Women Entrepreneurship through E-Business

Azlizan Talib$^1$, Mohd Nazaruddin Yusoff$^2$

$^1$School of Government, College of Law, Government and International Studies, Universiti Utara Malaysia
06010 UUM Sintok, Kedah
$^1$azlizan@uum.edu.my
$^2$hazaruddin@uum.edu.my

Abstract — This study is to examine the perception of entrepreneurship among women through e-business in rural area. It has become a phenomenon that has gained a lot of attention and has the potential to provide economic opportunities that can help in generating lucrative income. However, the percentage rate of women participation in economic development is still low. These problems are linked to gender issues that are hard to eradicate from the local community's thinking. Women are also seen as less interested in conventional entrepreneurship as it imposed a high risk and require their high commitment. To solve this problem, women began to respond positively to e-business. Among the objectives of the study are to identify the level of understanding, prospects and issues and e-business challenges and identify the implications of e-business in influencing the people's live. In order to meet the predetermined objective requirements, this study uses a quantitative approach, a questionnaire to collect data from 150 rural women. The results show that e-business has a positive implication in influencing the lifestyle of the women community that saves the consumer's time; but also has a negative implication of reducing social interaction among society. Hence, the e-business field should always be addressed, developed and tailored to help the increase of the participation of women in entrepreneurship in the rural area.

Keywords — e-business, women, economic development, entrepreneurship

1. Introduction

E-business has become a phenomenon among entrepreneurs, especially women. There are various applications that can be accessed through the internet that can make a business grow more globally and efficiently. In this case, women are more likely to engage in this category of business. In the context of the participation community, it is generally a national agenda and is a key indicator in determining the success or failure of an organized activity. This is because for most of the activities conducted, the role and participation of its community members is very limited. In this context, community members are more likely to act as recipients and not active as participants. Participation of the community should actually provide more opportunities for the people to play a role, to do a task, learn and finally gain experience. It will give and raise the trust, self-confidence and can encourage them to take the initiative to make changes.

When discussing about the participation of women in entrepreneurship programs, the basic point of discussion is regarding the level of participation. Previous studies have shown that the level of participation of women in entrepreneurship programs especially through e-business is still very low. This fact need to be identified and reviewed as entrepreneurship programs will have a huge impact as well as can bring about changes; especially to the development of socioeconomic and physical aspects of the local community especially in rural area.

2. Women’s Participation In Entrepreneurship

2.1 Definition of Entrepreneurship

Entrepreneurship is a field of study which covers a variety of definitions, perspectives and disciplines. When discussing entrepreneurship in business-oriented disciplines, convergence is more focused on entrepreneurial opportunities [27]. They also define entrepreneurship as exploration and exploitation of existing opportunities [24, 7]. Some authors criticize the definition by stating that entrepreneurship should also emphasize the activities beyond the scope of business [21, 12, 28, 34]. [12] considers the need to shift focus from entrepreneurs to someone who does entrepreneurial action. He argues that entrepreneurial action is a better approach in combining the resources needed from the aspect of creation, expansion and consolidation. Entrepreneurship should also be social-oriented in order to create a better community [3].

According to [30], entrepreneurship is in the pursuit of creating something of value than nothing. It is a process for generating opportunities and optimizing its use based on existing resources. [11] point out that "generating and
managing new businesses, small businesses or family businesses, characterized and having the problem is defined as entrepreneurship". Accordingly, such definitions are seen as the foundation of a family business that generates the essence of entrepreneurship with a focus on understanding the interaction between entrepreneurs and organizations, structures, treatments and resources [22].

While according to [13], "entrepreneurs are usually associated with the generation of economic luxuries for themselves and the society" where it emphasized on entrepreneurial aspects in a wider context. Social benefits from this entrepreneurship are also acknowledged by [31] which adds "entrepreneurship as part of a social welfare perspective not only selfishness but also to promote social economy by generating reforms in terms of market, industry, technology, institutions, employment and increase productivity".

2.2 Women Entrepreneurs

[29] define women entrepreneurs as women involved in entrepreneurship and those who initiate, possess, control, manage and take risks in their entrepreneurship. Women entrepreneurs are individuals who carry out small businesses, owned by individuals who establish and manage businesses based on the individual's principles and goals.

2.3 Participation Factors in Entrepreneurship

According to the study conducted by [9], the entrepreneurial environment plays an important role as a factor to expand entrepreneurship involving economic, political and sociocultural. In an effort to drive entrepreneurial expansion, besides internal entrepreneurial factors; the policy enacted and implemented by entrepreneur development agencies in the country will have an important impact on entrepreneurial and entrepreneurial developments.

