CHAPTER 3

CONCEPTUAL FRAMEWORK FOR SUCCESS
OF WOMEN ENTREPRENEURSHIP

3.1 INTRODUCTION

Women entrepreneurship has become an important factor in formal and
informal economy and by means of women empowerment, poverty reduction has
played increasingly important role in economic development. According to Lavoie
(1985) views women entrepreneurship as a firm which is headed by a female and
undertakes core responsibility of starting up a new business and accepts the
associated risks [153]. More so it includes, financial, administrative and social
responsibilities and discharge of daily management of the business. Similarly,
Buttner and Moore (1997) acknowledged women entrepreneurship is those who
initiate and own the business by at least 50 per cent of it and play an active role in
the business [154]. Additionally, Chu (2000) defined women entrepreneurship as
female owner-managers who own, inherit or jointly established with or without
family members [155].

3.2 CONCEPTUAL FRAMEWORK FOR SUCCESS OF WOMEN
ENTREPRENEURSHIP

Female entrepreneurs do not operate on different technical patterns. They
work under the same macro, regulatory and institutional framework as their male
counterparts in a free market mechanism. It is necessary to dig deeper to understand
the issues embedded in society which limit female’s mobility, interactions, active
economic participation and access to business development services. The business
environment for female in India reflects the complex interplay of many factors.
3.2.1 Socio-Demographic Features

The socio-demographic features of women entrepreneurs play an important role on ensuring the success of business. The age, educational qualification, religion, caste, marital status, family type, family size and number of earning members in the family have greater impact on entrepreneurial intention and endeavour, personal qualities and traits which in turn influence the starting up and the level of success of business (Sinha, 1996; Reynolds, et. al., 2000) [156, 157].

3.2.2 Motivational Factors

Motivation is the driving force that causes the change from desire to trying to achieve in life. Motivation has been shown to have roots in physiological, behavioural, cognitive, and social areas. Motivation may be rooted in a basic impulse to optimise well-being, minimise physical pain and maximise pleasure. Motivation is an inner drive to behave or act in a certain manner. Entrepreneurship being in the fourth level of Maslow’s pyramid (self esteem) there by complementing women to establish economic needs and their inner conditions such as wishes, desires and goals, activate to move in a particular direction in behavior.

Kuratko, et. al., (1997) and Robichaud, et.al., (2001) show that motivation of entrepreneurs falls into four distinct categories: 1. extrinsic rewards, 2. independence/autonomy, 3. intrinsic rewards and 4. family security. These four group of factors determine the motivation level of entrepreneurs which in turn affects on their business success [158, 159].

Besides, in Romania, income and job security needs are stronger motivators than self satisfaction and personal needs (Benzing, et.al., 2005) [160]. On the other hand, entrepreneurs in India are most strongly motivated by the desire for autonomy and then to increase their income. In Turkey, entrepreneurs are motivated to start their own business so they could provide security for themselves and their family and to increase income (Ozsoy, et. al., 2001) [161].
Benzing, et al., (2009) concludes that Ugandan entrepreneurs are motivated by “making money” (Bewayo, 1995) [162,163]. A study of entrepreneurs in Kenya and Ghana (Chu, et al., 2007) finds that the strongest two motivators are to increase income and to provide employment to them [164]. Roy and Wheeler (2006) find that micro enterprise owners in West Africa are motivated by a desire to satisfy basic psychological needs -food and shelter [165].

Blanchflower and Oswald (1998) conclude that people who are self-employed report higher levels of job and life satisfaction than employees [166]. High level of achievement motivation are consistent with the demands of entrepreneurial role, which appears to attract highly achievement motivated individuals because of the potential to derive more achievement satisfaction in an entrepreneurial setting, a context that provides the challenge, autonomy, and flexibility for achievement realization (Stewart and Roth, 2007) [167].

Stewart, et al., (1999) discover that entrepreneurs, who are primarily more of growth-oriented, are higher in achievement motivation then are managers and “small business owners”, which are focused primarily on producing current family income instead of growth. But the “small business owners” are not significantly higher on achievement motivation then managers. The achievement motivation difference between entrepreneurs and managers becomes much more pronounced when the entrepreneur has growth goals or when the entrepreneur is the founder of the venture. Motivation level for venture founders is likely attributable to the circumstances associated with founding. Venture creation appears to present the type of task challenge and lack of routine that attracts very highly motivated individuals [168].

