion in the FarmersFZ ecosystem enabled a significant shift. After attending a district-level orientation organized by the FarmersFZ team, she was onboarded onto the platform and trained in digital inventory listing, food safety compliance, and mobile app usage. With professional logistics and branding support, her products were packaged with QR codes that offered traceability—enhancing customer trust. Within a few months, her orders grew steadily, and she was able to reinvest in better kitchen equipment and create part-time job opportunities for two neighboring women.

This case highlights how platform-led incubation models can empower home-based producers with both digital and physical infrastructure. By reducing friction in marketing, logistics, and

compliance, platforms like FarmersFZ are helping micro-entrepreneurs in regional Kerala gain economic resilience and long-term market access.

Case 3: Bandidos Pitstop – Kozhikode, Kerala

Bandidos Pitstop began as a modest home-based venture in Kozhikode, started by a motorcycle enthusiast who initially sold riding gear and accessories through Instagram and WhatsApp. Operating from a small room in his house, the founder curated niche products like helmet visors, tank bags, and custom decals, catering to a growing community of bikers in Kerala. His early success was driven by personalized customer service, peer recommendations, and engaging content shared on social media platforms.

As demand grew, the founder transitioned to a dedicated e-commerce website, integrating payment gateways and logistics partners to streamline operations. He also leveraged influencer marketing and YouTube reviews to build brand credibility. Within three years, Bandidos Pitstop evolved from a home-run side hustle into a full-fledged online brand with a warehouse, a team of employees, and a loyal customer base across India. Despite scaling, the founder retained the brand's grassroots identity by continuing to engage directly with customers and biker communities.

This case exemplifies how passion-driven home-based businesses can scale through strategic use of digital platforms, content marketing, and customer-centric practices. It also highlights the importance of niche targeting and community-building in sustaining growth in the competitive e-commerce landscape.

Case 4: “Crafted by Amma” – Kollam District, Kerala

In the coastal town of Paravur, Kollam, a retired schoolteacher and her daughter launched “Crafted by Amma,” a home-based venture specializing in hand-embroidered sarees and eco-friendly gift items. Initially selling through local exhibitions and WhatsApp groups, they transitioned to Instagram and Etsy during the pandemic. Their storytelling approach—sharing behind-the-scenes videos and customer testimonials—helped them build a loyal online following.

They faced challenges with international shipping and digital payments, but overcame them by partnering with a local logistics aggregator and attending a digital literacy workshop hosted by Kerala Startup Mission. Today, they receive orders from across India and the Gulf, and have begun mentoring other women-led home businesses in their area.

Case 5: “Malabar Naturals” – Malappuram District, Kerala

“Malabar Naturals” is a home-based herbal skincare brand founded by a young entrepreneur in Manjeri, Malappuram. Inspired by traditional Unani and Ayurvedic formulations, she began by selling handmade soaps and oils to friends and family. Encouraged by positive feedback, she created a Facebook page and later joined Meesho and Amazon Karigar to scale her reach.

She participated in a women's entrepreneurship bootcamp organized by the District Industries Centre, which helped her formalize her business, improve packaging, and understand GST compliance. Her brand now features in curated online marketplaces focused on natural wellness, and she collaborates with local women to expand production capacity.

Visual Matrix: Themes Across Case Profiles

Case Profile	Digital Enablement Pathways	Platform Dependency & Adaptation	Community & Institutional Support
Kudumbashree – Thrissur	Peer-led learning via CDS workshops	Moderate; WhatsApp/Facebook + local delivery tie-ups	Strong Kudumbashree network and CDS facilitation
FarmersFZ – Ernakulam	Structured onboarding via platform training	High; reliant on FarmersFZ for logistics and branding	Platform-led training + local producer network
Bandidos Pitstop – Kozhikode	Self-taught digital scaling via social media	Low; transitioned to own e-commerce infrastructure	Peer biker community support
Crafted by Amma – Kollam	Family-driven + Instagram/Etsy experimentation	Moderate; diversified across platforms	Attended Kerala Startup Mission workshop
Malabar Naturals – Malappuram	Bootcamp-enabled onboarding via DIC	High; began with Meesho and Amazon Karigar	District Industries Centre mentorship

Theme 1: Digital Enablement Pathways

Across the five case profiles, a common theme that emerged was the diverse and context-specific ways home-based entrepreneurs engaged with digital tools and platforms. For some, such as the founder of **Bandidos Pitstop** in Kozhikode, digital onboarding was self-initiated and experimental—rooted in personal passion and community feedback. Others, like the **FarmersFZ-affiliated entrepreneur** in Ernakulam or the **Malabar Naturals** founder in Malappuram, entered the digital space through structured orientation programs and bootcamps, often facilitated by platform partners or local institutions.

In the **Thrissur Kudumbashree** case, digital enablement was driven by peer encouragement and grassroots-level learning, exemplifying how informal mentoring and workshops offered by the Community Development Society (CDS) helped entrepreneurs gain confidence in mobile-based commerce. Similarly, the **Crafted by Amma** duo in Kollam transitioned from WhatsApp to Instagram and Etsy, illustrating a phased and adaptive trajectory that balanced experimentation with self-learning.

These cases collectively underscore that digital onboarding among home-based businesses is not linear. It often unfolds through a blend of self-exploration, peer support, institutional training, and real-time learning. This finding challenges the assumption that digital adoption follows a standardized model; instead, it highlights the importance of localized entry points, relational learning, and platform-specific knowledge in enabling meaningful entrepreneurial participation.

