



Awareness of Direct and Indirect Financial Benefits of Homestead Farming: Evidence from Kerala

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ABSTRACT: Homestead farming has been an integral part of rural as well as urban households of Kerala. With the limited land resources, it provides food, ecological balance, and income support. Despite its proven health and ecological advantages, the awareness of financial benefits has not been explored. This paper analyses the homesteader's awareness of direct and indirect financial returns through homestead farming based on data from 410 households across corporation, municipality, and panchayat areas of Kerala.

The study is based on a simple descriptive technique through tables, graphs, and diagrams. The findings demonstrate that the knowledge of the indirect benefits, such as savings on household money, food security, and ready availability of safe organic produce, is substantially higher compared to the knowledge on direct benefits (income earnings from the sale of homestead products in the market). Households in rural areas have more potential of sales and urban ones are focus more attention to health and nutrition.

The findings imply that homestead farming is a livelihood strategy of support, but not a main source of income. Raising awareness about direct and indirect benefits is essential to improve the economic potential of this traditional practice. The findings underscore the importance of promoting home gardens as a sustainable undertaking providing financial, nutritional, and environmental benefits through innovative ideas and policies.

KEYWORDS: Homestead farming, Financial benefits, Awareness level, Direct or in-direct advantages, Food security, Kerala households

I. INTRODUCTION

Kerala has a long history of homestead farming, with families cultivating vegetables, fruits, spices and other crops in the limited space around their houses. The space constraints is not only in

Kerala, but it also visible different parts of the world (Yusriadi et al. 2024). Home gardens remain significant in family life, providing food and income, despite the small size of the land holdings. A few years ago, it was discovered that vegetables which come from outside the state are normally grown with some very dangerous chemicals which can have serious health implications (Palackal, 2019). On the other hand, cost of vegetables is increasing with day by day. Homestead farming under such circumstances turned out to be a viable answer to this critical issue, but in the macroeconomics it is not treated with enough consideration (Seyida Afreen et al. 2021).

Homesteaders can get rich in two ways one is direct and another is indirect. The direct benefit is sale of vegetables in the market (Thomas & Kurien, 2013), while the indirect benefits include household savings on purchase of vegetables, good health as a result of consumption of safe and organic vegetables, and year round availability of vegetables (Ferdous et al. 2016). Although most of these families farm mainly for home consumption (Melvani et al., 2023), increasing attention is being given to the fact that even small decreases in household expenditure on food can be a relief to the household budget.

This is particularly topical given Kerala's social and economic environment. Overcrowding and rapid urbanisation is reducing land availability for farming even as the price of vegetables and fruits soars. This creates interesting scenario where urban families might be more inclined to practice homestead farming as a means of ensuring safe food however rural households might be more motivated to sell surplus produce (Singha et al., 2018)

Although food and financial security are important considerations in homestead farming in Kerala, there is little large-scale empirical evidence regarding how households perceive the financial returns from the production. The majority of previous research has focused on its ecological and nutritional



benefits Bhullar (2021), Talukder et al. (2010) with relatively little consideration of how families are capitalizing on, or take notice of, the financial benefits. Before, during and after there are beneficial springs that come into play – as well as homesteading farming – for the informed homesteader to think about as well. Accordingly, it is important to know about to what extent homesteaders know about monetary amount value of the plants.

However, the awareness about direct and indirect monetary benefits is least explored among homestead farmers in Kerala, which is addressed in this paper. The data for the present study has been collected from 410 respondents from corporation (urban), municipality and panchayat (rural) areas. This paper further contrasts differences in patterns of awareness among urban and rural households. The results will help to improve the understanding of the place of homestead farming within the home economy, and offer direction to policy aimed at food security and poverty reduction.

II. METHODOLOGY

Homestead farmers from Kerala were surveyed for primary data in this study. The primary aim of this study was also to assess the direct and indirect economic values of home gardens and to compare it between rural and urban areas. The research design employed was descriptive since the purpose was to describe patterns, to detect differences and to apply practical implications of the findings with the basic analysis.

