

Connecting Rural Women Entrepreneur to World through e-startup

Dr. Nidhi Goel

Asst. Prof., Dept. of Management, SVR College of Commerce and Management Studies,
Bangalore (Karnataka) India.

ABSTRACT

21st century women is keen to play an equal role in the society and is not satisfied playing the second fiddle in a family. Thus we are seeing more and more working women around us. This trend has also resulted in a lot of women entrepreneurs not just in urban area but also in rural area. Lot of government schemes aim at increasing the numbers of women entrepreneurs especially in MSME sector. However what we have realized is that the rural women entrepreneurs have a very limited area to play with; thus it is difficult for them to scale their business beyond a particular point. Hence it is important that they are connected to the outside world. This can provide those abundant opportunities and a level playing field. In order to do so, we need to onboard them on the e-commerce ship. E-Startup can thus be the bridge between these rural entrepreneurs and the world. E-Startups can provide them the platform which can help them reach distinct places. Aim of the paper is to analyze how e-startups can benefit rural women entrepreneurs and help them in taking their business to the next level. The present study is a qualitative one wherein multiple case studies from India will be discussed to propose the benefits of connecting e-startup to rural women entrepreneur.

Keywords: Rural women entrepreneur, E-startup, Case Studies, India

I INTRODUCTION

(a) Entrepreneurship- Entrepreneurship comprises business actions which are the centre of the invention of opportunities, innovation and creativity in the production process and development of economy (Agarwal and Lenka, 2015). Entrepreneurship is considered by the policy maker as an important contributor for the economic development (OECD, 1998). Successful entrepreneurship focuses on innovation and exploitation of entrepreneurial activities emerges from an individual's ingenious spirit into long-term business ownership, employment creation for the other, capital formation and providing economic security to the nation (Appelstrand and Lidestav, 2015).

Globally, entrepreneurship has emerged as a developmental insight for the business world (Lavan and Murphy, 2007). For seeing the importance of entrepreneurship for the world Baumol, (1993) defined the role of entrepreneurship as "If we seek to explain the success of those economies that have managed to grow significantly, compared with those that have remained relatively stagnant, we find it difficult to do so without taking into consideration differences in the availability of entrepreneurial talent and in the motivational mechanisms that drive them". Entrepreneurship symbolizes the innovation and crucial contributor of today economy (Orhan and Scott, 2001; Hisrich, 1990). However, we should not restrict entrepreneurship to one gender only. Now due to multi-faceted pressure women have realized that survival of their family lies only with working together with men (Marlow, 2002). Hence, economic growth of the nation would be unilateral without the participation of women in entrepreneurial activities who constitute approximately half of the population. In spite of their number, there is wide disparity in

women's economic status. So, there is an imperative need to put light on reasons for economic disparity and identify factors to help the condition of women entrepreneur (Agarwal and Lenka, 2015).

(b) Women Entrepreneur- A woman entrepreneur is a female who is an enterprising individual with an eye for opportunities and an uncanny vision, commercial acumen, with tremendous perseverance and above all a person who is willing to take risks with the unknown because of the adventurous spirit she possesses" (Vinze,1987). It is a well-accepted fact that women entrepreneurs add exponential growth to the economic growth of the nation. A nation cannot be developed without the contribution of women. Therefore, to invest in women is in favor of nation, emphasized by Ivanka Trump, daughter and adviser of the US president. She said in (GEM-2017) summit, "When women work, it creates a unique multiplier effect. The development of the country cannot be separate or isolated without the development of women. Women's contributions toward their family and work have made them powerful and indispensable network of the society. Accepting the importance of women entrepreneur for India Prime Minister Shri Narendra Modi said "Women First, Prosperity for All" in the (GEM-2017) summit at Hyderabad. Women entrepreneur has been identified as the "major force of job creation and innovation" (Organisation for Economic Cooperation and Development, 2004).

Many researchers have globally considered women entrepreneurship as a fundamental and progressive idea for the world (Scott, 1986). As a result, women entrepreneurship is an essential ingredient not only for world, but at the same time also for drafting

diverse opportunities for the future (Mitra, 2002). Many worldwide organizations have given significant contribution for the women. United Nation declared 1975 as an International Women Year and also declared 1975–1985 as the Women Decade. In September 2005, United Nations organized a world conference in China with the agenda of empowerment of women and also mentioned the policies and programs for the improved and better status in the society. For boosting entrepreneurship among women, NITI Aayog has launched ‘Women Entrepreneurial and Innovation Cell’ which offers financial support Rs.10, 000 crore funds under the scheme Fund of Funds, Mudra micro loan scheme and mentorship to women entrepreneurs. Besides, Government and No-Government bodies are increasing their attention towards women’s contribution to economic development by launching various schemes operated by different department and ministries.

