SOCIAL MEDIA AS CONDUIT FOR WOMEN ENTREPRENEURS IN PAKISTAN

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Abstract

This study aims to recognize the impact of social media on women entrepreneurs in Pakistan, contrary to the present literature primarily on large-magnitude social media endeavours. It focuses to identify whether social media is offering a platform to micro-scale women entrepreneurs to solely conduct their business through it or is it serving only as an auxiliary mean to the conventional medium, while identifying the related advantages, challenges and disadvantages. A qualitative method i.e. semi-structured interview has been used to identify women entrepreneurs’ own insights, experiences and emotions. The results have revealed that social media has provided a platform to the women in Pakistan who cannot do a job or business through a traditional medium, primarily because of social and financial constraints. It has offered them momentous benefits including large market access, direct messaging, inexpensive and swift information sharing and flexibility. Women entrepreneurs highlighted imitation of genuine products, unfair price rivalry and trust issues as the prominent disadvantages of conducting business through social media. The study also made an interesting revelation that although Facebook is a widely used social medium; it is gradually losing its position to other topical social networking site i.e. Instagram, because of its comparatively inexpensive and more engaging interface.

Keywords: Social Media, Women Entrepreneurs, Micro-Scale Entrepreneurs, Pakistan.

JEL Classification: Z000

Introduction

Women count approximately 50% of the total population in Pakistan. However, according to Labour Force Statistics (2014-2015) the female labour participation rate is only 15.8%. According to a global survey, women’s earnings have also been reported to be almost half those of men⁴. Predominantly

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Eastern traditions are still being followed in Pakistan where men are considered as wage earners and women as homemakers (Sadiq & Ali, 2014). It is common to see that women leave their jobs and serve their families at home after marriage, while those working in paid jobs have the toilsome task of managing between work and household responsibilities (Davendran, 2008). They are burdened with domestic responsibilities along with office work (Tripathi & Bhattacharjee, 2012).

Internet has opened up the doors of opportunity in many ways. This era, called as the technological era, has greatly altered the way businesses used to carry out their dealings, through enhancing efficiencies and creating supreme prospects for entrepreneurs (Ramadan et al., 2013). Social media has gained popularity among businesses by having considerable influence on their functions and success, with major contribution of online interactions, which offers the opportunity of substituting physical dealings with the virtual ones, as confirmed by the fame of networking sites such as Facebook and LinkedIn (Barnes et al., 2012).

In Pakistan, brisk escalation in the usage of social media is prominent for the last few years. Pakistani users on Facebook, the most used social media, have crossed the mark of 19 million users with a 72% rise since January 20145, thus corroborating its fame. It has opened the doors for small scale young entrepreneurs to open business through this platform, especially for women. They have made their profile pages with details of their business and products. Uploading of items’ snaps, regular updates about price cuts, new arrivals and regular answer of queries have made it laudable business medium. Ezmieralda et al. (2015) have identified in their study that the key benefit it has offered is liveness; enabling women to pursue their business from anywhere at any time, while balancing their other home and family based obligations too.

Existing literature has mostly focused on ‘large scaled social media campaigns’ (Genç & Öksüz, 2015). Contrary to it, the endeavour of this article is to present how social media is contributing to boost micro-scale women entrepreneurship in Pakistan, whether it acts as an opportunity for them who cannot perform business through usual means because of certain monetary, social and systemic challenges or it is only helpful as supporting digital mean to conventional media, with a major focus on identifying the opportunities it has offered and the challenges which these entrepreneurs face while carrying out business through social media.

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Literature Review

Social Media as a Communiqué Tool

Social media is a medium for social interface. Social media is about “the means for any person to publish digital, creative content; provide and obtain real-time feedback via online discussions, commentary and evaluations; and incorporate changes or corrections to the original content”. Social media as compared to traditional media allow real time communication, where people can be both, information creators and receivers, without time and location constraints (Kim & Ko, 2012). This medium has offered a substantial opportunity for the growth of business related activities through business exposure, growing traffic and offering market information (Stelzner, 2012).

People talk on the internet about the products and services they have used or experienced, whether they have liked it or not, sharing the good as well as bad experiences. Two third of the total conversations are actually about a product, brand or service. Two way communications, the dominating feature of social media, has enabled especially the small entrepreneurs to build closer and profitable relationships with customers (He & Chen, 2014).