The survey was carried out in Kerala, covering companies, municipalities and panchayats to ensure fair representation of urban and rural households. A sample of 410 households were surveyed. Respondents were selected using snow ball sampling technique and it was deemed appropriate in contacting the households involved in homestead farming in various areas. Efforts were made to capture differences in the size of landholdings, occupation of household members, and socio-economic status, to be able to generalize the findings for households in different farming systems.

DATA COLLECTION: Information was collected through a pretested structured questionnaire from the most responsible persons for farming activities in the households. It recorded information on household demographics, type of area, size of landholding, reasons for initiating cultivation, types of produce grown, sales and household use of produce. Particular attention was given to items on perception about financial benefits.

Variables Used in the Analysis

The study focused on the following key variables drawn from the dataset:

- Type of area (corporation, municipality, panchayat) – to distinguish urban and rural households.
- Motivation for cultivation (hobby, organic food, ecological reasons, economic viability).
- Selling of products (never, sometimes, regularly) – as an indicator of direct financial benefit awareness.
- Household savings and expenditure reduction – as indicators of indirect financial benefits.
- Perception of food security and organic produce – reflecting health and safety awareness.

TOOLS OF ANALYSIS: The analysis was carried out using descriptive methods. Data were presented through frequency tables & percentages. which provided a clear picture of how households gained financial benefits from homestead farming. Comparisons were made between urban and rural households to identify differences in awareness levels.

III. LIMITATIONS

The study was limited to 410 respondents and used the snowball sampling method, which may not provide a fully random representation. However, the size and diversity of the sample across governance areas offer a reliable understanding of general patterns in awareness. Another limitation is that the study mainly relied on descriptive methods; therefore, future research could apply advanced statistical models to further validate the findings.

IV. DATA ANALYSIS

This section presents the results of the survey conducted among 410 homestead farming households across corporation, municipality, and panchayat areas in Kerala. The focus is on understanding the level of awareness of financial benefits, both direct and indirect, and comparing how these benefits are perceived in rural and urban households.

PROFILE OF RESPONDENTS

TABLE 1: GEOGRAPHICAL DISTRIBUTION OF RESPONDENTS

Characteristic	Count	Percent
Corporation	64	16



<i>Municipality</i>	34	8.3
<i>Panchayat</i>	312	76

The distribution of respondents indicates that most of the respondents were from panchayat areas (Table 1), followed by municipalities and corporations. This suggests that homestead farming is a more common practice in rural than in urban areas in Kerala. The size of the landholding was relatively small; over a half of the households planted on less than 10 cents of land.

AWARENESS OF DIRECT FINANCIAL BENEFITS

Monetary benefits are coming through selling of material. Overall, in response to sales practices, approximately half the households reported never selling their goods. Around 30% reported they sold sometimes, and less than a 20% regularly sold their harvest in the market. It shows that half of the homesteaders are earning income by selling homestead products, and around 20% are selling regularly and earning revenue.

TABLE 2: HOUSEHOLDS BY SALES FREQUENCY

<i>Characteristic</i>	<i>Count</i>	<i>Percent</i>
<i>No</i>	203	50
<i>Once or Twice a year</i>	10	2
<i>Some Time</i>	118	29
<i>Yes</i>	79	19

Comparison across governance structures revealed that awareness was higher among households in panchayats (Table 3), than in corporations or municipalities to sell their produce. This indicates that the perceived direct monetary benefit is higher in the rural households compared to the urban households.

TABLE 3: AWARENESS OF SALE ACCORDING TO TYPE OF AREA

<i>Type of Area</i>	<i>No</i>	<i>Once or Twice a year</i>	<i>Some Time</i>	<i>Yes</i>	<i>Total</i>

<i>Corporation</i>	36	1	19	8	64
<i>Municipality</i>	22	0	7	5	34
<i>Panchayat</i>	145	9	92	66	312
<i>Total</i>	203	10	118	79	410

AWARENESS OF INDIRECT FINANCIAL BENEFITS

Secondary benefits were savings per household, decreased food costs, food security, and consuming safe and organic vegetables. A significant proportion of the households reported that cultivation reduced their monthly household expenses.