II RURAL WOMEN ENTREPRENEURSHIP AND OPTIONS

(a) Status of Rural Women Entrepreneurships - In the rural area, we have seen the reverse trend compared to urban area. In rural area women are more inclined towards entrepreneurship as compared to urban area. In rural area around 80% of the women indulge them-selves in some kinds of entrepreneurial activities like handicraft, sewing, and pickle-papad making etc. One of the primary reasons behind this difference is the lack of job opportunities in the rural areas. Strained finances also force the women to contribute financially to the family. However, despite of more number of women entrepreneurs in rural area, the financial condition in these areas has not improved significantly. Reason behind it is the type and scale of the activities. Women in the rural areas operate at small scale with low profit margins. They can’t charge high as their clientele is also from relatively poor strata and is very price sensitive. For improving their financial condition, they must scale up their business. Improving the scale of business will not only help them in getting more profit but will also help them improve their quality. They must connect to the outer world so that they can present their offerings to national or global audience. They will need a platform which can help them increase their reach. Digital platforms like whatsapp and facebook have penetrated the nook and corner of our country. Similarly, many e-commerce platforms are now operating and taking businesses to next level. It is important that these rural women entrepreneurs are on boarded on these platforms. They can put their businesses on the digital platform so that it will be accessible to everyone. Digital platform can

be the game changer for women entrepreneurs, especially in rural areas. It can create a greater impact in the lives of women who set up their business in MSME sector in rural and semi-urban areas. Technology is helping women to overcome many problems by timely accessing the right and relevant information about market, capital and customers. Penetration of mobile phones in rural areas is one of the great initiatives bringing these women closer to the outside market.

(b) E- Startup – An Opportunity - In 21st century new technology and innovative ideas are playing the dominant role in the progress of India. It is directly associated with the living standard of a country. The term startup is used for a newly established business enterprise without having any previous history. The term e-startup has an element of new technology, innovation and revolution which is directly related with the business activity conducted through the internet. In today’s scenario, Indian e-startups ecosystem is positively correlated with the economic development of India.

Govt of India is also serious about providing a supporting environment for the e-startups. GoI had launched a Startup India portal on 16 January 2016 which is helping entrepreneurs in the self registration process. With the help of this portal they are providing financial support to the upcoming entrepreneurs. GoI is providing the concessional loan along with the foremost important part of startup India it is providing the expert advice to people those wants to become an entrepreneur.

III LITERATURE REVIEW

Literature survey is important before starting a study. In the present study, the literature is reviewed from major databases such as Scopus and Ebsco. Keywords used were women entrepreneurship, rural entrepreneurship, e- startup etc. The period of search was kept from 2000 to 2020. Syed Shah Alam, et al., (2011) conducted the study on women entrepreneur in Malaysia. During the research, he found the four factors which are directly and indirectly motivate women for entrepreneurship. These factors are family support, social ties, internal motivation and innovation (ICT) technology. In these factors innovation through the ICT technology has played the magnificent role to connect local women with outside world.

Michael William-Patrick Fortunato, (2015) conducted the study on rural women entrepreneur in USA. He found that technology has to ability to put women in a better place in spite of their location. But still we are seeing number of women is very less. It is happening because of the lack of awareness about the technology and it application.

Sonal Singh and Bhaskar Bhowmick, (2015) conducted the research on rural innovation. They found the presence of innovation but in implementation lot of problem women are facing it arises due to illiteracy, lack of market support and glass ceiling issue. Women are not getting the opportunities there because they are female.

Nuning Kurniasih, et al, (2020) they have conducted the research on adoption of e-commerce in the rural area. They found that adoption of e-commerce is much dependent on the characteristic of business and readiness and perception of people regarding e-commerce.

Furthermore, many researchers have found that information and communication technology (ICT), mobile banking has played a critical role in women entrepreneurship. They found the evidence of ICT technology which has the potential to uplift the condition of women. With the help of technology women would become aware and educated that help women to take right decision (Kabeer, 1999; Joseph, 2013; Kamberidou, 2013; Ameen and Willis, 2016).

Researchers like Subba Rao, (2004); Bisht & Mishra, (2016) state to connect people with ICT, it should be promoted in the local language of the area where they are operating. This model should run at the low cost so that poor people can replicate with them.