According to [33], individuals choose to become entrepreneurs due to several driving factors such as the basic needs of life, environmental factors, demographics, and community perceptions. In addition, [20] also identifies several other factors that influence a person to become entrepreneurship namely family factor and family affair, early exposure to entrepreneurial characteristics, academic achievement, motivation, role model and the capital to start a business. [15] presents individual internal factors such as motivation, risk-prone, family background that entails entrepreneurship and others. While external factors can be seen from the aspect of the environment such as government advice, business loan, facilities and others. [1] found that there are several factors that influence one's tendency to become entrepreneurs such as commitment, competitiveness, assessment and risk taking ability, environmental influences and other factors such as family background, socio-cultural, managing and using marketing techniques, loan facilities and government subsidies.

[5] found that the existence of entrepreneurs is a combination factors of social, political and economic; involving market changes and government control that influenced by rational analytic thinking and intuitive/ holistic thinking. Through this process, there will be formal business planning, analyzing opportunities and other continuing behavioral goals.

[25] in his study on the profile of Malaysian entrepreneurs found that entrepreneurs with financial problems mainly because they are lack of knowledge. The same view was given by [30] when he said the basis of entrepreneurship education was technical and financial skills. Whereas [14] suggests management and marketing aspects are crucial to the success of entrepreneurs.

3. Digital Participation And Entrepreneurship

Digital participation is the access and use of the internet which includes various activities related to the achievement of inclusive information society [17]. Hence digital participation can be considered as the key to raising awareness about the benefits and gains of digital technology, including government services, entertainment, employment, business and efficient shopping methods. In the United Kingdom (2008), 17 million people did not use the internet and 75 percent were socially excluded. In Malaysia, access to the internet is only around 69 percent. This fact shows the digital divide in terms of access as well as digital exclusion among some communities [8].

Today, women entrepreneurs in business are increasingly exponentially. Factors contributing to the success and failure of entrepreneurs in Malaysia are also studied [29, 2]. The findings of earlier researchers found that motivation, interest, entrepreneurial network and innovation were among the factors contributing to the success of entrepreneurs. In addition, internet entrepreneurial aspects are seen as relevant to the empowerment of women [18, 32] and the involvement of women entrepreneurs in the field of internet entrepreneurship has implicated the lives of women entrepreneurs to advance and succeed globally. In this
regard, women are considered as agents of the active change in society.

In order to bring about social change by increasing the involvement of women in entrepreneurship, efforts have been made to encourage women entrepreneurs to use online applications to manage their businesses. According to [26], 50 percent of the population in most countries are women and 50 percent of them are potential labor force. Therefore, women will continue to be the main source of influence in the future generation development as well as contributing to the economy. The study by [4] found that the migration of women to the world of employment symbolizes the rise of women who choose to start their own businesses. Following that, [4] study also explained that women entrepreneurs are educated but may not have the skills of managing, comprised of unmarried women, which require management training. This is because at that time women entrepreneurs have not been exposed to ICT and internet usage. Hence, all business management is conducted traditionally.

According to [6], previous researchers have suggested that through the online community and the network through internet; will lead to a better quality of life. Hence, this situation is relevant to the development of the business world now most of which can be developed over the internet. Now, online entrepreneurship is becoming increasingly popular among Malaysian women entrepreneurs. This is due to the internet revolution that has had a huge impact on everyday life, especially in entrepreneurship around the world. However, the success and failure of entrepreneurship online depends on several factors such as business risk, competition, capital, supply and so on [23]. In this regard, [16] also pointed out that women entrepreneurs need to face various factors in determining their success as having a confident personality, willingness to take risks, past working experiences and innovative ideas.

Furthermore, cyberspace with various internet applications gives women entrepreneurs the opportunity to enhance social relationships with others who eventually become their customers, agents or suppliers even though they do not have face to face communication. With these advantages, women entrepreneurs will have more opportunity to promote their products and more easily acquire potential customers through cyber space networks, the use of electronic mail and social media such as blogs, facebook and instagram. [10] explain that entrepreneurs need information, capital, skills and employees to start business activities. Hence, with social connections and online discussions acquired by entrepreneurs, they can share ideas, extend markets and enrich information resources.

4. Research Methodology

This research involves several stages of the study, starting from the initial survey, conducting a questionnaire survey and conducting in-depth interviews with members of the identified community. Subsequently, questionnaire surveys and in-depth interviews were conducted on targeted groups to get a more specific and detailed overview in order to get more accurate findings to fulfill the research objectives.