Social Media and Entrepreneurship

Entrepreneur is the one who organizes, administers and assumes the perils of a business. It may include the creation of a new venture, innovation and also the management of new venture (Mosted, 1991). The statement, ‘Social media influence entrepreneurial drive’ is accepted widely now. Social media gives access to the resources that may be difficult to attain through the formal means. The success of small businesses is dependent on building ‘committed’ relationships, and social media provides opportunity in this regard (Schaffer, 2013).

There is a gradual surge in the use of social media. According to a report by HuffingtonPost, social media usage has increased substantially around the world, with 4.2 billion monthly active social media users by 2016. This increasing social media permeation has not only gathered attention of businesses but has also tempted customers towards it. People are moving towards online shopping from the traditional means because it is convenient, economical and time saving. By using social

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people are connecting to hundreds of people at a time, where they can spot the needs of their customers, the changing trends and instant feedback. Social media has not only affected the youth and the old generation alike. Facebook has been identified as the most used social media tool. It is preferred by most of the small entrepreneurs because of its simple and friendly user interface as compared to other channels such as Blogs, Google+ and LinkedIn. The growth of social media, majorly contributed by Facebook, Tumblr and recently by Instagram\textsuperscript{10} has opened new paths of communication, enabling consumers to share information by its user-generated feature (Mangold & Faulds, 2009). Although the internet users and online shopping has increased yet the confusion still exists and many people are hesitant to purchase products or avail services through online means because of the security and privacy concerns (Rehman et al., 2011).

The usage of e-commerce in developed countries is at its peak, but in case of developing countries like Pakistan it is still on the lower side. Lawrence and Tar (2010) have also realised in their study that developing nations are lacking the essential conditions to support internet usage, which has huge latent as a tool for progress.

**Social Media and Women Entrepreneurs**

The world has never witnessed such vibrant change in technologies, economies and societies as it is now (Kose & Ozturk, 2014). At the same time, world has admitted that entrepreneurship and particularly women entrepreneurship is vital for the economic growth and poverty diminution in a country (Shah & Saurabh, 2015). Women’s involvement in economic activities has become a benchmark for economic progress in developing countries (IMF, 2013). For the last few years, the number of women who are self-employed has increased exponentially. Women entrepreneurship significance has increased not because of the economic strain on the only breadwinner at home but because of the act that women have now more access to better information channels and have enhanced desire for self-actualization as compared to the past, which has enabled them to earn for themselves and their families with a sense of self-worth, while also catering their social and religious compulsions (Melissa et al., 2015).

One of the most prominent features of this new business context is flexible working, allowing women to increase their share in the workplace. Social media has offered enough benefits to women entrepreneurs to pursue their businesses successfully, including fast and cheap information disclosure, display of the photos and videos of products without any cost, wide networking and instant messaging (Genç & Öksüz, 2015). It is claimed that flexible working facilitate women to take care of their children too, thus plummeting their stress and making them more prolific and contented with

their jobs (Hill et al., 2008). Beninger et al. (2016) have also concluded in their study that overall the social media has constructive impact on the lives of women entrepreneurs, both professionally and personally.

Women in developing countries like Pakistan still have to face many obstacles in planning and starting their own business and that is the reason that women entrepreneurs’ percentage is still low; this low percentage can be attributed to strong gender stereotypes, cultural values, norms and limited access to capital and developmental opportunities11. In rural areas, a woman’s principal responsibility is to look after her husband and children, with no permission to start her own businesses or to start a job that involves dealing with men12. Women around the globe are generally involved in low paying jobs requiring lesser skill. There is a huge gender disparity regarding communal and legal protection in the country causing marginalization of women13. President Women Entrepreneurs Association of Pakistan has claimed that 95% of the women in Pakistan are unable to fully comprehend their potential14.

Researches have proved that greater women employment can lead to rise in GDP considerably15. The growing technological awareness in Pakistani women has opened a door for their well-being by socializing and earning. In Pakistan, the women who have taken the initiative to work through e-commerce are taking the help of social networking sites (Shabib & Fatima, 2012). According to World Bank the number of self-employed women of the total working women in Pakistan is 78% in 2008, which is second highest among the Muslim nations16.

A recent report by Business Insider Intelligence has revealed that women consumers excel men in making research and purchasing merchandise online17. Women have also taken benefit of the

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prevalent situation and have initiated their own online businesses to meet their financial needs. Information and communication technologies have enabled women entrepreneurs to work under more elastic conditions, leading to equilibrium in the personal and professional obligations more lucratively (Ezmieralda et al., 2015).