III OBJECTIVES AND METHODOLOGY

(a) Objectives Of The Study- The study was planned with the following objectives;

- (i) To identify the motivating factors that encourages women to set up digital startups.
- (ii) To understand the urgent need of digital startup for rural women in India.
- (iii) To critically examine the major issues and challenges faced by women in digital market with the help of case study.

(b) Motivating Factors Encouraging Women To Set Up Digital Startups

- (i) Access to Information:** Google Search and Voice Search bring a lot of information to the rural women. The best part of Google search is that it is available in the regional languages, so knowledge of English is no more a barrier in establishing their business on internet. For putting the business on the online platform they should have basic knowledge of computer and how to operate smart phone. In the present times, Smart phones and internet also provide them with the necessary platforms to educate themselves and how to spread their business in other area.

Skills needed: Ability to use mobile phones, use simple mobile apps, tablets

- (ii) Access to Capital:** Government has started various schemes for the promotion of entrepreneurship like Pradhan Mantri MUDRA Yojana (PMMY), StandUp India Scheme, Mahila Udyam Nidhi Scheme by Punjab National Bank, Bharatiya Mahila Bank Business Loan, Stree Shakti Package for Women Entrepreneurs etc. Earlier because of low penetration of internet facility, people lacked awareness about the government schemes. But, in today's time internet has penetrated into the rural area and all the information are easily there. So it is very easy for them to establish and promote their business with the help of various schemes. Technology has the power to realize their dreams and provides the platform to connect with the world.

Skills needed: Basic financial literacy, keyboard skills

- (iii) Access to Markets:** With the advent of technology, expansion and establishment of business is decoupled from the location. Irrespective of the base location, it is very easy to scale up the business. All you need is the right skill sets and entrepreneurial mindset. Technology has given various platforms to women to sell their goods outside their territorial boundaries. There are various mediums like creating own website, whatsapp, Facebook etc. Now we are also seeing that many online companies are contracting with many women to sell and promote their goods. It is becoming easier for rural women to exhibit and sell their indigenous products worldwide through these platforms.

Skills needed: Using social media like Instagram, Facebook, and taking photographs of good quality

- (iv) Customer service and engagement:** Prior to digitalization, it was next to impossible for these women to engage with their customer base and build long term relationships. But, now women in villages and towns can connect with local customers as well as those who live in cities. With the help of Smartphone's, it is very easy for them to take orders through Whats App, calls, texts, etc from any location. Digitization has revamped the payment system also. Earlier it became a hurdle in the operations of business. But Paytm, Google pay, Phone pay and internet banking has given ease to women to connect business worldwide.

Skills needed: Using Whats app and other messaging apps

- (v) **Business in a networked world:** Many organizations in India have come forward to equip women with digital skills. For instance, **Internet Saathi**, a global initiative of Google, has been providing training to women across numerous villages, with the strong conviction that digitally-equipped women can make their own lives and their communities,

Skills needed: Navigating simple e-Commerce sites, online transactions.

- (c) **Research Method-** Qualitative research method with a case study approach was used in this study. Case studies functions to get a deeper understanding of a phenomenon or issue in real-life and natural context (Crowe et al., 2011). In this research, we examined the information related with the necessity of e-commerce for the rural women entrepreneur in the Bangalore district. To expand their business in other area it is necessary for them to take the help of e-commerce. For the adoption of e-commerce it is necessary to understand the characteristics of business and women readiness to put their business on the online platform.

V CASE STUDIES

(a) Case-1

Interview of Radhika - Makes choir bags and articles

I am a 12th pass married women. I am married since 10 years and have 3 kids. Youngest started going to school last year. Husband works as a conductor with BMTC in Bangalore.

My husband is away most of the times because of the nature of his work and kids are also spending most of the time in school. So I had good amount of free time and I thought of utilizing it.

In my village few years back, an awareness camp was conducted by Government of India and a bank which gave me the idea of starting my business. Coordinators of the camp helped me in paper work and provided training and initial financial assistance.

My family was not very sure if I should take this plunge, but my husband was supportive. Once they saw regular income, they were very happy. Later I got to know about Udaan. This institution is helping women to spread their business to others state and countries. With the help of Udaan I put my business on the Online Platform and its spread. Now I am getting order from Tamilnadu, Kerela and Telangana. After seeing my success story in my village many women have approached me and asking assistance to setup their business.

(b) Case-2

Interview of Kamla - Owner of a boutique in Bengaluru Rural District

I am a widow and I have 2 kids. Elder one is in college and younger is in school.