There was also a very strong sense of why they were cultivating. Most households indicated that they began planting for organic food (36%) or as a hobby (37%). A smaller number indicated that their main motive was economic or ecological. This suggests that households are better informed about saving, health and quality of food than about direct financial returns.

TABLE 4 - REASONS FOR GROWING.

<i>Characteristic</i>	<i>Count</i>	<i>Percent</i>
<i>Ecological Security</i>	14	3.4
<i>Economic Viability</i>	38	9.3
<i>Friends & Relatives</i>	5	1.2
<i>Interest in Organic Foods</i>	148	36
<i>Part of Hobby</i>	152	37
<i>Productivity</i>	53	13

The contrast between rural and urban also shows awareness patterns better. Direct benefits related to sales were actively acknowledged by rural households (panchayat), and the indirect benefits i.e., safe food and cost reduction were rated relatively higher by urban households (corporation and municipalities) (Table 5).

This variation represents the difference in socio-economic conditions, whereby rural households, owning bigger plots and practicing traditional farming, as well as more open to the market, while urban households, having not much land and greater exposure to health awareness, are inclined towards non-monetary benefits.



TABLE 5- REASON FOR HOMESTEAD FARMING ACCORDING TO THE TYPE OF AREA

Type of Area	Ecologic Security	Econom ic Viability	Friends & Relatives	Interest in Organic Foods	Part of Hobby	Productivi ty	Total
Corporation	3 (4.7%)	5 (7.8%)	0 (0.0%)	24 (37.5%)	24 (37.5%)	8 (12.5%)	64
Municipality	2 (5.9%)	1 (2.9%)	0 (0.0%)	13 (38.2%)	13 (38.2%)	5 (14.7%)	34
Panchayat	9 (2.9%)	32 (10.3%)	5 (1.6%)	111 (35.6%)	115 (36.9%)	40 (12.8%)	312
Total	14 (3.4%)	38 (9.3%)	5 (1.2%)	148 (36.1%)	152 (37.1%)	53 (12.9%)	410

V. SUMMARY OF RESULTS

Knowledge about indirect benefits (savings, food security, organic food) is much higher than knowledge about direct benefits (sales income). In relation to the potential of sales, rural households are more oriented, and urban households are more focused on health and the saving of goods for the home. The limited land availability does not allow for extensive commercial agriculture but are enough for cost savings. Homestead farming can be considered complementary, not a primary economic activity.

VI. DISCUSSION

The results of the present study generate fresh understanding of the homestead farmers of Kerala regarding the financial gain on the agro-practices. Evidence from 410 households suggests a clear distinction in awareness of direct and indirect benefits. Though only few of the farmers believe that homestead farming is an income generating activity through selling, this practice is highly recognised as a local strategy that decrease food expenses, maintain household food security and enhance healthy living by consuming safe and organic food.

The findings are consistent with earlier findings elsewhere in the state. For instance, Devassy et al. (2024) observed that intangible factors like emotional satisfaction and household welfare are often more important than purely monetary in every farm decision. Similarly, Kumar et al. (2021) observed that the agricultural sector of Kerala is subject to structural issues characterized by a decrease in per capita agricultural land and dependence on imported produce, hence the significance of self-sufficiency. The findings from the current study strengthen these perceptions by revealing that most households see their homestead gardens as an insurance to rising market prices and pesticide adulterated vegetables but not as a main source of income.

Simultaneously, the results highlight significant differences between rural and urban homes. Awareness about direct benefits, particularly ability to sell surplus produce, was significantly higher among rural households and households in panchayat regions. Throughout this is in line with Jaslam et al. (2017) who also proved that farm households in Kerala could increase their income by employing optimal homestead cultivation systems. Urban households living in municipal corporations, on the other hand, felt threatened by issues related to health, lifestyle and food quality. This implies that urban households practice homestead farming for the purpose of food security and for another source of household consumption support, but not for any strong linkage to income.