Research Methodology

Data Collection Method

The study is a cross-sectional study where the data has been gathered from the respondents at one point in time. As like in most studies, cross-sectional study has been opted over longitudinal study due to resource constraints (Sekaran, 2003). The sample of small scale women entrepreneurs carrying out business on social media has been derived through snowball sampling technique as it was difficult to recognize the members of the desired population (Saunders et al., 2009). This method enabled to reach the most appropriate respondents for the study.

Data Collection Process & Interpretation

Considering the intent of the study which is to identify the purpose, strategies and means that small scale women entrepreneurs take on to pursue their work and identifying the opportunities and challenges they tackle during this course, particularly regarding carrying out business through social media, qualitative approach; semi-structured interviews have been opted. When the purpose of a study is to discover from the respondents the way they experience in a particular setting i.e. understanding women entrepreneurs’ own emotions and insights about their social media usage in this study, qualitative methods are highly appropriate (Atieno, 2009). NVivo software has also been used to assist in interpretation and to find insights into the collected qualitative data.

Instrument

The semi-structured interviews have been carried out by adapting questions from the existing studies based on women entrepreneurship and impact of social media (Genç & Öksüz, 2015; Melissa et al., 2015). These studies have also employed qualitative methods i.e. semi-structured interviews and focus group discussions to gain enhanced insights to women entrepreneurs’ perceptions, attitudes and experiences.

Pilot Study

Pilot study has been carried out to validate the effectiveness of the instrument serving as guide for semi-structured interviews. Pilot study involved two language experts, three academicians and two micro-scale women entrepreneurs. Participants were selected on the basis of convenience;
however care was taken to ensure that the members have the desired characteristics vital for the study.

**Sample Size**

The sample consists of six micro-scale women entrepreneurs conducting business through social media.

**Findings**

- **Respondents’ profiles**

  Among the interviewed women entrepreneurs, four are between the ages of 20-30 and two are of 30-40. Most of them have high education level; three declaring to have obtained a master’s degree, two having a bachelor’s degree and one with an intermediate. Two of the respondents are married, the rest four are unmarried. In addition, the information regarding their business revealed that all of them use social media professionally, with two of them selling customized handicrafts and gift items, three of them are in business of selling stitched clothes to women and one is a professional make-up artist, all with an experience of average three years.

- **Social media, an open business mean**

  All of the respondents have indicated that they started business with a small investment, particularly from their own savings or from the support of their family. Advance payments for order processing do not demand heavy investments from the entrepreneurs. The biggest attraction behind starting a business through social media was absence of infrastructural cost. A fashion designer emphasized this by saying that ‘I wanted to start my fashion designing business, but if I opted for my own physical outlet, it was costing me two million rupees. Then why not, one should opt for an online medium, which is offering the business opportunities in lower budget’.

  Another dress designer also accentuated the benefit by saying that ‘I didn’t have much financial resources to start my own physical outlet. And even if I had started, the ratio of loss will be much more than what I borne initially in my business through social media. Facebook is a cheap resource for small entrepreneurs.’

  All of the respondents are working informally, i.e. from home and using social media to have their virtual business outlet, however planning to have their products being displayed at multi-brand stores. Most of them work on their own; only two entrepreneurs claimed to have employed 5-6 workers/tailors of their own lately after they had earned sufficient savings from the business to triumph over the hassle of dealing with the tailors in the market.
The basic motivation behind entrepreneurs’ business was their interest and passion to do something on their own, i.e. self-actualization and secondly, financial gain. Among the married participants, quitting job to look after their children and family served as a catalyst to start an online business, particularly on social media. Social media offered a mean to socialize and run their business while at the same time being present for their families and household responsibilities. As a married dress designer revealed that, ‘I was doing job before marriage. I had the habit of earning and enjoyed having my own money. Then I had a daughter, the gap of two years made me feel dull. The platform of social media offered me an opportunity to be an entrepreneur, where I could also give time to my daughter and domestic responsibilities, as it’s my own work.’

However, all of the respondents have admired that in the last few years the trend of online shopping has increased significantly, especially among women. This increasing trend is followed by a boom in social media usage for the purpose, allowing virtual sharing of pictures, conversation and interaction.