In-depth interviews have been made to members of the community which include JKKK (rural community committee) and rural women to get a clearer picture of the needs of the study. This is to identify the level of participation of women in organized entrepreneurship activities to evaluate factors that influence the level of participation. This study used a randomized stratified random sampling method for 150 female respondents in the study area. The findings from this in-depth interview method will further reinforce the general arguments as a result of the analysis of questionnaires to produce a more robust and accurate research findings.

In addition, secondary data collection was also undertaken to obtain additional inputs to support existing data and inputs through interviews with officials from various relevant agencies; as well as printed reference materials from sources such as government agencies report, books, journals, newspapers, bulletins and so on.

5. Research Findings And Discussion

Entrepreneurship is seen as a change agent that can help to increase economic growth. Many efforts have been and are being made to encourage more people to engage in entrepreneurship. Successful entrepreneurs are highly innovative entrepreneurs who are able to express new ideas and products and thus encourage competition in business. Entrepreneurship is important in today's world and is a driving force for change and economic development. The role of entrepreneurship in economic development is not merely to increase per capita production and income levels, but it also involves changes to the business structure and society. [19] argue that successful entrepreneurs should have a mix of innovative, proactive and risk-taking ability. What is the role of information technology and communication in the creation and also the catalyst for entrepreneurs? Information and communication technology is just one tool found to help expand the business of an entrepreneur. Yet the literacy in
the field of information technology alone will not be able to reveal successful entrepreneurs.

5.1 The Understanding of E-Business

Based on the research done, the majority of respondents know that social sites such as 'Facebook', 'Instagram' and 'Blogs' are mediums in providing job opportunities. This is because social sites can serve as a means of disseminating information on job vacancies while assisting users in managing a product or service. However, most respondents have never used the social site for business purposes. This indicates that the respondents are those who are not active in online business. In addition, most respondents have never been involved with any e-business marketing methods such as being stockist, agent or reseller, dropship and affiliate for a product or service offered in an electronic business.

5.2 E-Business Fields Prospect

Table 1. E-Business Driving Factors

<table>
<thead>
<tr>
<th>Item</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest</td>
<td>40</td>
</tr>
<tr>
<td>Capital</td>
<td>19</td>
</tr>
<tr>
<td>Family Support</td>
<td>18</td>
</tr>
<tr>
<td>Advisory services</td>
<td>9</td>
</tr>
<tr>
<td>Entrepreneurship Courses / Skills</td>
<td>14</td>
</tr>
</tbody>
</table>

Source: Field Research, 2017

Table 1 shows the factors that drive the e-business field. Interest factor was the highest factor in encouraging respondents to venture into the e-commerce sector of 40 per cent, followed by capital factor of 19 per cent, and family support of 18 per cent. Furthermore, the factors of entrepreneurship courses and entrepreneurship skills represent 14 per cent while the driving force of advisory services is nine per cent.

Through the research findings, interest factor is the driving force most because interest is an important element for someone to start a job. In addition, interest factors can also help to improve one's performance or enthusiasm.

Table 2. E-Business Field Prospect

<table>
<thead>
<tr>
<th>Item</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business opportunity globally</td>
<td>27</td>
</tr>
<tr>
<td>Explore more market opportunity</td>
<td>40</td>
</tr>
<tr>
<td>Have unlimited customers</td>
<td>33</td>
</tr>
</tbody>
</table>

Source: Field Research, 2017

Table 2 shows prospects in e-business. The majority of respondents, 40 percent of the total agreed that the e-business field can help to explore more market opportunities. Next, 33 percent of respondents agreed that e-commerce could have unlimited customers while 27 percent of respondents agreed that the e-business field gave global business opportunities.

Among the factors that cause respondents to agree that the e-business field can explore more market opportunities is because e-commerce is an open or modern trading method that uses information technology as a means of connecting people.

Generally, the results of this survey have shown that the field of e-business can explore more market opportunities. E-business is a new mechanism in borderless transactions that use information technology as a means of connecting more widely, and opening up market opportunities more easily. This is because mass media acting as an e-business medium is playing a big role in providing important information on business opportunities; and that can help entrepreneurs to offer goods and services that meet the needs and tastes of customers. As such, e-business can indirectly open up a wider market opportunity for respondents and can help in providing a variety of useful information related to e-business.

5.3 Issues and Challenges of E-Business Fields

Table 3. E-Business Barrier Issues

<table>
<thead>
<tr>
<th>Item</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer confidence</td>
<td>34</td>
</tr>
<tr>
<td>Cyber crime issue</td>
<td>38</td>
</tr>
<tr>
<td>Lack of experience</td>
<td>28</td>
</tr>
</tbody>
</table>

Source: Field Research, 2017

Table 3 shows all barrier issues to e-business. Most respondents - 38 percent - agree that cyber crime is one of
the challenges in e-business followed by 34 per cent customer confidence. Furthermore, 28 percent of the total respondents agreed that inadequate or lack of experience would also affect the e-business field.