Moreover, these trends are consistent with evidence at the national and global levels. Research elsewhere in India, such as Deshmukh et al. (2017) from Maharashtra and Chouhan et al. (2017) in Madhya Pradesh discovered that agroforestry and home cultivation were frequently resorted not only for economic motivation but also ecological reason, and domestic consumption reason. Internationally, Mellon-Bedi et al. (2020), who examined farmers in Ghana, found that the majority of households were incentivized more by crop diversity and nutritional benefit rather than the financial return. This relative view reveals that the indirect benefit awareness is generally more important in different environments, whereas direct financial awareness is more related to size of land, market participation and local socio-economic environment.

One of the significant perspectives which flows from the above findings is that homestead farming in the Kerala context is not synonymous with income generating activity. It may be better viewed not as a competing alternative, but as a complementing livelihood strategy that builds the resilience of households. Even tiny plots of land — whether rural or urban — growing fruit, vegetables or some food plants; shrubs or a hedge that may one



day yield fruit; flowers or an ornamental are all sources of pleasure and beauty and food. Even if you have only several square feet to accommodate pots, you can plant simple crops to eat! Indirect as they are, those benefits are more than welcome in a state where prices for food are high and health problems associated with market vegetables are common.

Nevertheless, the low level of knowledge regarding the monetary incentives which can be derived from the forests indicate the urgency of interventions. If families become more conscious of the possibilities of small-scale marketing, added value, and collective sales, they might easily increase their level of income without loss of the ecological and nutritional benefits of backyard farming. The test, however, is to develop extension and awareness programs that aim at both-bolstering financial awareness, while strengthening the positive valuation of Indirect gains.

Finally, the discussion has implications for future research. For instance, how does education, gender, occupational status, affect consciousness? Evidence from this study reveals the importance of women's involvement in farming decisions, but more research is required to determine to what extent their knowledge may deviate from men's knowledge. In the same vein, the financial and non-financial benefits of homestead farming on younger generations' may determine the long-term sustainability of homestead farming. Answering these questions would potentially allow policy makers and practitioners to develop better support systems for homestead farmers.

In conclusion, the research reiterates the extent to which homestead farming is valued for its indirect financial contributions in Kerala, with limited recognition and understanding of potential direct incomes limited to some households, particularly in rural regions. These results replicate previous literature but also provide new evidence based on a large diverse sample. They stress the need of multiple focuses of awareness—economic, ecological and social—when developing measures to support homestead farming as a sustainable and feasible activity for the welfare of the household in Kerala.

VII. CONCLUSION AND POLICY IMPLICATIONS

This study attempted to analyse the knowledge level on direct and indirect financial benefits of Homestead farming system in Kerala with data obtained from 410 families under corporation/municipality/panchayat. The findings indicate that households do acknowledge the

intangible benefits of homestead production. Awareness about direct financial benefits, such as income from sale of surplus produce, in contrast, is low and is restricted to households residing in rural areas with slightly higher extent of landholdings.

This study concludes that homestead farming in Kerala is considered not as a main income generating activity but as a supporting livelihood practice enhancing the economic stability, health and nutrition conditions. The dichotomy between rural and urban households also emphasizes the differences in how farming is perceived: for rural households, there is a potential income, while for urban families, it is all about health and lifestyle.

From a policy standpoint, there are at least two important implications to this. First, awareness campaigns can better stress the health and ecological benefits of homestead farming which already appeal to households' sense of priorities. Second, extension programme and local bodies, should also motivate farmers to venture into small-scale marketing, cooperative sales, and value addition, so that the immediate economic gains are not neglected. Through training, technical support and increased access to local markets, policymakers can help to transform the way households view homestead farming from a source of food security to a modest source of income.

Finally, the findings suggest that while awareness of non-monetary benefits is generally high, there is a need to prioritize the raising of awareness of financial benefits. If support to households in maintaining a balance between the two is implemented, homestead farming is better placed to be of significance in enhancing economic resilience, food security and sustainable livelihood in Kerala.

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