My husband died in an accident 3 years back and all the responsibilities suddenly came on my shoulders. I had interest in stitching and knitting and thus I thought of opening my boutique.

I contacted an AWAKE association which introduced me to the nearby Bank. They have many schemes for women entrepreneurs. I also got a loan of Rs 3 lakhs under one of the schemes. When I started business I was stitching different kind of blouse and suit which were very popular in my area. Then AWAKE only has given the idea to make a catalogue and put my designs there. Now with the support of AWAKE, I also am getting the orders from Bangalore urban.

Opening and running a business is not an easy job and I had to face lot of hurdles but since I was determined, I could get through. I had to work to secure my children's future and this was a way I used my skills. Now I am proud to being a single mother and become able to provide good education to my children.

I employ 3 – 4 ladies and that gives me happiness. I want to increase my work and employ more people.

(c) Case-3

Interview of Kavita - Owner of an Air Purifier Lamp

I come from farming background. I am married for 15 years and eldest girl is 14 years. I have 2 kids. I am 12th pass. My husband is a carpenter.

Since many years, we were making decorative lamps at home. Later we used some organic material and turned them into Air Purifier lamps. It is supposed to not only purify the air but also generate positive energy in the house.

One day on the suggestion of a friend from city, I replaced the local organic material by Rock Salt. On some further study, we could add a lighting option in it as well. Thus, a wooden lamp was now transformed into a much better-looking item which could be placed in the drawing rooms of many houses. However, because of all this, the cost had increased, and I had to find clients who could afford it. Same friend asked me to explore the option of going with Amazon. We contacted them and understood the process.

I am amazed by the response received after placing the item on Amazon. I am getting orders from the entire country. Number of orders has increased many folds.

I have also employed 2 – 3 ladies with me and it is satisfying to support 3 families apart from mine. I don't want to stop now and next step would be to explore the options of exporting it abroad.

VI CONCLUSION

In this fast-moving economy, it is imperative for society that woman must take up entrepreneurship. Since we know women can multitask very well, it is a God gifted trait to women. It helps them in maintaining their work- life balance. Earlier, many people believed that women come into entrepreneurship only because of factors like poverty, death of bread earner in the family or need of additional income etc. Situation has now changed and women are venturing into business because they have the confidence that they can be equally successful (or even more) in the business field. They have the right attitude, skill set, risk taking ability, innovative thinking and passion which is needed to succeed as an entrepreneur. Today's woman is not satisfied confined in the 4 walls of the house. While they want to have a family, they are equally concerned about themselves. They don't want their education to go waste and that's why we see women breaking glass ceilings one after another.

Presently, Women entrepreneurs are not only earning for their families, but also helping society in achieving the objectives of equitable development. Earlier, entrepreneur word was synonymous to men. According to Raghuvanshi et al. (2017), gender discrimination, low level of education, cultural and social environment is some of the important factors in developing a good environment for women entrepreneurship in India. However, according to Raghuvanshi et al. (2017), poor access to financial resources is also an equally important challenge in women entrepreneurship. Moreover, researchers like Tambunan, (2009) and Semencenko et al. (2016) found that the lack of education and training restricts women to expand their business in developed countries. However, in developing countries, the lack of easy access to credit is the main barrier for women entrepreneur (Eastwood, 2004).

Despite above bottlenecks, many researchers and official reports of organizations like RBI, Ministry of finance, World Bank, International Finance Corporation and IMF have also highlighted the importance of e-startup to connect women with the outside world. Today, India's Digital Startup ecosystem is in a better position, wherein women's participation in the field of entrepreneurship is increasing day by day at a substantial rate.

The result of the present study indicates that rural women entrepreneur can immensely benefit if they adopt technology in whatever they do. They will be in a position to compete with outer world with the help of technologies. It provides the platform for

women to come out from their regional area and explore the opportunities present there in other area. However, it was realized during discussion with women that lack of awareness about government schemes & power of internet is still holding them from achieving their full potential. Women in rural area are still skeptical that to operate internet, they must be highly qualified, learn English but we also have examples from the same place where people are easily using services like youtube, whatsapp etc. It is the responsibility of e-startups to connect with such women entrepreneurs and tell them what can be achieved if they onboard the digital revolution. There are many avenues which can up skill them to do so, women just have to belief in themselves.

It is time we digitally empower our rural women and help them transform their skills into successful businesses. Internet has changed the way we perceive literacy. Rural women can empower themselves with technology, even if they do not know how to read and write beyond basic literacy. Several governmental and non-governmental initiatives are being undertaken to help empower these women digitally.

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