- Advantages

The prominent advantage which every participant quoted is large and easy market access through social media. Even if they have a physical outlet, they can’t be in access to customers from different cities, even countries that the social media has enabled access to. As a dress designer who started her work four years back quoted, ‘When I started, I was expecting that I would not get many customers in Pakistan through social media but it was contrary, I got good market access and the main credit goes to women here, who are shopaholic.’

Social media has offered them a platform to display their creations and offerings through pictures and videos. Continuous and quick information disclosure and feedback through instant messaging and comments on posts has added efficiency in operations of the entrepreneurs. Sharing the pace of an order’s processing along with pictures on social media allow both the customer and the entrepreneur to get the desired product, saving them from the post-creation botheration. As a dress designer said that, ‘Fast feedback through sharing of pictures has reduced the hassle by allowing us to change anything if not according to the customers’ expectations.’

Another advantage that social media has offered to these women entrepreneurs is promotion of their business through their clients by adding reviews on their business pages and also through word of mouth.

- Challenges and disadvantages

With loads of opportunities and advantages that social media has offered, without any exemption all women entrepreneurs also face challenges to pursue their business. Starting business
through social media is cheap, but practising it through a virtual mean has its own setbacks. The major issue on which all participants agreed was related to trust. Customers interact virtually, view pictures, share their own, and place orders with the entrepreneurs. Work is judged through the posts on social media, as physically the samples are not available, which sometimes results in complaints from the customers that the product created is not according to what was shown. As a handcrafter while discussing this issue said, ‘People judge your work and level of creativity on the basis of pictures and later complain that you have changed the product. Two times customers were like return our money; we don’t want to buy the ordered product. I had to convince them, as profit margin is already low that I wanted return for my time, effort and money.’

The same issue was highlighted by the other handcrafter too. She said, ‘Making people understand in a customized product business is sometimes really difficult through a virtual mean. They see from their own perspective, and gaining trust gets tricky. However, I have to accommodate them, in order to retain them.’

The easy access to market through social media has equally opened doors for the less qualified people, who imitate the genuine creations of entrepreneurs for significant lower prices, creating unjust price competition and also creating confidence issues for the genuine buyers. All the dress designers quoted this issue. As one stressed the point by saying, ‘Imitation has created problems for authentic creators like us. Replicas are of low cost, apparently with the same looks of the genuine ones and thrifty people go towards them. But it is Facebook world, we can’t stop it.’

Similar issue was highlighted by the make-up artist, who puts her makeup videos and pictures on Facebook and Instagram to get customers. She said, ‘There are many people who are doing fake work by copying and sharing work of others. They edit their pictures and videos to capture the market. This has created doubt in minds of customers and when they interact, they seem confused about genuineness of your work. To convince people sometimes gets difficult.’

A dress designer while quoting the disadvantages of doing business through social media identified that dealing with customers through online medium is really tedious and time consuming. She said, ‘Dealings through social media demand more communication and interaction from the seller but response is comparatively less than a physical trade. However, this issue can be countered to some extent, but cannot be avoided.’

Aspect of cyber crime has also been highlighted by a women dress designer as one of the immense drawback of selling products online, as it can pose a great threat to the repo and even life of an online business. She added that, ‘My business page was flourishing at a good pace. But one day I failed to log in to my business page; someone hacked my account. My orders information, page followers and even my business, everything felt at stake. I approached my friend who is an IT Specialist. He helped me to recover my account and also added security features to protect my page from
future attacks. The hacker tried to manipulate my customers by sending vague messages and asking but Thanks God my customers trusted me. It is necessary for every entrepreneur in social media world to add enough security features to remain safe from such criminals and stay in the business.’

• Instagram, an emerging social networking site

Facebook has been identified as the prime mean of marketing communication by the participants, but the results have revealed that it is losing its worth among the entrepreneurs to the other rising social medium, Instagram. Among the six participants, four identified it as more effective because of the feature of ‘hashtagging #’, which allows for more marketing communications. The changing policies of Facebook including sponsorship concept has limited the content viewing by most of the fans on the business pages. The entrepreneurs can’t get enough viewership unless they pay to promote it. However, Instagram is still offering these perks free of cost. A dress designer, who has been on social media for four years remarked, ‘I am doing more of the business through Facebook, but now looking to use Instagram more for the purpose. I have around 28,000 fans on my Facebook page. But, if I upload a post, it is visible to only a limited number of fans. Facebook has limited content viewing by introducing the concept of sponsorship, which demands paying for it. Instagram, however still conserves its feature of being free of charge.’