3.2.3 Personal Factors

Personal factors like self fulfillment and achievement are important factors for females across the globe. One significant factor contributing to this is the status of females in society, especially in the developing world. Their leadership-role is discouraged and they are considered subservient to males (Dzisi, 2008) [169]. They
come to business because they want to prove themselves to others, including family members (Itani, et. al., 2011) [170]. With the world becoming a global village, many women even in remote and far-flung places are becoming exposed to the idea of financial independence as a route to empowerment. According to Kuratko and Hodgetts (1998), three factors influence in the decision for entrepreneurial intention. Those are personal characteristics, life path circumstance, and environmental factors [171].

The success of the entrepreneurship is likely to reflect a combination of the personal characteristics and attributes of the entrepreneur together with their reasons for surviving in the business. Whenever efforts are made to induct people to entrepreneurial career, the entrepreneurial qualities such as innovation, creativity, risk taking, perseverance are generally found lacking in women entrepreneurs. These are required to be aroused to an extent that people may opt for entrepreneurial career. This basic requirement is a much needed force to drive people to their new ventures. Left to themselves such qualities will be developed in only very few. Kumar and Kamalanabhan (2005) find that the personality factors- perceived control, optimism and change self-efficacy indicate a significant relationship with businesses’ survival. Entrepreneurs with high internal locus of control, relative to those low on this trait, will be more likely to try new approaches, pursue new opportunities, initiate change instead of reacting to events, and take risks (Poon, 2006) [172, 173].

The intention to become an entrepreneur has been described as the single best predictor of actual behavior (Francisco, 2005) [174]. Starting up a new firm is very much an individual decision, which is why the individual’s qualities as an entrepreneur are central in the investigation of entrepreneurship (Littunen, 2000) [175]. Starting a business is simply a rational choice faced by an individual who chooses between uncertain self-employment, having certainty as an employee and possibly unemployment, based on the expected utility in each state. The factors influencing that choice are entrepreneurial talent, attitude to risk and switching costs.
and personal factors are the most important thing in order to assure their survival in the industry (Storey, 2006) [176].

According to Yusuf (1995), the most critical factors contributing to business success consist of good management skills, access to financing, personal qualities, and satisfactory government support [177]. Huck and McEwen (1991) report that business owners in Jamaica consider that the marketing factor is the most critical ingredient for the success of a business [178]. Family’s emotional or instrumental supports are one of the crucial success factors for women entrepreneurs. Lee and Choo (2001) find that family members and others support can reduce the conflict of women entrepreneurs [179].

Ehigie and Umoren (2003) find that a high self-concept regarding their role in business and commitment to business can help women to become more successful entrepreneurs [180]. According to Rahim's study (1996), social support is negatively associated with stress [181]. Findings from a study by Chay (1993) also indicate that social support moderates the effect of work stressors [182]. Besides social support, strong ties in the business world do help women in achieving success in their businesses.

3.2.4 Promotional Strategies

Promotional strategy is the element of a firm's decision-making concerned with choosing the most appropriate mix of advertising, sales promotion, personal selling and publicity for communication with its target market. Promotion is one of the market mix elements or features, and a term used frequently in marketing. The marketing mix includes the four P's: price, product, promotion, and place (Jerome, 1964) [183].

Promotion refers to raising customer awareness of a product or brand, generating sales, and creating brand loyalty. Promotion is also found in the specification of five promotional mix or promotional plan. These elements are
personal selling, advertising, sales promotion, direct marketing, and publicity (Rajagopal, 2007) [184].

A promotional mix specifies how much attention to pay to each of the five subcategories, and how much money to budget for each. A promotional plan can have a wide range of objectives, including: sales increases, new product acceptance, creation of brand equity, positioning, competitive retaliations, or creation of a corporate image. Fundamentally, there are three basic objectives of promotion. They are according to (Dave, 2010) [185].

- To present information to consumers as well as others.
- To increase demand.
- To differentiate a product.

There are different ways to promote a product in different areas of media. Promoters use internet advertisements, special events, endorsements and newspapers to advertise their product. Many times with the purchase of a product there is an incentive like discounts (i.e., coupons), free items or a contest. This method is used to increase the sales of a given product.

Promotions are also held in physical environments at special events such as concerts, festivals, trade shows, and in the field such as in grocery or department stores. Interactions in the field (i.e., grocery and department stores) allow customers to purchase the brand or product immediately. The interactions among the brand and the customer are performed by brand ambassadors or promotional models that represent the products and brands in physical environments. Brand ambassadors or promotional models are hired by marketing companies that are hired by the brand to represent the product and/or service. Person-to-person interaction, as opposed to media-to-person involvement, establishes connections that add another dimension to promotion. Building a community through promoting goods and services can lead to brand loyalty.
Promotion can be done by different media, namely print media which includes newspaper and magazines, electronic media which includes radio and television, digital media which includes internet, social networking and social media sites and lastly outdoor media which includes banner ads, OOH (out of home). Digital media is a modern way of brands interacting with consumers as it releases news, information and advertising from the technological limits of print and broadcast infrastructures (Frank, 2009) [186]. Mass communication has led to modern marketing strategies to continue focusing on brand awareness, large distributions and heavy promotions.