The cyber crime issue got the highest percentage among respondents. Cyber crimes are a problem that can be of concern to both traders and buyers. This is because, this crime will harm both parties and reduce the productivity of the traders through fraud or data fraud, information theft, hackers, phishing and so forth.

<table>
<thead>
<tr>
<th>Table 4: Aspects That Affect Customer Trust</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item</td>
</tr>
<tr>
<td>Quality</td>
</tr>
<tr>
<td>Delivery Process</td>
</tr>
<tr>
<td>Business Licence</td>
</tr>
</tbody>
</table>

Source: Field Research, 2017

Based on Table 4, the quality aspect is the highest aspect of consensus among respondents, which is 62 per cent of the total score. Furthermore, 24 percent of respondents agreed that the delivery process was an aspect that would affect the customers' trust and followed by business license aspects which accounted for 14 percent of the total.

The cyber crime issue got the highest percentage among respondents. Cyber crimes are a problem that can be of concern to both traders and buyers. This is because, this crime will harm both parties and reduce the productivity of the traders through fraud or data fraud, information theft, hackers, phishing and so forth.

The quality of the goods often affects customers' trust. This is because, there are many cases involving the quality of purchased goods online which does not satisfy customers and sometimes customers are given goods that do not meet the features shown and described before the purchase process. Delivery process can also affect customer trust because the purchased item may not reach at the specified time. While the business license aspect gets the lowest percentage; according to respondents most of them do not care about the business license factor and still use the service of a website that does not have confirmation from certain parties.

<table>
<thead>
<tr>
<th>Table 5: Entrepreneurial Factor Less Experienced in e-Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item</td>
</tr>
<tr>
<td>Lack of communication</td>
</tr>
<tr>
<td>Lack of business related knowledge</td>
</tr>
<tr>
<td>Lack of skill in information technology</td>
</tr>
</tbody>
</table>

Source: Field Research, 2017

Based on Table 5, most respondents, 39 percent agreed that lack of business-related knowledge is the main factor that causes entrepreneurs to be inexperienced in e-business. The lack of communication network has a percentage of 32 percent while lack of skills in information technology represents 29 percent of the total.

Lack of knowledge in the business involved can be a factor that causes less experienced entrepreneurs in e-business. Every entrepreneur needs to have sufficient knowledge of the business they are in, so that entrepreneurs can not be tricked or easily deceived by the environment. In addition, the knowledge gained can also be used in expanding the business to a better stage.

Undoubtedly, in discussing issues and challenges in e-business, cyber crime issues can affect and affect e-business fields through fraud or data fraud, information theft, hackers, phishing and so forth. This issue often creates anxiety and mistrust to both traders and buyers. This is because, this crime will affect both parties such as losses and reduce the productivity of the traders. In addition, the quality issue of goods also affects buyers' trust as most cases involve the quality of purchased goods do not satisfy the customers. There are customers who have been given goods that do not meet the features described before the purchase process. These issues and challenges are described as one of the obstacles to those who want to start venturing into e-business especially the respondents.

5.4 Implications of E-Business in Influencing Community Lifestyle

Based on the findings, the e-business field can have a positive implication for both traders and buyers. Through e-business, traders and buyers can save their time, as traders can connect directly with customers without time and place limitation. This suggests that e-business is an entrepreneurial field that can operate disregard of time or place and the use information technology to facilitate transactions. However, these areas have also been shown to have a negative impact people lifestyle. This can be seen when e-business will reduce social interaction among society. For example, traders and customers only use information technology to process transactions and do not use any interaction or meeting between the two parties. Hence, the e-business field can have positive and negative implications in influencing people lifestyle.

6. Closure

The participation of women in entrepreneurship through e-business is seen to be increasingly encouraging from time
to time and some have begun to have a positive impact on improving their standard of living. E-business is the latest trend in entrepreneurship being seen growing in playing an important role in providing employment opportunities to the community, especially women in rural area.

In order to increase the participation of women in rural area, society needs to be applied with the value and practice of e-business use in daily life. This is to encourage the community, especially women to venture into entrepreneurship such as e-business to help reduce the unemployment rate in the country while nurturing the culture of entrepreneurship and the use of new technology in daily life. In addition, the participation of women in e-business can help them to generate a source of income aside while exploring the knowledge related to the field. Among the e-business benefits that women gain through their involvement in this area is to open a wider market in entrepreneurship, and have the opportunity to create more new and modern innovations in daily life. As such, e-business can help women to venture into entrepreneurship that has the potential to generate income and at the same time to improve their standard of living especially in rural area.

**References**