The two participants said that they preferred Facebook over other social networking sites, credited to its privilege of being more user-friendly and having most users in Pakistan. The other social networking sites including Twitter, LinkedIn, etc have not been ranked famous among the women entrepreneurs in Pakistan.

**Discussion and Conclusion**

As the literature regarding social media and women entrepreneurship in Pakistani society is still evolving, this study adds to the discussion. The results of the study have confirmed that social media is offering momentous benefits to the women driving them to become entrepreneurs. Where, self-worth, independence and financial gain have been identified as the prime motivators. The same has been identified in a study in Indonesia by Melissa et al. (2015), where women realised social capital, self-worth and financial contribution as the prime drivers of online entrepreneurship. As according to the recent available statistics self-employed women of the total working women in Pakistan is 78%\(^{18}\), which they opt over formal employment primarily because of lack of enough time, gender partiality, social and cultural limitations and domestic responsibilities (Rehman & Roomi, 2012). Thus, social media entrepreneurship can be seen as a way out to the dilemma encountered by women in balancing their work and family life.

Furthermore, Facebook has been acknowledged as the principal mean of communication for carrying out micro-scale businesses by women entrepreneurs in Pakistan because of its large-networking, inexpensive and fast information sharing, direct messaging and user-friendly interface. However, following the general trend of declining popularity in comparison to Instagram, it is also losing its appeal among the women entrepreneurs primarily because of the sponsorship policy. The ‘hashtaging #’ feature of Instagram has added to its worth, which allows the viewers to view all posts tagged under a particular topic. This is supported by facts; as Facebook’s global reach has declined by 60% since 2012, and that of Instagram has risen by 200% because of the Facebook’s policy of ‘pay to get viewed’.

Social media though serving as a catalyst for women entrepreneurs is not free of hurdles. Though providing an easy access platform to the sellers and buyers, it has also provided effortless access to the imitators. This increasing trend has also made authentic buyers more conscious about the originality of the products, creating difficulty for the entrepreneurs to win their trust (Genç & Öksüz, 2015). Trust issues are also created by the virtual nature of social networking sites. It sometimes gets difficult for entrepreneurs to gain their confidence about the products’ features and quality, making communications tedious and time consuming than a physical dealing. Cyber crime has also been highlighted as one of the drawbacks that can pose serious threat to the survival of an online business for women entrepreneurs. This rising negative aspect of social media in Pakistan has been countered to some extent by authorities by implementing Cyber Crime Bill Act in 2016, where culprits have been subjected to imprisonment and/or fine, but still improvements are needed to fully overcome this crime (Geo News, 2016; Khan, 2017). Besides this Federal Investigation Bureau has issued a detailed guide for Facebook users to protect their accounts and pages from the cyber attackers, as weak security on part of the user is the prime cause of various cyber crimes (FIA, 2014).

Thus, the study through its results has added to the evolving narrative of social media and women entrepreneurship in Pakistan where it has confirmed that social media has served as a conduit for women entrepreneurs in Pakistan, who cannot do a job or pursue a traditional business, primarily because of certain social and financial constraints. Hence, confirming that social media is not helpful only as an auxiliary digital mean to usual medium, but solely serve as a platform for micro-scale entrepreneurs to carry out their businesses profitably.

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The results have been supported through running interviews in NVivo (Figure 1), which has shown the maximum frequency for words, ‘social media and business’; confirming that women entrepreneurs’ businesses are linked to the mean of social media. Followed by words ‘market, working, informally, customers, access, money, exposure, started, difficult, online, investment, pictures, recognition’ sequentially have strengthened the validity of the findings of the study. i.e. women entrepreneurs are capturing the desired market by running businesses informally rather than a formal traditional mean, because of the prime difficulty of having insufficient investment. This online mean has given these women exposure by sharing pictures of their work and an easy access to customers to earn money and even recognition.

Limitation and Recommendation

The study focused on identifying the impact of social media on women entrepreneurs in Pakistan from a broader aspect, contrary to the existing literature which had room regarding disadvantages of social media for micro-scale entrepreneurs (Genç & Öksüz, 2015), particularly in Pakistan. A further study with enhanced sample size can lead to more substantial contribution with improved generalizability of results.

References


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by small businesses. *Journal of Information Technology Case and Application Research, 16*(2), 91-104.


Appendix

Figure 1: Word Cloud