Theme 2: Platform Dependency and Strategic Adaptation

The five case profiles reveal varying degrees of dependence on digital platforms, shaped by entrepreneurs' strategic decisions, resource availability, and stage of business development. In more structurally guided contexts—such as the **FarmersFZ case in Ernakulam** or the **Malabar Naturals initiative in Malappuram**—platforms served as turnkey solutions. These entrepreneurs relied heavily on centralized services like product listing support, logistics management, branding, and compliance assistance. Their growth was closely tied to the ecosystem support provided by the platforms, which both enabled visibility and imposed certain standardizations (e.g., packaging, product certifications).

By contrast, **Bandidos Pitstop** in Kozhikode exemplifies a lower degree of platform dependency. The founder began with social media channels and gradually transitioned to a proprietary e-commerce site, developing in-house logistics and marketing capabilities. This trajectory reflects a more autonomous model of digital entrepreneurship, with deliberate detachment from platform-imposed constraints to retain creative and operational control.

In between these ends of the spectrum are cases like **Crafted by Amma** and the **Kudumbashree entrepreneur in Thrissur**, who initially leaned on platforms like WhatsApp, Instagram, or Etsy but diversified or adapted their strategies based on customer behavior, payment systems, or evolving market demands. These cases illuminate how platform reliance is neither static nor absolute—it evolves with scale, confidence, and strategic intent.

Theme 3: Community and Institutional Support as Catalysts for Digital Transition

A recurring insight across the five case profiles is the pivotal role of community networks and institutional programs in enabling home-based entrepreneurs to adopt and sustain digital practices. In **Thrissur**, the Kudumbashree CDS (Community Development Society) provided not only peer encouragement but also hands-on digital marketing workshops, which helped informal women entrepreneurs transition from local sales to online platforms. This grassroots support was instrumental in building confidence and digital fluency among first-time users.

Similarly, in **Malappuram**, the founder of Malabar Naturals benefited from a women's entrepreneurship bootcamp organized by the District Industries Centre. This initiative offered guidance on GST compliance, packaging, and platform onboarding—elements that were otherwise barriers to formalization. In **Kollam**, the Crafted by Amma team attended a Kerala Startup Mission (KSUM) workshop, which introduced them to e-commerce tools and helped them navigate Etsy and Instagram commerce more effectively.

These examples illustrate that institutional support—whether through government schemes, startup missions, or local incubators—serves as a bridge between informal entrepreneurial intent and digital execution. Moreover, community-based learning environments, such as Kudumbashree networks or peer mentoring circles, foster trust and localized knowledge exchange, which are often more effective than top-down training models. Together, these support systems act as catalysts, enabling home-based businesses to overcome digital hesitancy and scale sustainably.

Summary Table: Thematic Insights

Theme	Key Insight	Illustrative Cases
Digital Enablement Pathways	Entrepreneurs adopted digital tools through varied routes—peer learning, self-exploration, or formal training.	Thrissur, Kozhikode, Malappuram
Platform Dependency & Adaptation	Platform reliance ranged from full integration to strategic independence, depending on scale and goals.	Ernakulam, Kozhikode, Kollam
Community & Institutional Support	Local networks and government programs played a critical role in digital onboarding and business resilience.	Thrissur, Malappuram, Kollam

Findings

This study aimed to explore how home-based entrepreneurs in Kerala adopt and engage with e-commerce platforms. Based on thematic analysis of five regional case profiles, three central themes emerged: **Digital Enablement Pathways**, **Platform Dependency and Strategic Adaptation**, and **Community and Institutional Support**. Together, these findings provide insight into the multifaceted realities of informal digital entrepreneurship in a regional Indian context.

The first theme, **Digital Enablement Pathways**, highlights the diverse trajectories through which entrepreneurs became digitally active. For instance, the entrepreneur in Thrissur entered e-commerce through peer encouragement and locally facilitated training via Kudumbashree, while the founder of Bandidos Pitstop in Kozhikode self-navigated digital tools and gradually built a structured e-commerce presence. Others, such as the Malappuram and Ernakulam entrepreneurs, accessed formal onboarding support through bootcamps and platform training. These pathways were neither uniform nor linear—they were shaped by access to support systems, prior exposure to digital tools, and iterative learning.

The second theme, **Platform Dependency and Strategic Adaptation**, reflects the tension between convenience and control. Entrepreneurs associated with platforms like FarmersFZ and Meesho benefited from logistics support, digital visibility, and customer trust, yet often operated within the terms and constraints set by those platforms. In contrast, businesses like Bandidos Pitstop eventually moved towards autonomy—developing proprietary infrastructure to reduce dependency. This illustrates how platform participation is often seen as a stepping stone: initially enabling, but later reassessed in light of long-term sustainability and branding goals.

The third theme, **Community and Institutional Support**, emerged as a key enabler of both digital uptake and business resilience. Kudumbashree's localized peer support, the Kerala Startup Mission's digital literacy programs, and bootcamps by District Industries Centres all served as crucial bridges between informal entrepreneurial intent and actual e-commerce capability. Entrepreneurs in Kollam and Malappuram cited these support mechanisms as instrumental in overcoming knowledge gaps, regulatory uncertainties, and digital hesitations.

Conclusion

The findings of the study offer a grounded understanding of how home-based businesses from different parts of Kerala engage with digital commerce—not as passive adopters, but as adaptive agents navigating opportunities, constraints, and evolving goals. They also validate key literature gaps: namely, the lack of region-specific, qualitative insight into micro-entrepreneurs' digital transitions and the nuanced role of institutional ecosystems in enabling inclusive digital participation.

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