The fast-paced environment of digital media presents new methods for promotion to utilize new tools now available through technology. With the rise of technological advances, promotions can be done outside of local contexts and cross geographic borders to reach a greater number of potential consumers. The goal of a promotion is then to reach the most people possible in a time efficient and a cost efficient manner.

3.2.5 Problems

In the process of establishing entrepreneurial ventures, women have to face various problems and these problems get doubled because of her dual role as earner and homemakers. In India most of the homemakers want to start their own business but there is so many problems faced by them. They feel frustrated in dual role. Government starts several programs for training of women entrepreneurship. Training programs create the interest among women and helpful to increase the skills and also to build the social attitude and high confidence.

Gould and Perzen (1990) classify women into “better-off and low-income women”. According to them, “better-off women” face the following challenges: lack of socialization to entrepreneurship in the home, school and society; exclusion from traditional business networks; lack of access to capital; discriminatory attitude of leaders; gender stereotypes and expectation: such as the attitude that women
entrepreneurs are dabblers or hobbyists; socialized ambivalence about competition and profit; lack of self-confidence; inability to globalize the business: men are leading in the global market. On the other hand, “low–income women” face challenges such as: poor savings, longer hours to work, health care and other assistance, illiteracy, regulation that do not distinguish between personal business assets make it extremely difficult to start a business or to invest the time it takes to make it profitable, lack of managerial skill, cultural bias both within cultural group and in the larger society, high level of poverty [187].

Women entrepreneurs require confidence, leadership and managerial skills for their accessibility to new markets. Entering into business as a woman offers the omni-challenges of learning how to effectively operate the activities of such business while simultaneously attempting to meet all other expectations that are part of entrepreneurship (Schaefer, 2003) [188].

Women entrepreneurs face many challenges, which include: government rules and regulations, lack of access to finance, assets, information technology, infrastructure and other facilities that enable their efficiency and business growth (United Nations, 2006) [189]. Kantor (1999) rightly argues that women often experience greater constraints on their economic actions relative to men [190]. Mayoux (2001) also notes that there are certain factors that limit women entrepreneurs’ ability to take advantage of the opportunities available to them in their environment and these factors have been identified as the reasons why their business fail [191].

The major factors that restrain women from business are gender-based discrimination, lack of communal support, limited access to information, inadequate education and training facilities, absence of trust in one’s capabilities and access to resources (Afza, et. al., 2010) [192]. Women also face some challenges and most significant of them are uncloaked guidelines, challenging interactions due to gender, dependence upon their male counterparts for transactions and extra restrictions imposed on them as compared to their gender counterparts (Ahmad, 2011) [193].
The family issues such as giving proper time and fulfilling family culpabilities are the chief issues confronted by them (Rao, et al., 2011) [194]. Siddiqui (2012) identify the gender inequality, problem of finance, low-level risk taking attitude, and the male - female competition are the major problems faced by women entrepreneurs in India [195]. Hafizullah, et. al., (2012) highlight that male dominance in culture creates problems for female entrepreneurs in terms of limiting their mobility, business participation and market interactions [196]. The lack of proper leadership, planning and inadequate financial resource allocation is some other difficulties that women usually face during execution of their businesses (Palaniappan, et. al., 2012) [197].

Kothawale (2013) finds less confidence, non availability of finance, socio-cultural disturbances, lack of managerial skills, low level of risk taking attitude, poor self image of women, inadequate motivation, discriminating treatment and lack of freedom of expression are the problems faced by women entrepreneurs [198]. Women entrepreneurs face so many problems in aspects of financial, marketing, health and family problems (Kaushik, 2013) [199].

3.3 CONCEPTUAL FRAME WORK OF THE STUDY

The socio-demographic characteristics of women entrepreneurs are influencing the degree of success of their entrepreneurial activities. The economic independence, market potential, need of money, help the family, try something on one’s own, hobby/special interest family/spouse and money motive are the major motivational factors affecting success of business activities. The personal factors of women entrepreneurs and their attitudes are also important for the success of business. Promotional strategies are important for effective communication with target consumers, which in turn influence the level of success of business. At the same time, problems related to business, personal, marketing, social and environment are also affecting the success of business. The proposed conceptual framework for success of women entrepreneurship in beauty clinics is framed and is presented in Figure 3.1.
3.4 CONCLUSION

In this chapter, based on the review of literature and above arguments, the conceptual framework for success of women entrepreneurship in beauty clinics is proposed and the various components of the proposed model are discussed.